

101 West Jefferson Street
Springfield, IL 62702
217.785.7570

100 West Randolph Street
Chicago, IL 60601
312.814.3190



JB Pritzker
Governor

David Harris
Director

STATE OF ILLINOIS
DEPARTMENT OF REVENUE

MEMORANDUM

To: The Honorable Don Harmon
Senate President

The Honorable Emanuel "Chris" Welch
Speaker of the House

The Honorable John Curran
Senate Republican Leader

The Honorable Tony McCombie
House Republican Leader

From: David Harris
Director

Date: September 30, 2026

RE: Unified Economic Development Budget

Pursuant to the Corporate Accountability for Tax Expenditures Act, the Department of Revenue is submitting the annual Unified Economic Development Budget (UEDB), as found in 20 ILCS 715/10.

Public Act 100-0721 revised the reporting requirements for tax incentives under 20 ILCS 715/10. These changes allow the Department of Revenue more time to collect and process tax returns before publishing this report, which will result in a more accurate and complete accounting of uncollected or diverted state tax revenues. Therefore, UEDBs published under these new requirements are not strictly comparable to reports published prior to 2018. Tax incentive amounts reported in this year's UEDB are derived from tax returns for tax year 2023, while state development assistance amounts pertain to fiscal year 2026.

The following information is provided to aid in the interpretation of this revised report:

- 1) To the extent possible, tax credit amounts reflect actual reductions in state tax revenues.
- 2) Subtractions reduce income that is subject to tax rather than tax liability. The amounts reported reflect Illinois-apportioned reductions in income, not reductions in tax liability. Subtractions are presented in this manner because pass-through entities have no direct income tax liability.
- 3) The appropriated spending costs for the Department of Commerce and Economic Opportunity (DCEO) and Department of Transportation (DOT) incentives were provided by DCEO and DOT, respectively, and represent actual amounts obligated during fiscal year 2026. The loans issued by the Treasurer represent amounts issued under the Agricultural Investment Programs during fiscal year 2026.

Tax Incentives and State Development Assistance

Tax Incentives for Tax Year 2023

CREDITS APPLIED AGAINST INCOME TAX LIABILITY

Form IL-1120, Corporation Income and Replacement Tax Return

	<u>Taxpayers</u>	<u>Amounts</u>
TECH-PREP Youth Vocational Credit	0	\$ -
Film Production Services Credit	42	\$ 110,291,761
High Impact Business Investment Credit	11	\$ 71,984
Enterprise Zone Investment Credit	460	\$ 23,478,186
EDGE Credit	318	\$ 100,567,192
Research and Development Expense Credit	2,276	\$ 116,714,674
Angel Investment Credit	*	*
River Edge Historic Preservation Credit	*	*
Data Center Construction Employment	0	\$ -
Enterprise Zone Construction Jobs	0	\$ -
High Impact Business Construction Jobs	0	\$ -
Reimagining Electric Vehicles (REV) Illinois Investment	0	\$ -
New Construction EDGE	0	\$ -
River Edge Construction Jobs	0	\$ -

Form IL-1041, Fiduciary Income and Replacement Tax Return

	<u>Taxpayers</u>	<u>Amounts</u>
TECH-PREP Youth Vocational Credit	0	\$ -
Film Production Services Credit	*	*
Enterprise Zone Investment Credit	364	\$ 381,870
High Impact Business Investment Credit	57	\$ 11,918
EDGE Credit	301	\$ 4,601,201
Research and Development Expense Credit	601	\$ 1,009,395
Angel Investment Credit	138	\$ 127,706
River Edge Historic Preservation Credit	0	\$ -
Data Center Construction Employment	0	\$ -
Enterprise Zone Construction Jobs	0	\$ -
High Impact Business Construction Jobs	0	\$ -
Reimagining Electric Vehicles (REV) Illinois Investment	0	\$ -
New Construction EDGE	*	*
River Edge Construction Jobs	0	\$ -

Form IL-990-T, Exempt Organization Income and Replacement Tax Return

	<u>Taxpayers</u>	<u>Amounts</u>
TECH-PREP Youth Vocational Credit	0	\$ -
Film Production Services Credit	*	*
Enterprise Zone Investment Credit	*	*
High Impact Business Investment Credit	0	\$ -
EDGE Credit	*	*
Research and Development Expense Credit	*	*
Angel Investment Credit	0	\$ -
River Edge Historic Preservation Credit	0	\$ -
Data Center Construction Employment	0	\$ -
Enterprise Zone Construction Jobs	0	\$ -
High Impact Business Construction Jobs	0	\$ -
Reimagining Electric Vehicles (REV) Illinois Investment	0	\$ -
New Construction EDGE	0	\$ -
River Edge Construction Jobs	0	\$ -

* Pursuant to the Illinois Income Tax Act, information withheld to protect taxpayer confidentiality as the number of taxpayers is below our disclosure threshold.

CREDITS APPLIED AGAINST INCOME TAX LIABILITY (continued)

Form IL-1040, Individual Income Tax Return

	<u>Taxpayers</u>	<u>Amounts</u>
TECH-PREP Youth Vocational Credit	50	\$ 61,342
Film Production Services Credit	40	\$ 3,136,342
High Impact Business Investment Credit	11	\$ 4,450
Enterprise Zone Investment Credit	1,128	\$ 1,337,785
EDGE Tax Credit ¹	513	\$ 17,685,582
Research and Development Expense Credit	2,215	\$ 10,750,588
Angel Investment Credit	250	\$ 1,869,960
River Edge Historic Preservation Credit	16	\$ 2,234,708
Data Center Construction Employment	0	\$ -
Enterprise Zone Construction Jobs	*	*
High Impact Business Construction Jobs	*	*
Reimagining Electric Vehicles (REV) Illinois Investment	*	*
New Construction EDGE	10	\$ 45,933
River Edge Construction Jobs	*	*

	<u>Taxpayers</u>	<u>Amounts</u>
Total Credits Excluded from Above to Protect Taxpayer Privacy	52	\$ 5,437,998

SUBTRACTIONS²

Form IL-1120, Corporation Income and Replacement Tax Return

	<u>Taxpayers</u>	<u>Amounts</u>
River Edge Redevelopment Zone Dividend Subtraction	0	\$ -
River Edge Redevelopment Zone Interest Subtraction	0	\$ -
High Impact Business Dividend Subtraction	34	\$ 5,330,688
High Impact Business Interest Subtraction	0	\$ -
Contribution Subtraction	*	*

Form IL-1041, Fiduciary Income and Replacement Tax Return

	<u>Taxpayers</u>	<u>Amounts</u>
River Edge Redevelopment Zone Dividend Subtraction	0	\$ -
High Impact Business Dividend Subtraction	3,465	\$ 13,250,864

Form IL-1040, Individual Income Tax Return

	<u>Taxpayers</u>	<u>Amounts</u>
River Edge Redevelopment Zone Dividend Subtraction	485	\$ 375,759,767
High Impact Business Dividend Subtraction	2,912	\$ 39,286,780

Form IL-1065, Partnership Replacement Tax Return

	<u>Taxpayers</u>	<u>Amounts</u>
River Edge Redevelopment Zone Dividend Subtraction	0	\$ -
High Impact Business Dividend Subtraction	277	\$ 7,362,210

Form IL-1120-ST, Small Business Corporation Replacement Tax Return

	<u>Taxpayers</u>	<u>Amounts</u>
River Edge Redevelopment Zone Dividend Subtraction	*	*
River Edge Redevelopment Zone Interest Subtraction	0	\$ -
Contribution Subtraction	11	\$ 649
High Impact Business Dividend Subtraction	82	\$ 321,743
High Impact Business Interest Subtraction	0	\$ -

	<u>Taxpayers</u>	<u>Amounts</u>
Total Subtractions Excluded from Above to Protect Taxpayer Privacy	8	\$ 8,360

* Pursuant to the Illinois Income Tax Act, information withheld to protect taxpayer confidentiality as the number of taxpayers is below our disclosure threshold.

¹ EDGE Credit "Amounts" include amounts from form IL-941 applied against withholding liability.

² The figures in the "Amounts" column for SUBTRACTIONS reflect reductions in income after apportionment, not reductions in tax liability.

State Development Assistance for Fiscal Year 2026

APPROPRIATED SPENDING³

	<u>Amounts</u>
<u>Department of Commerce and Economic Opportunity</u>	
Program Type	
Business Development Infrastructure Grants	\$ 67,529,680
Employee Training Investment Program (ETIP)	\$ 6,994,696
Large Business Attraction	\$ -
<u>Department of Transportation</u>	
Program Type	
Economic Development Program	\$ 9,390,000

LOANS³

<u>Illinois Treasurer</u>	
Program Type	
Ag Invest 1-Year Operating Line of Credit	\$ 1,089,225,802
Ag Invest 2-Year Operating Line of Credit	\$ 11,900,000
Ag Invest Long Term	\$ 60,100,803
Business Invest	\$ 22,842,251
Community Invest	\$ 62,750,000

³ This information is provided by the respective agencies.

“Development assistance” means (1) tax credits and tax exemptions (other than given under tax increment financing) given as an incentive to a recipient business organization pursuant to an initial certification or an initial designation made by the Department under the Economic Development for a Growing Economy Tax Credit Act, River Edge Redevelopment Zone Act, and the Illinois Enterprise Zone Act, including the High Impact Business program, (2) grants or loans given to a recipient as an incentive to a business organization pursuant to the River Edge Redevelopment Zone Act, Large Business Development Program, the Business Development Public Infrastructure Program, or the Industrial Training Program, (3) the State Treasurer’s Economic Program Loans, (4) the Illinois Department of Transportation Economic Development Program, and (5) all successor and subsequent programs and tax credits designed to promote large business relocations and expansions. [20 ILCS 715/5]