

TAX EXPENDITURE REPORT

FISCAL YEAR 2011



STATE OF ILLINOIS
COMPTROLLER
JUDY BAAR TOPINKA

WWW.ILLINOISCOMPTROLLER.COM



STATE OF ILLINOIS
COMPTROLLER
JUDY BAAR TOPINKA



August, 2012

A Message to Illinois Taxpayers

Greetings! It is my pleasure to present this tax expenditure report for fiscal year 2011 for public review.

Compiled by my office as required by state law, this report contains information from agencies throughout state government. Tax expenditures are essentially tax breaks – such as exemptions, credits or abatements – given to individuals, corporations or other organizations. In fiscal year 2011, state agencies reported 243 such breaks, totaling roughly \$6.8 billion in foregone revenues.

Tax expenditures are enacted for a variety of reasons. In Illinois, they have been used to provide tax fairness (e.g. food and prescription drug exemption from sales taxes), encourage education (e.g. tuition tax credits) and promote economic development (e.g. tax exemptions for Enterprise Zone businesses).

A special study within this report focuses on the tax reform package enacted during fiscal year 2012. The major components of this package include benefits for individuals through increases in the standard exemption and earned income tax credit from the individual income tax and a larger exemption for the estate tax. Business benefits are through the partial restoration of the net operating loss deduction from the corporate income tax, expansion of the economic development for a growing economy (EDGE) income tax credits, and reduced apportionment to Illinois of income earned by financial exchanges.

In addition, the report analyzes tax expenditures greater than \$100 million, examines growth trends for the three largest tax expenditures, lists incentives designed to encourage businesses to locate and expand in Illinois, and highlights the differences between expenditures that primarily benefit individuals and those that assist businesses.

I hope you find this report informative and useful. If you have any comments or suggestions regarding this report, or any other report of the Comptroller's Office, please contact us at (217)782-6000 or (312)814-2451, or www.illinoiscomptroller.com.

Sincerely,

Judy Baar Topinka
Illinois State Comptroller

TABLE OF CONTENTS

Introduction

- What is a Tax Expenditure? 1
- The Impact of Higher Income Tax Rates Not Available for this Report. 1
- What’s New in Tax Expenditures. 2
- What’s New in Fiscal Year 2011 2

Special Study - The Fiscal Year 2012 Initiative

- The Components of the Tax Package. 3
- Estimated Costs 4

A Review of Fiscal Year 2011 Tax Expenditures

- The Impact of Tax Expenditures 5
- Tax Expenditures Greater Than \$100 Million 5
- Three Largest Tax Expenditures - Fiscal Year 1993 to 2011 5
- Who Received Tax Expenditures? 7
- Economic Development Tax Incentives 8

APPENDICES

- Appendix A: Tax Expenditures by Fund Group and Fund A1
- Appendix B: Tax Expenditures by Revenue Source B1-B4
- Appendix C: Summary Tax Expenditures by Agency, Revenue Source and Fund C1-C6
- Appendix D: Detail of Tax Expenditures by Agency, Revenue Source and Fund D1-D21
- Appendix E: Tax Expenditures Where Impact Was Not Reported E1-E3
- Appendix F: Tax Expenditures Legal Authority. F1-F8
- Appendix G: Tax Expenditures by Purpose G1-G4
- Technical Appendix. H1-H2



INTRODUCTION

What is a Tax Expenditure?

A tax expenditure is any exemption, exclusion, deduction, allowance, credit, preferential tax rate, abatement, or other device that reduces the amount of tax revenue that would otherwise accrue to the State. Tax expenditures are used to provide a means of benefiting “selected” groups or providing an incentive for the performance of desired activities. Numerous expenditures have been implemented over the years benefiting individuals and business.

The total impact of tax expenditures in Illinois (as reported by state agencies) was estimated at \$6.8 billion in fiscal year 2011, with the major portion derived from income and sales tax expenditures.

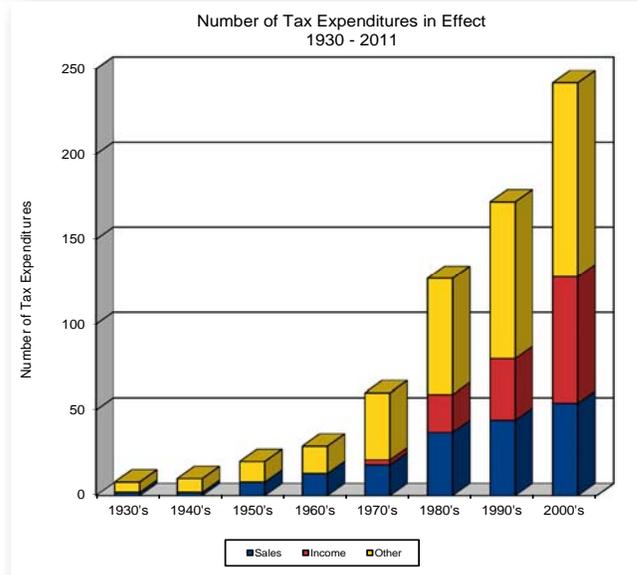
Tax expenditures have been used since the early 1930’s; however, it was the decade of the 1980’s that saw an explosive growth in their use. During that decade, 67 of the existing tax expenditures were enacted. Of these, at least 25 were related to economic development efforts including various tax expenditures related to enterprise zones, foreign trade zones, and high impact business investments.

For fiscal year 2011, agencies identified 243 tax expenditures, 194 were associated with taxes and 49 with licenses or fees. Since fiscal year 2000, there has been a second spurt in economic development tax preferences with tax breaks for river edge redevelopment zone investments, the economic development for a growing economy (EDGE) tax credit, and the film production services credit.

The Impact of Higher Income Tax Rates Not Available for this Report

Effective January 1, 2011, the individual income tax rate was increased from 3% to 5% and the state corporate income tax rate increased from 4.8% to 7%. Although taxpayers increased their withholding and estimated tax payments immediately following this date, data on its impact on tax expenditures will not be available until 2011 tax year final returns are processed. Since this data is not yet available, the income tax information contained in this report does not account for the impact of the increase in income tax rates.

As footnoted in this report, the computations of the costs of tax expenditures for the individual income tax were derived from 2010 tax year returns. Since most filers file on a calendar year basis, the final returns for those requesting exten-



sions were due during October 2011. For the 2011 tax year, final returns with extensions will be due during October 2012 and calculations based on these returns should be available for the fiscal year 2012 Tax Expenditure report.

The Department of Revenue waits an additional year to get more complete tax returns for computing tax expenditures for the corporate income tax. Thus computations of tax expenditures for the corporate income tax in this report were derived from 2009 tax year returns. Tax expenditures based on 2011 tax year returns should be available for the fiscal year 2013 Tax Expenditure report.

The impact of the higher tax rates on the cost of a specific tax expenditure will depend on the nature of the tax expenditure. Higher tax rates are unlikely to have much impact on tax credits other than larger tax liabilities may leave fewer potential credits unused. For example, the tax credit for residential real property taxes is 5% of property taxes paid on the taxpayer’s principal residence. The value of this credit is not impacted by the higher tax rate. In contrast, subtractions from the tax base will become more costly as every \$100 in subtractions will now reduce revenues by \$5 versus \$3 before the rate increase.

The majority of tax expenditures against both the individual and corporate income taxes are subtractions. For the fiscal year 2011 Tax Expenditure report, \$1.817 billion of tax expenditures for the individual income tax were from subtractions and \$744 million were credits. The breakdown for the corporate income tax was \$197 million arising from subtractions and \$81 million in tax credits.

What's New in Tax Expenditures

Tax Expenditures of \$6.8 Billion in FY 2011

Reported tax expenditures of \$6.776 billion in fiscal year 2011 were up \$430 million or 6.8% from reported tax expenditures of \$6.346 billion in fiscal year 2010. Much of the increase is from the traded-in property exemption from the sales tax which varies with fluctuations in motor vehicle trade-ins where the Department of Revenue's estimated cost increased from \$109 million in fiscal year 2010 to \$309 million in fiscal year 2011. Removing the traded-in property exemption from the figures reduces the increase in reported tax expenditures to \$230 million or 3.7%.

Tax expenditures from the sales tax of \$3.347 billion were up \$388 million or 13.1% from the prior year estimate. Removing the traded-in property exemption reduces the increase in reported sales tax expenditures to \$188 million or 6.6%. The estimated cost of the most expensive tax expenditure, the food, drugs, and medical appliances rate reduction, of \$1.547 billion was up \$17 million (1.1%) from the prior year estimate. Relatively large increases in the value of tax expenditures occurred for the farm chemicals exemption which increased from \$191 million in fiscal year 2010 to \$241 million in fiscal year 2011, the rolling stock exemption which increased from \$27 million to \$47 million, and the three tax expenditures involving the purchase of biofuels (the biodiesel discount and exemption, the gasohol discount, and the majority blended ethanol exemption) which increased \$48 million or 25.8% from a combined \$186 million in fiscal year 2010 to \$234 million in fiscal year 2011. An additional \$17 million in tax expenditures was added by the sales tax holiday exemptions which have just applied to fiscal year 2011.

Tax expenditures for the individual income tax of \$2.561 billion were up \$93 million or 3.8% from fiscal year 2010 expenditures of \$2.468 billion. The three most dominant individual income tax expenditures continued to be the federally taxed retirement and social security subtraction (\$1.099 billion), the standard exemption for taxpayers and their dependents (\$620 million) and the tax credit for residential real property taxes (\$542 million).

Tax expenditures from the corporate income tax of \$278 million were down \$77 million or 21.7% in fiscal year 2011. The cost of the largest corporate income tax expenditure, the

Illinois net operating loss deduction, declined from \$256 million in fiscal year 2010 to \$193 million in fiscal year 2011 reflecting the weak corporate profits for the 2009 tax year.

The hospital provider assessment exemption is for hospital providers who are state agencies and state universities or are counties or other units of local government and was \$173 million in fiscal year 2011. This was unchanged from the prior year as the current hospital services assessment is \$218.38 per occupied hospital bed-day excluding Medicare bed-days and is effective for fiscal years 2009 through 2013. Tax expenditures for the motor fuel taxes, the final revenue source with over \$100 million in tax expenditures, were \$137 million in fiscal year 2011, up \$7 million from the prior year.

What's New in Fiscal Year 2011

The State of Illinois added a few new tax expenditures in 2011, including an individual income tax subtraction for Illinois Court of Claims awards for being wrongfully imprisoned. Also, Illinois held its first Sales Tax Holiday in August 2010. During the holiday period, most items required by classroom teachers plus clothing and footwear costing less than \$100 per item were exempt from the 5% state portion of the sales tax. Additional sales tax holidays have not been established in the statutes.

The New Markets Development tax credit is new to this report. This is a state add-on to a federal tax incentive that began in 2001. The program provides federal income tax credits to financial institutions in exchange for investments in Community Development Entities. The entities use the investments to provide low interest rate loans, high loan to value ratios, an possible partial debt forgiveness to businesses or real estate projects in qualifying low income districts. The Illinois New Markets initiative provides additional income, insurance, or franchise tax credits for these investments. Credits given under this program are capped at \$20 million per year. ■

SPECIAL STUDY: THE FISCAL YEAR 2012 TAX INITIATIVE

The Components of the Tax Package

In late calendar year 2011, several major Illinois employers threatened to consider relocation offers if they could not be afforded relief from their Illinois tax burden. The tax relief package that resulted not only provides relief to these corporations, but also creates a new tax expenditure and expands existing tax expenditures that impact both business and individuals. The following discussion describes the impact of the tax package on state tax expenditures. Excluded from the discussion are any incentives provided by local governments to major employers threatening to relocate.

The economic development for a growing economy (EDGE) tax credit originally provided an income tax credit for a portion of the payrolls for qualifying companies in Illinois. Companies without current Illinois income will not immediately benefit from credit awards. Allowing employers to take withholding tax monies for the EDGE tax credit allows companies with no current corporate income tax liability to immediately benefit from their EDGE credit award. Companies in the transportation, telecommunications, and computing device manufacturing and in the water purification treatment businesses had been allowed to use the withholding diversion option. This option for obtaining the EDGE credit benefit is now expanded to credits awarded within 150 days of the effective date of this act for operators of discount department stores based in Illinois maintaining 4,250 employees at its Illinois corporate headquarters and companies employing 1,000 employees in Illinois in a specified auto parts business that relocates its corporate headquarters to Illinois. These two provisions appear to provide benefits to Sears and Champion Laboratories.

Another amendment to the income tax code is a new formula for apportioning monies to Illinois for federally regulated financial exchanges. Income earned by multi-state companies must be apportioned to the various states in which they operate. Illinois apportions income for multi-state companies according to the percentage of sales that take place in Illinois. The complaint that was made was that purchases of financial instruments that were initiated anywhere in the world for electronic execution on Illinois exchanges were being credited to Illinois leading to 100% of the income earned by the exchanges for executing the trades being subject to the Illinois income tax. In response to this complaint, the Illinois share of transactions will be reduced to 63.77% for fiscal year 2012 and 27.54% thereafter. This code change will be of great benefit to the Chicago Mercantile Exchange.

Apportionment formula changes have not been included in past Illinois Tax Expenditure reports since prior changes such as the move from a three factor (assets, employment, and sales) apportionment formula to the sales only formula could either raise or lower the tax burden for companies operating in Illinois depending upon the level of their involvement in the Illinois economy. This amendment can be defined as a tax expenditure since it only serves to reduce state tax liabilities for the covered tax payers.

Three tax expenditures are expanded that primarily impact individual taxpayers. Lower income workers benefit from an increase in the state earned income tax credit (EITC). This credit is currently 5% of the federal EITC. The state credit will be increased to 7.5% of the federal credit for calendar year 2012 and 10% of the federal credit for each succeeding year. All individual income taxpayers will benefit from an increase

Fiscal Year 2012 Reform Package*	
<u>Tax Expenditure</u>	<u>Modification</u>
Income Tax - Standard Exemption	Increase Standard deduction to \$2,050 for tax years ending on or after 12/31/12 and indexing it for inflation thereafter
Income Tax - Earned Income Tax Credit	Increase from 5% to 7.5% of federal EITC for 2012 and 10% thereafter
Income Tax - Net Operating Loss Deduction	Reinstated for tax years ending 12/31/12 - 12/31/14 with a \$100,000 per year cap per taxpayer
Estate Tax Exemption	Increase from \$2 million to \$3.5 million for 2012 and to \$4 million for 2012 and thereafter
Live Theatre Production Credit	New tax expenditure for spending by pre-Broadway and long-run shows with a \$2 million per year aggregate limit
Income Tax - Federally Regulated Financial Exchange Apportionment Formula	Apportionment formula for off trading floor transactions changed to 63.77% for tax years ending between 12/31/12 and 12/31/13 and 27.54% thereafter
Income Tax - Economic Development for a Growing Economy (EDGE) Credit	Credit can be applied against withholding for specified businesses
Various Tax Expenditures	Effective dates extended
* PA 97-636 and PA 97-652	

in the standard deduction from \$2,000 to \$2,050 for the 2012 tax year with the deduction to grow by the rate of inflation for each succeeding year. At the current 5% individual tax rate, the benefit will be \$2.50 per deduction for the 2012 tax year. Taxes on bequests between members of wealthy families will be reduced by an increase in the Illinois estate tax exemption from \$2 million to \$3.5 million for calendar 2012 and \$4 million thereafter.

The new tax expenditure is the credit for live theatre productions of pre-Broadway and long-run production shows. This credit is similar to the credit already available for movie production expenses. The tax credit for these major theatrical productions is 20% of Illinois labor expenditures, 20% of Illinois production expenditures, and 15% of Illinois labor expenditures generated by residents of high poverty or high unemployment areas. The maximum amount of the credit available for any year is \$2 million.

The Illinois net operating loss deduction had been suspended for tax years ending between January 1, 2011 and December 31, 2014. This tax expenditure is reinstated for tax years ending between December 31, 2012 and December 31, 2014. The reinstatement is mainly designed to help small businesses as the deduction is capped at \$100,000 per year per taxpayer. The loss carry forward is extended one year for each year the net operating loss deduction is suspended or capped.

The remaining components of the tax initiative are largely extensions of the lifespans of existing tax expenditures. These include the research and development credit, the investment tax credit levied against the replacement income tax, reduced sales tax rates for ethanol and biodiesel, the sales tax on food and drugs sold to state assisted nursing home residents, and the Tech-Prep, affordable housing, ex-felon jobs, veterans jobs, and river edge development zone credits. The New Markets Development, Small Business Job Creation tax credit and Business Location Efficiency Incentive program are also all extended.

An independent Illinois Tax Tribunal within the Department of Revenue was authorized to replace the current administrative hearings process effective July 1, 2013. Specific plans for the Authority remain to be legislated.

Fiscal Year 2012 Reform Package*		
Estimated Cost (Millions)		
Tax Expenditure	FY 2013	FY 2014
Income Tax - Standard Exemption	\$30	\$45
Income Tax - Earned Income Tax Credit	\$55	\$110
Income Tax - Net Operating Loss Deduction	\$50	\$50
Estate Tax Exemption	\$41	\$64
Live Theatre Production Credit	\$2	\$2
Income Tax - Federally Regulated Financial Exchange Apportionment Formula	\$43	\$85
Income Tax - Economic Development for a Growing Economy (EDGE) Credit	\$15	\$15
Total	\$236	\$371
* PA 97-636 and PA 97-652		
Source: Commission on Government Forecasting and Accountability		

Estimated Costs

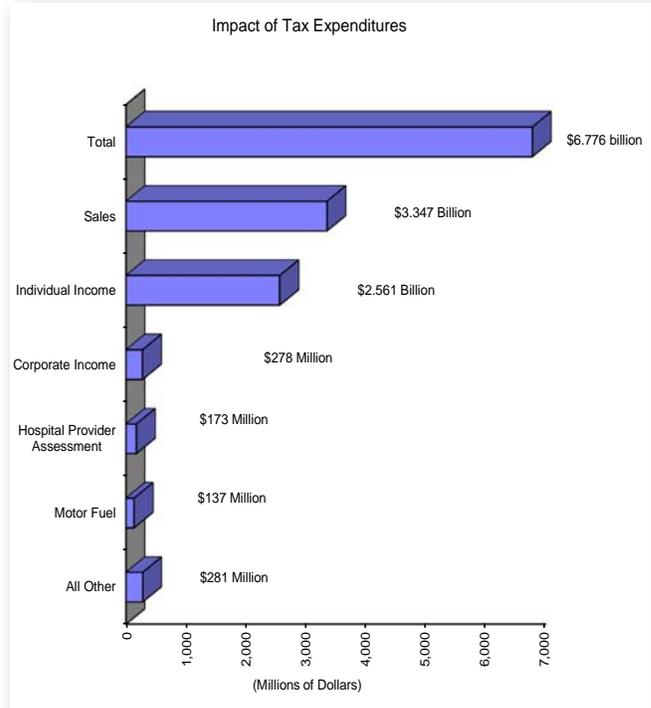
The Commission on Government Forecasting and Accountability (COGFA) estimates that the cost of the tax package will be \$236 million in fiscal year 2013 and \$371 million in fiscal year 2014. The impact on the individual income tax is expected to be \$85 million in fiscal year 2013 divided between \$30 million from the increase in the standard exemption and \$55 million from the increase in the EITC and \$155 million in fiscal year 2014 divided \$45 million from the higher standard exemption and \$110 million from changes to the EITC. The impact on business income taxes is expected to be \$110 million in fiscal year 2013 and \$152 million in fiscal year 2014. These costs include \$50 million each year from the reinstatement of the net operating loss deduction and \$43 million in fiscal year 2013 rising to \$85 million in fiscal year 2014 for the change in the apportionment formula for regulated financial exchanges. The remaining revenue source impacted by the tax initiative is the estate tax where the increase in the exemption is expected to cost \$41 million in fiscal year 2013 and \$64 million in fiscal year 2014. ■

A REVIEW OF FISCAL YEAR 2011 TAX EXPENDITURES

The Impact of Tax Expenditures

Although tax expenditures were reported for 44 revenue sources in fiscal year 2011, the five largest tax sources accounted for \$6.495 billion or 96% of the \$6.776 billion in reported tax expenditures.

Almost 50% of the reported value of tax expenditures was attributed to the sales taxes. Tax expenditures against the sales taxes of \$3.347 billion accounted for 49.4% of total tax expenditures. Tax expenditures against the individual income tax of \$2.561 billion were 37.8% of the total and corporate tax expenditures of \$278 million were 4.1% of the total. The hospital provider assessment (\$173 million) accounted for 2.6% and the motor fuel tax (\$137 million) accounted for 2.0% of reported tax expenditures leaving only \$281 million or 4.1% for tax expenditures from the remaining revenue sources.



Tax Expenditures Greater than \$100 Million

There were fifteen tax expenditures with estimated costs in excess of \$100 million in fiscal year 2011. Eight of the over \$100 million tax expenditures were from the sales tax, with four from the individual income tax, and one each from the corporate income tax, hospital provider assessment, and the motor fuel tax. Two tax expenditures, the food, drug, and medical appliance rate reduction from the sales tax and the

retirement income and social security deduction from the individual income tax, had a cost of over \$1 billion. With a cost of \$1.547 billion, the food and drug rate reduction represented 23% of the total reported impact of tax expenditures. The fifteen largest tax expenditures totaled \$5.9 billion or 87% of the total impact of all tax expenditures.

The Fifteen Largest Tax Expenditures - Fiscal Year 2011 (Millions of Dollars)		
Amount	Expenditure	Applied Against
\$1,547	Food, Drugs, Medical Appliances	Sales Tax
1,099	Retirement and Social Security Deductions	Individual Income Tax
620	Standard Deduction	Individual Income Tax
542	Property Tax Credit	Individual Income Tax
424	Sales to Exempt Organizations	Sales Tax
309	Exemption for Trade-Ins	Sales Tax
241	Farm Chemical Exemption	Sales Tax
193	Illinois Net Operating Loss Deduction	Corporate Income Tax
184	Manufacturing Machinery Exemption	Sales Tax
173	Hospital Provider exemption	Hosp. Provider Assess.
125	Gasohol Discount	Sales Tax
116	Retailer's Discount	Sales Tax
110	Non Motor Vehicle Use	Motor Fuel Tax
107	Biodiesel Discount and Exemption	Sales Tax
106	Earned Income Tax Credit	Individual Income Tax
\$5.896 Billion	Total Impact of Fifteen Largest Tax Expenditures	
\$6.776 Billion	Total Impact of All Tax Expenditures	
87%	Percent of Total Impact	

Three Largest Tax Expenditures, Fiscal Year 1993 to 2011

Reported tax expenditures of \$6.8 billion for fiscal year 2011 were \$3.7 billion greater or over 2.2 times the \$3.1 billion reported for fiscal year 1993, the first year that the Tax Expenditure Report was issued. The change in the value of reported tax expenditures reflects improved reporting, new tax expenditures, as well as the impact of inflation and economic growth. Of particular interest are the trends in growth for the three largest expenditures which accounted for slightly almost half (48.2% in fiscal year 2011) of the total reported cost.

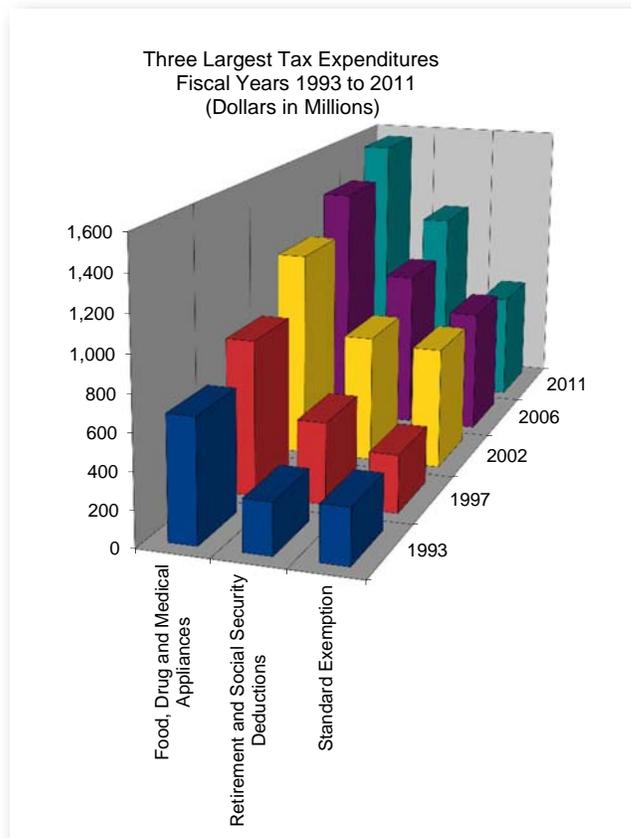
Retirement subtractions from the Illinois individual income tax apply to all retirement income including IRA, disability, social security, and railroad retirement income that is subject to the federal income tax. The estimated cost of this tax expenditure of \$1.099 billion for fiscal year 2011 was \$815 million greater or over 3.9 times its cost of \$284 million in fis-

cal year 1993. The substantial growth in this expenditure in part reflects the increase in income that has become subject to the federal tax, such as the increase in the maximum percentage of federally taxable social security income from 50% to 85% effective for the 1994 tax year.

Demographers are projecting a sizable increase in Illinois' population over 65. According to the Illinois Department of Commerce and Economic Opportunity population projections, there will be 2.9 million senior citizens in Illinois in 2030, up 73.9% from the number of seniors (1.7 million) in 2010. Over that same period, the total Illinois population is projected to increase 14.0%. The result should be a continued rapid increase in the cost of the retirement income tax expenditure.

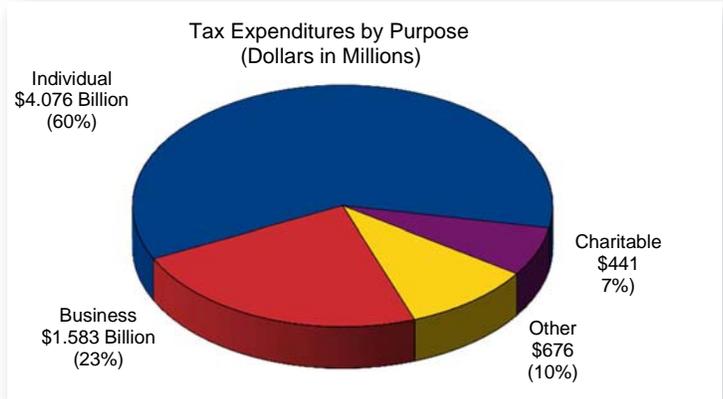
The \$1,000 standard deduction from the state individual income tax had been one of the slowest growing tax expenditures increasing only \$14 million from \$306 million to \$320 million between fiscal year 1993 and fiscal year 1998. With the doubling in the value of this tax expenditure (to \$1,300 for the 1998 tax year, \$1,650 for the 1999 tax year, and \$2,000 for years beginning with the 2000 tax year), its cost has increased a further \$300 million to \$620 million for fiscal 2011. More annual growth is expected starting in the 2012 tax year when the deduction will be increased to \$2,050 followed by an inflation adjustment each succeeding year.

The largest tax expenditure is the reduced sales tax rate for food, drugs, and medical appliances. Between fiscal 1993 and fiscal 2011, its cost increased \$872 million as the tax expenditure more than doubled from \$675 million to \$1.547 billion reflecting inflation and increased consumer purchases of exempted items.

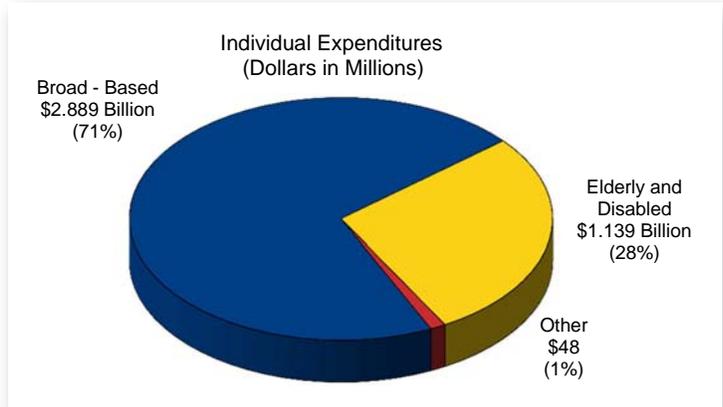


Who Received Tax Expenditures?

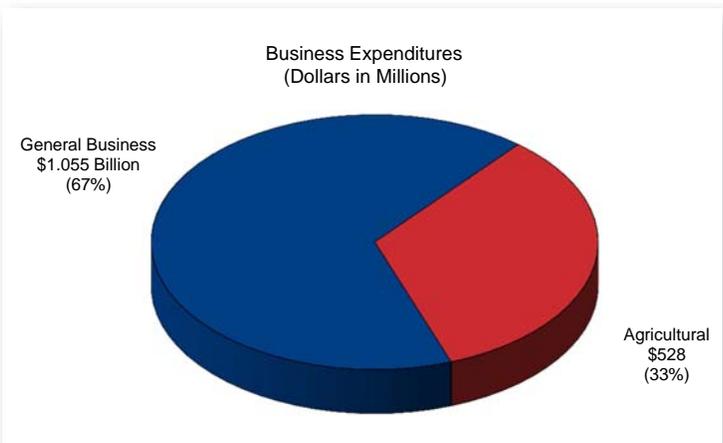
Tax expenditures for individuals totaled \$4.1 billion while business received \$1.6 billion, charities \$441 million and other \$676 million.



Individuals received \$2.9 billion in broad-based tax expenditures. The three largest were the food and drug rate reduction, the standard exemption from the individual income tax, and the property tax credit. Other broad-based tax expenditures included the earned income credit and the education expense credit. The expenditures for the elderly and disabled of \$1.1 billion consisted primarily of the federally taxed retirement and social security subtractions.



The impact of general business expenditures was \$1.1 billion, while agricultural expenditures were \$528 million. The net operating loss deduction, manufacturing machinery exemption, retailer's sales tax discount, and sales of motor fuel for use other than in motor vehicles were the largest general business expenditures. Sales to exempt organizations were all but \$17 million of the \$441 million worth of expenditures for charities. The largest of the \$676 million in other expenditures was the \$309 million impact of the traded-in property exemption from the sales tax.



Economic Development Tax Incentives

One of the most notable uses of tax expenditures is to provide incentives to businesses to maintain and expand employment and investment in the state. Among the current business incentives offered by Illinois are the sales tax exemption and credit for manufacturing equipment, tax incentives for high economic impact businesses and investments in enterprise zones and river edge redevelopment zones, EDGE (Economic Development for a Growing Economy) tax credits, job training, research and development, and film production services credits.

The cost of these incentives was \$410 million in fiscal year 2011. The largest incentive was the manufacturing and assembling machinery and equipment exemption from the sales tax with a cost to the state of \$184 million. There were three other incentives with a cost in excess of \$25 million, the manufacturer's purchase credit from the sales tax, the EDGE tax credit from the corporate income tax, and the enterprise zone and high economic impact business exemption from the electricity excise tax. ■

Economic Development Tax Incentives (Thousands)		
	Fiscal Year 2010 Annual Impact	Fiscal Year 2011 Annual Impact
Sales Taxes:		
Manufacturing and Assembling Machinery and Equipment Exemption	\$174,000	\$184,000
Manufacturer's Purchase Credit	33,000	37,785
Designated Tangible Personal Property within Enterprise Zone Exemption	21,000	20,000
Graphic Arts Machinery and Equipment Exemption	8,600	8,300
Building Materials within Special Zone Exemption	4,400	4,100
Individual Income Tax:		
Income Tax Credits	6,877	16,354
Income Tax Subtractions	0	4,532
Corporate Income Tax:		
Economic Development for a Growing Economy Tax Credit	34,766	36,149
Research and Development Credit	19,135	13,200
Film Production Services Credit	11,125	11,799
Enterprise Zone and River Edge Redevelopment Zone Investment Credit	7,169	6,009
High Economic Impact Business Investment Credit	96	3,104
Special Zone Dividend, Interest, and Charitable Contribution Subtractions	1,505	1,529
High Economic Impact Business Dividend Subtraction	4,810	1,181
Job Training Contribution Subtraction	1,149	477
Electricity Excise Tax:		
Enterprise & Foreign Trade Zone High Economic Impact Business Exemption	44,835	43,334
Purchase of Electricity Generated by Solid Waste Energy Facility Credit	3,174	2,184
Gas Revenue Tax:		
Enterprise & Foreign Trade Zone High Economic Impact Business Exemption	12,783	13,725
Telecommunications Excise Tax:		
Enterprise & Foreign Trade Zone High Economic Impact Business Exemption	2,196	2,254
Gross Receipts Tax (Public Utility Fund)		
Enterprise Zone Revenue Exemption	18	26
Total	\$390,638	\$410,042

The Tax Expenditure Report only identifies tax expenditures that reduce State revenues. When local taxes are piggybacked onto state taxes, tax expenditures also reduce local government tax revenues. A prime example is sales tax expenditures that also apply to the additional portion of sales tax collections distributed to local governments.

One prominent tax expenditure has been designed to exclusively impact local government revenues. The investment tax credit is

applied against the personal property replacement income tax which is distributed to local governments. This tax expenditure includes a base 0.5% credit for buying equipment used in retailing, manufacturing, mining, and river edge redevelopment zones. An additional credit is allowed for companies that increase their Illinois employment. The maximum additional credit is 0.5% for companies whose Illinois employment has increased by at least 1%. The cost to local governments for this tax expenditure for the 2009 tax year was \$22.3 million.

TAX EXPENDITURES BY FUND GROUP AND FUND

(IN THOUSANDS)

Fund Group: General

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 4,746,339	\$ 5,093,777
General Revenue - Common School Special Account Fund	0005	736,970	837,003
Education Assistance Fund	0007	183,926	187,277
Common School Fund	0412	1,611	1,614
Total Impact, General		\$ 5,668,846	\$ 6,119,671

Fund Group: Highway

Fund Name and Code:		FY 10	FY 11
Motor Fuel Tax - State Fund	0012	\$ 130,065	\$ 136,581
Road Fund	0011	9,043	8,116
State Construction Account Fund	0902	4,630	4,066
Total Impact, Highway		\$ 143,738	\$ 148,763

Fund Group: Special State

Fund Name and Code:		FY 10	FY 11
Income Tax Refund Fund	0278	\$ 302,639	\$ 272,668
Hospital Provider Fund	0346	173,274	173,274
Underground Storage Tank Fund	0072	19,921	21,541
Long Term Care Provider Fund	0345	8,604	8,854
Build Illinois Fund	0960	6,400	7,050
Horse Racing Fund	0632	3,632	2,881
Public Health Laboratory Services Revolving Fund	0340	2,686	2,686
School Infrastructure Fund	0568	1,611	1,614
Illinois Health Facilities Planning Fund	0238	0	1,369
Public Utility Fund	0059	1,416	1,314
Wildlife and Fish Fund	0041	1,272	1,272
Local Tourism Fund	0969	1,000	1,050
International Tourism Fund	0621	600	650
Drivers Education Fund	0031	506	569
Illinois Clean Water Fund	0731	375	375
Corporate Franchise Tax Refund Fund	0380	350	359
Metabolic Screening and Treatment Fund	0920	247	224
Environmental Protection Permit and Inspection Fund	0944	265	216
State Police Vehicle Fund	0246	0	190
Lead Poisoning, Screening, Prevention and Abatement Fund	0360	242	173
Long Term Care Monitor/Receiver Fund	0285	133	133
Health Facility Plan Review Fund	0524	96	96
Illinois School Asbestos Abatement Fund	0175	3	3
Pesticide Control Fund	0576	1	2
Total Impact, Special State		\$ 525,273	\$ 498,563

Fund Group: Bond Financed

Fund Name and Code:		FY 10	FY 11
Capital Projects Fund	0694	\$ 7,706	\$ 9,032
Total Impact, Bond Financed		\$ 7,706	\$ 9,032

GRAND TOTAL, IMPACT **\$ 6,345,563** **\$ 6,776,029**

TAX EXPENDITURES BY REVENUE SOURCE

(IN THOUSANDS)

Revenue Source and Annual Receipts: Sales and Use Tax

Expenditure:	FY 10	FY 11
Food, Drugs, and Medical Appliances Rate Reduction	\$ 1,530,000	\$ 1,547,000
Sales to Exempt Organizations	405,000	424,000
Traded-In Property Exemption	109,000	309,000
Farm Chemicals (Includes Feed and Seed) Exemption	191,000	241,000
Manufacturing and Assembling Machinery and Equipment Exemption	174,000	184,000
Gasohol Discount	102,000	125,000
Retailer's Discount	109,000	116,000
Biodiesel Discount and Exemption	83,000	107,000
Farm Machinery and Equipment Exemption	53,000	51,000
Rolling Stock Exemption	27,000	47,000
Sales of Motor Vehicles to Non-Residents Exemption	36,000	39,000
Manufacturer's Purchase Credit	33,000	37,785
Newsprint and Ink to Newspapers and Magazines Exemption	39,000	33,000
Sales of Vehicles to Automobile Rentors Exemption	27,000	32,000
Designated Tangible Personal Property within Enterprise Zone Exemption	21,000	20,000
Sales Tax Holiday Exemptions	0	16,800
Graphic Arts Machinery and Equipment Exemption	8,600	8,300
All Other	11,670	9,427
Total Impact	\$ 2,959,270	\$ 3,347,312

Revenue Source and Annual Receipts: Individual Income Tax

Expenditure:	FY 10	FY 11
Federally Taxed Retirement and Social Security Subtractions	\$ 1,005,159	\$ 1,098,914
Standard Exemption: Taxpayers and Dependents	654,272	619,858
Tax Credit for Residential Real Property Taxes	524,864	541,786
Earned Income Tax Credit	106,239	105,607
Education Expense Credit	75,705	74,354
Other Subtractions	43,541	51,269
Military Pay Subtraction	28,017	28,866
Additional Exemptions: Blind and Elderly	19,375	17,925
Income Tax Credits	10,482	22,037
Total Impact	\$ 2,467,655	\$ 2,560,616

Revenue Source and Annual Receipts: Corporate Income Tax

Expenditure:	FY 10	FY 11
Illinois Net Operating Loss Deduction	\$ 255,529	\$ 193,487
Economic Development for a Growing Economy Tax Credit	34,766	36,149
Research and Development Credit	19,135	13,200
Film Production Services Credit	11,125	11,799
Affordable Housing Donations	8,938	8,208
Enterprise Zone and River Edge Redevelopment Zone Investment Credit	7,169	6,009
High Economic Impact Business Investment Credit	96	3,104
Foreign Insurer Rate Reduction	10,240	2,309
Enterprise Zone Dividend, Interest and Charitable Contribution Subtractions	1,505	1,529
High Economic Impact Business Dividend Subtraction	4,810	1,181
Job Training Contribution Subtraction	1,149	477
All Other	60	52
Total Impact	\$ 354,522	\$ 277,504

TAX EXPENDITURES BY REVENUE SOURCE (IN THOUSANDS)

Revenue Source and Annual Receipts: Hospital Provider Assessment

Expenditure:	FY 10	FY 11
Hospital Provider Exemption	\$ 173,274	\$ 173,274
Total Impact	\$ 173,274	\$ 173,274

Revenue Source and Annual Receipts: Motor Fuel Taxes

Expenditure:	FY 10	FY 11
Sales for Use Other Than in Motor Vehicles Exemption	\$ 103,025	\$ 110,126
Timely Filing and Full Payment Discount	19,918	19,955
Municipal Corporation or Private Utility Local Transportation System Exemption	7,077	6,459
Aviation Purposes Exemption	45	41
Total Impact	\$ 130,065	\$ 136,581

Revenue Source and Annual Receipts: Electricity Excise Tax

Expenditure:	FY 10	FY 11
Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemption	\$ 44,835	\$ 43,334
Purchase of Electricity Generated by Solid Waste Energy Facility Credit	3,174	2,184
Total Impact	\$ 48,009	\$ 45,518

Revenue Source and Annual Receipts: Insurance Retaliatory Tax

Expenditure:	FY 10	FY 11
Replacement Income Tax Credit	\$ 22,048	\$ 25,730
Fire Department Tax Credit	16,530	16,028
Total Impact	\$ 38,578	\$ 41,758

Revenue Source and Annual Receipts: Gas Revenue Tax

Expenditure:	FY 10	FY 11
Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemption	\$ 12,783	\$ 13,725
Gas Used in Petroleum Refinery Operation	8,020	8,328
Gas Used in Production of Electric Energy	7,968	11,352
Gas Used in Production of Fertilizer	2,700	2,700
Cost of Collection Discount (Gas Use Tax)	679	682
Total Impact	\$ 32,150	\$ 36,787

Revenue Source and Annual Receipts: Vehicle Use Tax

Expenditure:	FY 10	FY 11
Rolling Stock Exemption	\$ 5,800	\$ 11,010
Government, Charitable, Educational, Religious Entities Exemption	2,900	5,960
Family Member Preferential Tax Rate	3,900	3,528
Farm Implement - Ready Mix Exemption	1,120	2,164
Out-of-State Resident Exemption	900	1,810
Surviving Spouse Exemption	150	280
Estate Gift to Beneficiary Preferential Tax Rate	290	160
Business Reorganization Preferential Tax Rate	58	58
Total Impact	\$ 15,118	\$ 24,970

TAX EXPENDITURES BY REVENUE SOURCE (IN THOUSANDS)

Revenue Source and Annual Receipts: Underground Storage Tank Tax

Expenditure:	FY 10	FY 11
Airport Exemption	\$ 15,223	\$ 16,732
Rail Carrier Exemption	2,967	2,982
Timely Filing and Full Payment Discount	1,220	1,217
Exemption for Ships, Barges & Vessels Conducting Interstate Commerce on Border Rivers	485	583
Liquefied Propane Gas Exemption	<u>26</u>	<u>27</u>
Total Impact	\$ 19,921	\$ 21,541

Revenue Source and Annual Receipts: Annual Reports of Corporations

Expenditure:	FY 10	FY 11
Two Million Dollar Cap on Franchise Tax for Corporations	\$ 17,510	\$ 17,934
Total Impact	\$ 17,510	\$ 17,934

Revenue Source and Annual Receipts: Insurance Privilege Tax

Expenditure:	FY 10	FY 11
Fire Department Tax Credit	\$ 15,226	\$ 15,226
Replacement Income Tax Credit	954	1,121
New Markets Development Program	<u>0</u>	<u>1</u>
Total Impact	\$ 16,180	\$ 16,348

Revenue Source and Annual Receipts: Motor Vehicle Registration (1st Division)

Expenditure:	FY 10	FY 11
Senior Citizen Plate Renewal Reduction	\$ 10,538	\$ 12,040
Municipality Owned Passenger Vehicle Exemption	2,729	2,249
Disabled Veteran Vehicle Registration Exemption	416	417
Charitable Organization Vehicle Exemption	2,581	215
X-POW Vehicle Registration Exemption	60	48
Sheriff Plates	47	21
Drivers Education Vehicles	<u>202</u>	<u>6</u>
Total Impact	\$ 16,573	\$ 14,996

Revenue Source and Annual Receipts: Hotel Operators' Occupation and Use Tax

Expenditure:	FY 10	FY 11
Permanent Residents Exemption	\$ 9,200	\$ 10,200
Cost of Collection Discount	<u>3,600</u>	<u>3,900</u>
Total Impact	\$ 12,800	\$ 14,100

Revenue Source and Annual Receipts: Telecommunications Excise Tax

Expenditure:	FY 10	FY 11
Cost of Collection Discount	\$ 9,262	\$ 9,229
Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemption	<u>2,196</u>	<u>2,254</u>
Total Impact	\$ 11,458	\$ 11,483

Revenue Source and Annual Receipts: Cigarette and Cigarette Use Taxes

Expenditure:	FY 10	FY 11
Cost of Collection Discount	\$ 8,604	\$ 8,854
Total Impact	\$ 8,604	\$ 8,854

TAX EXPENDITURES BY REVENUE SOURCE (IN THOUSANDS)

Revenue Source and Annual Receipts: Automobile Renting Occupation and Use Tax

Expenditure:	FY 10	FY 11
Claims for Loss or Damage Deduction	\$ 1,400	\$ 1,600
Exempt Organization Rentals	1,400	1,500
Insurance Coverage Deduction	1,100	1,200
Timely Filing and Full Payment Discount	500	600
Refueling Deduction	400	500
Other/Miscellaneous Deductions	100	100
Total Impact	\$ 4,900	\$ 5,500

Revenue Source and Annual Receipts: Driver's License Four Year Renewal

Expenditure:	FY 10	FY 11
Reduced Renewal Fee for Senior Citizens	4,648	5,162
Total Impact	\$ 4,648	\$ 5,162

Revenue Source and Annual Receipts: Standard Identification Card Fee

Expenditure:	FY 10	FY 11
Duplicated/Corrected ID Senior Citizen/Handicapped	\$ 3,284	\$ 3,125
Total Impact	\$ 3,284	\$ 3,125

Revenue Source and Annual Receipts: Racing Pari-mutuel (Privilege) Tax

Expenditure:	FY 10	FY 11
Real Estate Tax Credit	\$ 3,632	\$ 2,881
Total Impact	\$ 3,632	\$ 2,881

Revenue Source and Annual Receipts: Liquor Gallonage Tax

Expenditure:	FY 10	FY 11
Cost of Collection Discount	\$ 1,253	\$ 2,199
Non-Beverage User Exemption	414	587
Sacramental Wine Exemption	12	20
Total Impact	\$ 1,679	\$ 2,806

Revenue Source and Annual Receipts: Sexually Transmitted Disease Test Fee

Expenditure:	FY 10	FY 11
Population With High Incidence of Sexually Transmitted Diseases Exemption	\$ 2,356	\$ 2,356
Dept. Funded HIV Counseling & Testing Site and HIV Seroprevalence Exemption	330	330
Total Impact	\$ 2,686	\$ 2,686

Revenue Source and Annual Receipts: All Other

Expenditure:	FY 10	FY 11
All Other	\$ 3,047	\$ 4,293
Total Impact	\$ 3,047	\$ 4,293

GRAND TOTAL, IMPACT **\$ 6,345,563** **\$ 6,776,029**

SUMMARY OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Secretary of State

Revenue Source and Annual Receipts: Motor Vehicle Registration (1st Division)

Fund Name and Code:		FY 10	FY 11
Road Fund	0011	\$ 7,882	\$ 6,922
State Police Vehicle Fund	0246	0	190
Capital Projects Fund	0694	4,061	3,818
State Construction Account Fund	0902	4,630	4,066

Revenue Source and Annual Receipts: Standard Identification Card Fee

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 2,628	\$ 2,500
Road Fund	0011	656	625

Revenue Source and Annual Receipts: Duplicated/Corrected Driver's License

Fund Name and Code:		FY 10	FY 11
Road Fund	0011	\$ 4	\$ 15
Drivers Education Fund	0031	4	15

Revenue Source and Annual Receipts: Driver's License Four Year Renewal Fee

Fund Name and Code:		FY 10	FY 11
Road Fund	0011	\$ 501	\$ 554
Drivers Education Fund	0031	502	554
Capital Projects Fund	0694	3,645	4,054

Revenue Source and Annual Receipts: Annual Reports of Corporations

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 17,160	\$ 17,575
Corporate Franchise Tax Refund Fund	0380	350	359

Natural Resources

Revenue Source and Annual Receipts: Fishing Licenses

Fund Name and Code:		FY 10	FY 11
Wildlife and Fish Fund	0041	\$ 1,272	\$ 1,272

SUMMARY OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Insurance

Revenue Source and Annual Receipts: Insurance Privilege Tax

Fund Name and Code:	FY 10	FY 11
General Revenue Fund	0001 \$ 16,180	\$ 16,348

Revenue Source and Annual Receipts: Retaliatory Tax

Fund Name and Code:	FY 10	FY 11
General Revenue Fund	0001 \$ 38,578	\$ 41,758

Healthcare and Family Services

Revenue Source and Annual Receipts: Hospital Provider Assessment

Fund Name and Code:	FY 10	FY 11
Hospital Provider Fund	0346 \$ 173,274	\$ 173,274

Public Health

Revenue Source and Annual Receipts: Health Care Facility Permit Application Fee

Fund Name and Code:	FY 10	FY 11
Illinois Health Facilities Planning Fund	0238 \$ 0	\$ 1,369

Revenue Source and Annual Receipts: Vital Records Fees

Fund Name and Code:	FY 10	FY 11
General Revenue Fund	0001 \$ 4	\$ 18

Revenue Source and Annual Receipts: Metabolic Screening and Treatment Fee

Fund Name and Code:	FY 10	FY 11
Metabolic Screening and Treatment Fund	0920 \$ 247	\$ 224

Revenue Source and Annual Receipts: Private Sewage Fee

Fund Name and Code:	FY 10	FY 11
General Revenue Fund	0001 \$ 19	\$ 18

Revenue Source and Annual Receipts: Pesticide Control Fee

Fund Name and Code:	FY 10	FY 11
Pesticide Control Fund	0576 \$ 1	\$ 2

SUMMARY OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Public Health (Continued)

Revenue Source and Annual Receipts: Recreational Area Fee

Fund Name and Code:	FY 10	FY 11
General Revenue Fund	0001 \$ 38	\$ 36

Revenue Source and Annual Receipts: Swimming Pool and Bathing Beach Fee

Fund Name and Code:	FY 10	FY 11
General Revenue Fund	0001 \$ 99	\$ 99

Revenue Source and Annual Receipts: Long Term Care Facility Fee

Fund Name and Code:	FY 10	FY 11
Long Term Care Monitor/Receiver Fund	0285 \$ 133	\$ 133

Revenue Source and Annual Receipts: Childhood Lead Screening Fee

Fund Name and Code:	FY 10	FY 11
Lead Poisoning, Screening, Prevention and Abatement Fund	0360 \$ 232	\$ 163

Revenue Source and Annual Receipts: Automated Lab Tests - HIV (ELISA) Test and STD Test

Fund Name and Code:	FY 10	FY 11
Public Health Services Revolving Fund	0340 \$ 2,686	\$ 2,686

Revenue Source and Annual Receipts: Youth Camp License Application Fee

Fund Name and Code:	FY 10	FY 11
General Revenue Fund	0001 \$ 1	\$ 1

Revenue Source and Annual Receipts: Water Pump Contractor Fee

Fund Name and Code:	FY 10	FY 11
General Revenue Fund	0001 \$ 7	\$ 7

Revenue Source and Annual Receipts: Environmental Lead License Application Fee

Fund Name and Code:	FY 10	FY 11
Lead Poisoning, Screening, Prevention and Abatement Fund	0360 \$ 10	\$ 10

Revenue Source and Annual Receipts: Salvage Warehouse and Salvage Warehouse Store Act

Fund Name and Code:	FY 10	FY 11
General Revenue Fund	0001 \$ 3	\$ 3

Revenue Source and Annual Receipts: Asbestos Abatement License Fee

Fund Name and Code:	FY 10	FY 11
Illinois School Asbestos Abatement Fund	0175 \$ 3	\$ 3

SUMMARY OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Public Health (Concluded)

Revenue Source and Annual Receipts: Plan Review Fee - LTC Facilities

Fund Name and Code:		<u>FY 10</u>	<u>FY 11</u>
Health Facility Plan Review Fund	0524	\$ 96	\$ 96

Revenue

Revenue Source and Annual Receipts: Sales and Use Tax

Fund Name and Code:		<u>FY 10</u>	<u>FY 11</u>
General Revenue Fund	0001	\$ 2,222,300	\$ 2,510,309
General Revenue - Common School Special Account Fund	0005	736,970	837,003

Revenue Source and Annual Receipts: Individual Income Tax

Fund Name and Code:		<u>FY 10</u>	<u>FY 11</u>
General Revenue Fund	0001	\$ 2,064,484	\$ 2,165,946
Education Assistance Fund	0007	162,574	170,565
Income Tax Refund Fund	0278	240,597	224,105

Revenue Source and Annual Receipts: Corporate Income Tax

Fund Name and Code:		<u>FY 10</u>	<u>FY 11</u>
General Revenue Fund	0001	\$ 271,128	\$ 212,229
Education Assistance Fund	0007	21,352	16,712
Income Tax Refund Fund	0278	62,042	48,563

Revenue Source and Annual Receipts: Automobile Renting Occupation and Use Tax

Fund Name and Code:		<u>FY 10</u>	<u>FY 11</u>
General Revenue Fund	0001	\$ 4,900	\$ 5,500

Revenue Source and Annual Receipts: Cigarette and Cigarette Use Taxes

Fund Name and Code:		<u>FY 10</u>	<u>FY 11</u>
Long Term Care Provider Fund	0345	\$ 8,604	\$ 8,854

Revenue Source and Annual Receipts: Hotel Operators' Occupation and Use Tax

Fund Name and Code:		<u>FY 10</u>	<u>FY 11</u>
General Revenue Fund	0001	\$ 4,800	\$ 5,350
International Tourism Fund	0621	600	650
Build Illinois Fund	0960	6,400	7,050
Local Tourism Fund	0969	1,000	1,050

SUMMARY OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Concluded)

Revenue Source and Annual Receipts: Liquor Gallonage Tax

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 1,679	\$ 1,646
Capital Projects Fund	0694	0	1,160

Revenue Source and Annual Receipts: Underground Storage Tank Tax

Fund Name and Code:		FY 10	FY 11
Underground Storage Tank Fund	0072	\$ 19,921	\$ 21,541

Revenue Source and Annual Receipts: Motor Fuel Taxes

Fund Name and Code:		FY 10	FY 11
Motor Fuel Tax - State Fund	0012	\$ 130,065	\$ 136,581

Revenue Source and Annual Receipts: Electricity Excise Tax

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 46,611	\$ 44,230
Public Utility Fund	0059	1,398	1,288

Revenue Source and Annual Receipts: Gas Revenue Tax

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 32,150	\$ 36,787

Revenue Source and Annual Receipts: Telecommunications Excise Tax

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 8,236	\$ 8,255
Common School Fund	0412	1,611	1,614
School Infrastructure Fund	0568	1,611	1,614

Revenue Source and Annual Receipts: Vehicle Use Tax

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 15,118	\$ 24,970

SUMMARY OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Commerce Commission

Revenue Source and Annual Receipts: Gross Receipts Tax (Public Utility Fund)

Fund Name and Code:		<u>FY 10</u>	<u>FY 11</u>
Public Utility Fund	0059	\$ 18	\$ 26

Environmental Protection Agency

Revenue Source and Annual Receipts: Sewer Construction Permit Application Fee

Fund Name and Code:		<u>FY 10</u>	<u>FY 11</u>
Environmental Protection Permit and Inspection Fund	0944	\$ 148	\$ 126

Revenue Source and Annual Receipts: Water Main Construction Permit Application Fee

Fund Name and Code:		<u>FY 10</u>	<u>FY 11</u>
Environmental Protection Permit and Inspection Fund	0944	\$ 117	\$ 90

Revenue Source and Annual Receipts: NPDES Permit Discharge Fee

Fund Name and Code:		<u>FY 10</u>	<u>FY 11</u>
Illinois Clean Water Fund	0731	\$ 375	\$ 375

Racing Board

Revenue Source and Annual Receipts: Horse Racing Admission Tax

Fund Name and Code:		<u>FY 10</u>	<u>FY 11</u>
General Revenue Fund	0001	\$ 216	\$ 192

Revenue Source and Annual Receipts: Water Main Construction Permit Application Fee

Fund Name and Code:		<u>FY 10</u>	<u>FY 11</u>
Horse Racing Fund	0632	\$ 3,632	\$ 2,881

GRAND TOTAL, IMPACT		\$ 6,345,563	\$ 6,776,029
----------------------------	--	---------------------	---------------------

TABLE OF CONTENTS

APPENDIX D

	<u>Page</u>
Secretary of State.	D-1
Department of Natural Resources.	D-2
Department of Insurance.	D-3
Department of Healthcare and Family Services.	D-3
Department of Public Health.	D-4
Department of Revenue.	D-8
Sales and Use Tax.	D-8
Individual Income Tax.	D-11
Corporate Income Tax.	D-13
Automobile Renting Occupation and Use Tax.	D-16
Cigarette and Cigarette Use Taxes.	D-16
Hotel Operators' Occupation and Use Tax.	D-17
Liquor Gallonage Tax.	D-17
Underground Storage Tank Tax.	D-17
Motor Fuel Taxes.	D-18
Electricity Excise Tax.	D-18
Gas Revenue Tax.	D-19
Telecommunications Excise Tax.	D-19
Vehicle Use Tax.	D-20
Illinois Commerce Commission.	D-20
Environmental Protection Agency.	D-21
Racing Board.	D-21

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Secretary of State

		FY 10	FY 11
Revenue Source and Annual Receipts: Motor Vehicle Registration (1st Division)	\$	727,660	\$ 832,951
Expenditure: Charitable Organization Vehicle Exemption			
Fund Name and Code:		FY 10	FY 11
Road Fund	0011	\$ 1,280	\$ 105
State Police Vehicle Fund	0246	0	2
Capital Projects Fund	0694	549	46
State Construction Account Fund	0902	752	62
Total		\$ 2,581	\$ 215
Expenditure: Disabled Veteran Vehicle Registration Exemption			
Fund Name and Code:		FY 10	FY 11
Road Fund	0011	\$ 209	\$ 207
State Police Vehicle Fund	0246	0	4
Capital Projects Fund	0694	84	84
State Construction Account Fund	0902	123	122
Total		\$ 416	\$ 417
Expenditure: Drivers Education Vehicles			
Fund Name and Code:		FY 10	FY 11
Road Fund	0011	\$ 100	\$ 3
State Police Vehicle Fund	0246	0	0
Capital Projects Fund	0694	43	1
State Construction Account Fund	0902	59	2
Total		\$ 202	\$ 6
Expenditure: Municipality Owned Passenger Vehicle Exemption			
Fund Name and Code:		FY 10	FY 11
Road Fund	0011	\$ 1,366	\$ 1,111
State Police Vehicle Fund	0246	0	23
Capital Projects Fund	0694	561	462
State Construction Account Fund	0902	802	653
Total		\$ 2,729	\$ 2,249
Expenditure: Senior Citizen Plate Renewal Reduction			
Fund Name and Code:		FY 10	FY 11
Road Fund	0011	\$ 4,869	\$ 5,461
State Police Vehicle Fund	0246	0	161
Capital Projects Fund	0694	2,810	3,211
State Construction Account Fund	0902	2,859	3,207
Total		\$ 10,538	\$ 12,040
Expenditure: Sheriff Plates			
Fund Name and Code:		FY 10	FY 11
Road Fund	0011	\$ 28	\$ 11
State Police Vehicle Fund	0246	0	0
Capital Projects Fund	0694	2	4
State Construction Account Fund	0902	17	6
Total		\$ 47	\$ 21
Expenditure: X-POW Vehicle Registration Exemption			
Fund Name and Code:		FY 10	FY 11
Road Fund	0011	\$ 30	\$ 24
State Police Vehicle Fund	0246	0	0
Capital Projects Fund	0694	12	10
State Construction Account Fund	0902	18	14
Total		\$ 60	\$ 48
Total Tax Impact per Revenue Source		\$ 16,573	\$ 14,996

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Secretary of State (Concluded)

		FY 10	FY 11
Revenue Source and Annual Receipts: Standard Identification Card Fee	\$	10,928	\$ 10,194
Expenditure: Duplicated/Corrected ID Senior Citizen/Handicapped			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 2,628	\$ 2,500
Road Fund	0011	656	625
Total		\$ 3,284	\$ 3,125
Total Tax Impact per Revenue Source	\$	3,284	\$ 3,125

		FY 10	FY 11
Revenue Source and Annual Receipts: Duplicated/Corrected Driver's License	\$	3,323	\$ 3,131
Expenditure: Duplication of Stolen Licenses for Senior Citizens			
Fund Name and Code:		FY 10	FY 11
Road Fund	0011	\$ 4	\$ 15
Drivers Education Fund	0031	4	15
Total		\$ 8	\$ 30
Total Tax Impact per Revenue Source	\$	8	\$ 30

		FY 10	FY 11
Revenue Source and Annual Receipts: Driver's License Four Year Renewal Fee	\$	39,119	\$ 50,845
Expenditure: Reduced Renewal Fee for Senior Citizens			
Fund Name and Code:		FY 10	FY 11
Road Fund	0011	\$ 501	\$ 554
Drivers Education Fund	0031	502	554
Capital Projects Fund	0694	3,645	4,054
Total		\$ 4,648	\$ 5,162
Total Tax Impact per Revenue Source	\$	4,648	\$ 5,162

		FY 10	FY 11
Revenue Source and Annual Receipts: Annual Reports of Corporations	\$	208,098	\$ 206,897
Expenditure: Two Million Dollar Cap on Franchise Tax for Corporations			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 17,160	\$ 17,575
Corporate Franchise Tax Refund Fund	0380	350	359
Total		\$ 17,510	\$ 17,934
Total Tax Impact per Revenue Source	\$	17,510	\$ 17,934
Total Tax Impact, Secretary of State	\$	42,023	\$ 41,247

Natural Resources

		FY 10	FY 11
Revenue Source and Annual Receipts: Fishing Licenses	\$	8,619	\$ 8,094
Expenditure: Disabled, Under 16, 65 or Over, Fee Fishing Areas, Owners/Tenants Discount			
Fund Name and Code:		FY 10	FY 11
Wildlife and Fish Fund	0041	\$ 1,272	\$ 1,272
Total		\$ 1,272	\$ 1,272
Total Tax Impact per Revenue Source	\$	1,272	\$ 1,272
Total Tax Impact, Natural Resources	\$	1,272	\$ 1,272

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Insurance

	FY 10	FY 11
Revenue Source and Annual Receipts: Insurance Privilege Tax	\$ 176,232	\$ 175,227
Expenditure: Fire Department Tax Credit		
Fund Name and Code:	FY 10	FY 11
General Revenue Fund	0001 \$ 15,226	\$ 15,226
Total	\$ 15,226	\$ 15,226
Expenditure: Illinois New Markets Tax Credit		
Fund Name and Code:	FY 10	FY 11
General Revenue Fund	0001 \$ 0	\$ 1
Total	\$ 0	\$ 1
Expenditure: Replacement Income Tax Credit		
Fund Name and Code:	FY 10	FY 11
General Revenue Fund	0001 \$ 954	\$ 1,121
Total	\$ 954	\$ 1,121
Total Tax Impact per Revenue Source	\$ 16,180	\$ 16,348

	FY 10	FY 11
Revenue Source and Annual Receipts: Retaliatory Tax	\$ 105,023	\$ 107,977
Expenditure: Fire Department Tax Credit		
Fund Name and Code:	FY 10	FY 11
General Revenue Fund	0001 \$ 16,530	\$ 16,028
Total	\$ 16,530	\$ 16,028
Expenditure: Replacement Income Tax Credit		
Fund Name and Code:	FY 10	FY 11
General Revenue Fund	0001 \$ 22,048	\$ 25,730
Total	\$ 22,048	\$ 25,730
Total Tax Impact per Revenue Source	\$ 38,578	\$ 41,758
Total Tax Impact, Insurance	\$ 54,758	\$ 58,106

Healthcare and Family Services

	FY 10	FY 11
Revenue Source and Annual Receipts: Hospital Provider Assessment	\$ 874,801	\$ 908,577
Expenditure: Hospital Provider Exemption		
Fund Name and Code:	FY 10	FY 11
Hospital Provider Fund	0346 \$ 173,274	\$ 173,274
Total	\$ 173,274	\$ 173,274
Total Tax Impact per Revenue Source	\$ 173,274	\$ 173,274
Total Tax Impact, Healthcare and Family Services	\$ 173,274	\$ 173,274

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Public Health

		FY 10	FY 11
Revenue Source and Annual Receipts: Health Care Facility Permit Application Fee		\$ 2,124	\$ 2,473
Expenditure: Natural Disaster and Other Emergency Waiver			
Fund Name and Code:		FY 10	FY 11
Illinois Health Facilities Planning Fund	238	\$ 0	\$ 1,369
Total		\$ 0	\$ 1,369
Total Tax Impact per Revenue Source		\$ 0	\$ 1,369
		FY 10	FY 11
Revenue Source and Annual Receipts: Vital Records Fees		\$ 3,017	\$ 1,183
Expenditure: Groups Chartered by U.S. Congress Exemptior			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 1	\$ 1
Total		\$ 1	\$ 1
Expenditure: Illinois Adoption Registry and Medical Information Exchange			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 1	\$ 15
Total		\$ 1	\$ 15
Expenditure: U.S. Veterans Administration Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 2	\$ 2
Total		\$ 2	\$ 2
Total Tax Impact per Revenue Source		\$ 4	\$ 18
		FY 10	FY 11
Revenue Source and Annual Receipts: Metabolic Screening and Treatment Fee		\$ 11,411	\$ 13,360
Expenditure: State Agency Lab Exemption			
Fund Name and Code:		FY 10	FY 11
Metabolic Screening and Treatment Fund	0920	\$ 247	\$ 224
Total		\$ 247	\$ 224
Total Tax Impact per Revenue Source		\$ 247	\$ 224
		FY 10	FY 11
Revenue Source and Annual Receipts: Private Sewage Fee		\$ 125	\$ 116
Expenditure: Plumbing License Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 19	\$ 18
Total		\$ 19	\$ 18
Total Tax Impact per Revenue Source		\$ 19	\$ 18
		FY 10	FY 11
Revenue Source and Annual Receipts: Pesticide Control Fee		\$ 142	\$ 242
Expenditure: State Agency Employee Exemptior			
Fund Name and Code:		FY 10	FY 11
Pesticide Control Fund	0576	\$ 1	\$ 2
Total		\$ 1	\$ 2
Total Tax Impact per Revenue Source		\$ 1	\$ 2

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Public Health (Continued)

		FY 10	FY 11
Revenue Source and Annual Receipts: Recreational Area Fee	\$	36	\$ 34
Expenditure: Not-for-Profit and Governmental Agency Construction Application Fee Waive			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 1	\$ 1
Total		\$ 1	\$ 1
Expenditure: Not-for-Profit Organization and Governmental Agency License Renewal Fee Waive			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 36	\$ 34
Total		\$ 36	\$ 34
Expenditure: Not-for-Profit Organization and Governmental Agency Original License Application Fee Waive			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 1	\$ 1
Total		\$ 1	\$ 1
Total Tax Impact per Revenue Source		\$ 38	\$ 36
<hr/>			
		FY 10	FY 11
Revenue Source and Annual Receipts: Swimming Pool and Bathing Beach Fee	\$	163	\$ 152
Expenditure: Not-for-Profit and Governmental Facility Construction Application Fee Waive			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 2	\$ 2
Total		\$ 2	\$ 2
Expenditure: Not-for-Profit and Governmental Facility License Renewal Fee Waive			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 95	\$ 95
Total		\$ 95	\$ 95
Expenditure: Not-for-Profit Organization and Governmental Facility License Original License Fee Waive			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 2	\$ 2
Total		\$ 2	\$ 2
Total Tax Impact per Revenue Source		\$ 99	\$ 99

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Public Health (Continued)

		FY 10	FY 11
Revenue Source and Annual Receipts: Long Term Care Facility Fee	\$	822	\$ 1,694
Expenditure: Facility Fee Exemption			
Fund Name and Code:		FY 10	FY 11
Long Term Care Monitor/Receiver Fund	0285	\$ 133	\$ 133
Total		\$ 133	\$ 133
Total Tax Impact per Revenue Source		\$ 133	\$ 133
<hr/>			
		FY 10	FY 11
Revenue Source and Annual Receipts: Childhood Lead Screening Fee	\$	988	\$ 2,931
Expenditure: Low Income Family Waiver			
Fund Name and Code:		FY 10	FY 11
Lead Poisoning, Screening, Prevention and Abatement Fund	0360	\$ 232	\$ 163
Total		\$ 232	\$ 163
Total Tax Impact per Revenue Source		\$ 232	\$ 163
<hr/>			
		FY 10	FY 11
Revenue Source and Annual Receipts: Automated Lab Tests - HIV (ELISA) and STD Test	\$	96	\$ 75
Expenditure: Department Funded HIV Counseling and Testing site and HIV Seroprevalence Exemption			
Fund Name and Code:		FY 10	FY 11
Public Health Laboratory Services Revolving Fund	0340	\$ 330	\$ 330
Total		\$ 330	\$ 330
Expenditure: Population With High Incidence of Sexually Transmitted Diseases Exemption			
Fund Name and Code:		FY 10	FY 11
Public Health Laboratory Services Revolving Fund	0340	\$ 2,356	\$ 2,356
Total		\$ 2,356	\$ 2,356
Total Tax Impact per Revenue Source		\$ 2,686	\$ 2,686
<hr/>			
		FY 10	FY 11
Revenue Source and Annual Receipts: Youth Camp License Application Fee	\$	3	\$ 2
Expenditure: Governmental Agency Waiver			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 1	\$ 1
Total		\$ 1	\$ 1
Total Tax Impact per Revenue Source		\$ 1	\$ 1

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Public Health (Concluded)

		FY 10	FY 11
Revenue Source and Annual Receipts: Water Pump Contractor Fee	\$	17	\$ 16
Expenditure: Licensed Plumber Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 7	\$ 7
Total		\$ 7	\$ 7
Total Tax Impact per Revenue Source	\$	7	\$ 7
<hr/>			
		FY 10	FY 11
Revenue Source and Annual Receipts: Environmental Lead License Application Fee	\$	360	\$ 421
Expenditure: Department of Public Health and Delegate Agency Employee Waive:			
Fund Name and Code:		FY 10	FY 11
Lead Poisoning, Screening, Prevention and Abatement Fund	0360	\$ 10	\$ 10
Total		\$ 10	\$ 10
Total Tax Impact per Revenue Source	\$	10	\$ 10
<hr/>			
		FY 10	FY 11
Revenue Source and Annual Receipts: Salvage Warehouse & Salvage Warehouse Store Ac	\$	10	\$ 11
Expenditure: Not-for-Profit Organization Waiver			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 3	\$ 3
Total		\$ 3	\$ 3
Total Tax Impact per Revenue Source	\$	3	\$ 3
<hr/>			
		FY 10	FY 11
Revenue Source and Annual Receipts: Asbestos Abatement License Fee	\$	522	\$ 608
Expenditure: Governmental Employee Waiver			
Fund Name and Code:		FY 10	FY 11
Illinois School Asbestos Abatement Fund	0175	\$ 3	\$ 3
Total		\$ 3	\$ 3
Total Tax Impact per Revenue Source	\$	3	\$ 3
<hr/>			
		FY 10	FY 11
Revenue Source and Annual Receipts: Plan Review Fee - LTC Facilities	\$	365	\$ 306
Expenditure: Projects Costing Less than \$100,000 Waiver			
Fund Name and Code:		FY 10	FY 11
Health Facility Plan Review Fund	0524	\$ 96	\$ 96
Total		\$ 96	\$ 96
Total Tax Impact per Revenue Source	\$	96	\$ 96
Total Tax Impact, Public Health	\$	3,579	\$ 4,868

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue¹

		FY 10	FY 11
Revenue Source and Annual Receipts: Sales and Use Tax		\$ 6,782,664	\$ 7,128,857
Expenditure: Biodiesel Discount and Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 62,000	\$ 80,000
General Revenue - Common School Special Account Fund	0005	21,000	27,000
Total		\$ 83,000	\$ 107,000
Expenditure: Building Materials within Enterprise Zone Exemptior			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 3,300	\$ 3,100
General Revenue - Common School Special Account Fund	0005	1,100	1,000
Total		\$ 4,400	\$ 4,100
Expenditure: Designated Tangible Personal Property within Enterprise Zone Exemptior²			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 16,000	\$ 15,000
General Revenue - Common School Special Account Fund	0005	5,000	5,000
Total		\$ 21,000	\$ 20,000
Expenditure: Farm Chemicals (Includes Feed and Seed) Exemptior³			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 143,000	\$ 181,000
General Revenue - Common School Special Account Fund	0005	48,000	60,000
Total		\$ 191,000	\$ 241,000
Expenditure: Farm Machinery and Equipment Exemptior			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 40,000	\$ 38,000
General Revenue - Common School Special Account Fund	0005	13,000	13,000
Total		\$ 53,000	\$ 51,000
Expenditure: Food, Drugs, and Medical Appliances Rate Reduction			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 1,150,000	\$ 1,160,000
General Revenue - Common School Special Account Fund	0005	380,000	387,000
Total		\$ 1,530,000	\$ 1,547,000

¹ Tax revenues exclude FY 11 receipts from the tax amnesty program.

² Tangible personal property used or consumed within an enterprise zone, including any High Impact Business, in the process of manufacturing or assembling or by producers of graphic arts. Includes sales or purchases of building material or machinery and equipment to or by a High Impact Business.

³ Includes race horses, semen for the artificial insemination of livestock, and birds at game birding and hunting preserves.

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

Revenue Source and Annual Receipts: Sales and Use Tax (Continued)

Expenditure: Gasohol Discount			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 76,000	\$ 94,000
General Revenue - Common School Special Account Fund	0005	26,000	31,000
Total		\$ 102,000	\$ 125,000
Expenditure: Graphic Arts Machinery and Equipment Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 6,500	\$ 6,300
General Revenue - Common School Special Account Fund	0005	2,100	2,000
Total		\$ 8,600	\$ 8,300
Expenditure: Interim Use Prior to Sale Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 2,800	\$ 700
General Revenue - Common School Special Account Fund	0005	900	200
Total		\$ 3,700	\$ 900
Expenditure: Legal Tender, Medallions, and Bullion Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 1,500	\$ 2,000
General Revenue - Common School Special Account Fund	0005	500	700
Total		\$ 2,000	\$ 2,700
Expenditure: Majority Blended Ethanol			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 500	\$ 1,100
General Revenue - Common School Special Account Fund	0005	170	400
Total		\$ 670	\$ 1,500
Expenditure: Manufacturer's Purchase Credit			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 25,000	\$ 28,339
General Revenue - Common School Special Account Fund	0005	8,000	9,446
Total		\$ 33,000	\$ 37,785
Expenditure: Manufacturing and Assembling Machinery and Equipment Exemption⁴			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 131,000	\$ 138,000
General Revenue - Common School Special Account Fund	0005	43,000	46,000
Total		\$ 174,000	\$ 184,000
Expenditure: Newsprint and Ink to Newspapers and Magazines Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 29,000	\$ 25,000
General Revenue - Common School Special Account Fund	0005	10,000	8,000
Total		\$ 39,000	\$ 33,000

⁴ Includes the Photo Processing Machinery and Equipment exemption.

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

Revenue Source and Annual Receipts: Sales and Use Tax (Concluded)

Expenditure: Property Acquired by Non-Resident before Relocating in Illinois Exemptior⁵

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 700	\$ 170
General Revenue - Common School Special Account Fund	0005	200	57
Total		\$ 900	\$ 227

Expenditure: Retailer's Discount

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 82,000	\$ 87,000
General Revenue - Common School Special Account Fund	0005	27,000	29,000
Total		\$ 109,000	\$ 116,000

Expenditure: Rolling Stock Exemption

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 20,000	\$ 35,000
General Revenue - Common School Special Account Fund	0005	7,000	12,000
Total		\$ 27,000	\$ 47,000

Expenditure: Sales of Motor Vehicles to Non-Residents Exemptior

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 27,000	\$ 29,000
General Revenue - Common School Special Account Fund	0005	9,000	10,000
Total		\$ 36,000	\$ 39,000

Expenditure: Sales of Vehicles to Automobile Rentors Exemptior⁶

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 20,000	\$ 24,000
General Revenue - Common School Special Account Fund	0005	7,000	8,000
Total		\$ 27,000	\$ 32,000

Expenditure: Sales Tax Holiday Exemptions

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 0	\$ 12,600
General Revenue - Common School Special Account Fund	0005	0	4,200
Total		\$ 0	\$ 16,800

Expenditure: Sales to Exempt Organizations⁷

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 304,000	\$ 318,000
General Revenue - Common School Special Account Fund	0005	101,000	106,000
Total		\$ 405,000	\$ 424,000

Expenditure: Traded-In Property Exemption

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 82,000	\$ 232,000
General Revenue - Common School Special Account Fund	0005	27,000	77,000
Total		\$ 109,000	\$ 309,000

Total Tax Impact per Revenue Source \$ 2,959,270 \$ 3,347,312

⁵ Applies to property acquired outside Illinois by a non-resident and brought to Illinois after being used at least 3 months outside of Illinois. Tax expenditure estimate only applies to motor vehicles.

⁶ Tax Expenditure is net of Automobile Rental Tax receipts.

⁷ Sales to government bodies, organizations operated exclusively for charitable, religious, or educational purposes, not-for-profit organizations for the recreation of persons 55 or older, county fair associations, teacher sponsored student organizations, not-for-profit artistic organizations, meals for the Nutrition Programs for the Elderly, nursing home food and drugs, public service corporations for municipal convention halls, and community water supply construction items.

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

	FY 10	FY 11
Revenue Source and Annual Receipts: Individual Income Tax ⁸	\$ 9,429,829	\$ 12,260,906
Expenditure: Additional Exemptions: Blind and Elderly		
Fund Name and Code:	FY 10	FY 11
General Revenue Fund 0001	\$ 16,209	\$ 15,163
Education Assistance Fund 0007	1,276	1,194
Income Tax Refund Fund 0278	1,889	1,568
Total	\$ 19,375	\$ 17,925
Expenditure: Affordable Housing Donations Tax Credit		
Fund Name and Code:	FY 10	FY 11
General Revenue Fund 0001	\$ 193	\$ 953
Education Assistance Fund 0007	15	75
Income Tax Refund Fund 0278	23	98
Total	\$ 231	\$ 1,126
Expenditure: Dependent Care Assistance Program Tax Credit		
Fund Name and Code:	FY 10	FY 11
General Revenue Fund 0001	\$ 2,823	\$ 0
Education Assistance Fund 0007	222	0
Income Tax Refund Fund 0278	329	0
Total	\$ 3,374	\$ 0
Expenditure: Earned Income Tax Credit		
Fund Name and Code:	FY 10	FY 11
General Revenue Fund 0001	\$ 88,882	\$ 89,331
Education Assistance Fund 0007	6,999	7,035
Income Tax Refund Fund 0278	10,358	9,241
Total	\$ 106,239	\$ 105,607
Expenditure: Economic Development for a Growing Economy Tax Credit		
Fund Name and Code:	FY 10	FY 11
General Revenue Fund 0001	\$ 578	\$ 2,607
Education Assistance Fund 0007	46	205
Income Tax Refund Fund 0278	67	270
Total	\$ 691	\$ 3,082
Expenditure: Education Expense Credit		
Fund Name and Code:	FY 10	FY 11
General Revenue Fund 0001	\$ 63,336	\$ 62,895
Education Assistance Fund 0007	4,988	4,953
Income Tax Refund Fund 0278	7,381	6,506
Total	\$ 75,705	\$ 74,354
Expenditure: Enterprise Zone Investment Credit		
Fund Name and Code:	FY 10	FY 11
General Revenue Fund 0001	\$ 349	\$ 2,150
Education Assistance Fund 0007	27	169
Income Tax Refund Fund 0278	41	222
Total	\$ 417	\$ 2,541

⁸ Derived from 2010 tax year returns.

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

Revenue Source and Annual Receipts: Individual Income Tax (Continued)

Expenditure: Enterprise Zone Dividends Subtraction

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 0	\$ 2,198
Education Assistance Fund	0007	0	173
Income Tax Refund Fund	0278	0	227
Total		\$ 0	\$ 2,598

Expenditure: Ex-Felons Jobs Credit

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 0	\$ 11
Education Assistance Fund	0007	0	1
Income Tax Refund Fund	0278	0	1
Total		\$ 0	\$ 13

Expenditure: Federally Taxed Retirement and Social Security Subtraction:

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 840,934	\$ 929,558
Education Assistance Fund	0007	66,222	73,201
Income Tax Refund Fund	0278	98,003	96,155
Total		\$ 1,005,159	\$ 1,098,914

Expenditure: Film Production Service Credit

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 360	\$ 1,724
Education Assistance Fund	0007	28	136
Income Tax Refund Fund	0278	42	178
Total		\$ 430	\$ 2,038

Expenditure: Foreign Trade Zone Dividends Subtraction

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 0	\$ 1,636
Education Assistance Fund	0007	0	129
Income Tax Refund Fund	0278	0	169
Total		\$ 0	\$ 1,934

Expenditure: High Economic Impact Business Investment Credit

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 10	\$ 10
Education Assistance Fund	0007	1	1
Income Tax Refund Fund	0278	1	1
Total		\$ 12	\$ 12

Expenditure: Jobs Tax Credit

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 546	\$ 87
Education Assistance Fund	0007	43	7
Income Tax Refund Fund	0278	64	9
Total		\$ 652	\$ 103

Expenditure: Military Pay Subtraction

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 23,439	\$ 24,417
Education Assistance Fund	0007	1,846	1,923
Income Tax Refund Fund	0278	2,732	2,526
Total		\$ 28,017	\$ 28,866

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

Revenue Source and Annual Receipts: Individual Income Tax (Concluded)

Expenditure: Other Subtractions⁹			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 36,427	\$ 43,368
Education Assistance Fund	0007	2,869	3,415
Income Tax Refund Fund	0278	4,245	4,486
Total		\$ 43,541	\$ 51,269
Expenditure: Research and Development Credit			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 877	\$ 2,857
Education Assistance Fund	0007	69	225
Income Tax Refund Fund	0278	102	296
Total		\$ 1,048	\$ 3,378
Expenditure: Standard Exemption: Taxpayers and Dependents			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 547,375	\$ 524,330
Education Assistance Fund	0007	43,105	41,290
Income Tax Refund Fund	0278	63,792	54,238
Total		\$ 654,272	\$ 619,858
Expenditure: Tax Credit for Residential Real Property Taxes			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 439,111	\$ 458,290
Education Assistance Fund	0007	34,579	36,090
Income Tax Refund Fund	0278	51,174	47,406
Total		\$ 524,864	\$ 541,786
Expenditure: TECH-PREP Youth Vocational Programs			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 3,035	\$ 4,351
Education Assistance Fund	0007	239	342
Income Tax Refund Fund	0278	354	507
Total		\$ 3,627	\$ 5,200
Expenditure: Veterans Jobs Credit			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 0	\$ 10
Education Assistance Fund	0007	0	1
Income Tax Refund Fund	0278	0	1
Total		\$ 0	\$ 12
Total Tax Impact per Revenue Source		\$ 2,467,655	\$ 2,560,616
		FY 10	FY 11
Revenue Source and Annual Receipts: Corporate Income Tax¹⁰		\$ 1,648,933	\$ 1,983,422

Expenditure: Affordable Housing Donations

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 6,836	\$ 6,278
Education Assistance Fund	0007	538	494
Income Tax Refund Fund	0278	1,564	1,436
Total		\$ 8,938	\$ 8,208

⁹ Includes subtractions for a variety of items, many of which (interest expenses, job training contributions, acceleration of life insurance benefits for a terminal illness, Persian Gulf War bonuses, medical care savings accounts, college savings accounts, self-employed health insurance, Roth IRA conversions, compensation of Nazi victims, nonsalary ride sharing compensation, and amounts awarded for wrongful imprisonment) are tax expenditures.

¹⁰ Derived from 2009 tax year returns.

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

Revenue Source and Annual Receipts: Corporate Income Tax (Continued)

Expenditure: Economic Development for a Growing Economy Tax Credit

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 26,588	\$ 27,646
Education Assistance Fund	0007	2,094	2,177
Income Tax Refund Fund	0278	6,084	6,326
Total		\$ 34,766	\$ 36,149

Expenditure: Employee Child Care Tax Credit

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 20	\$ 0
Education Assistance Fund	0007	2	0
Income Tax Refund Fund	0278	5	0
Total		\$ 27	\$ 0

Expenditure: Enterprise Zone Dividend, Interest, and Charitable Contribution Subtractions

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 1,151	\$ 1,169
Education Assistance Fund	0007	91	92
Income Tax Refund Fund	0278	263	268
Total		\$ 1,505	\$ 1,529

Expenditure: Enterprise Zone Investment Credit

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 5,483	\$ 4,595
Education Assistance Fund	0007	432	362
Income Tax Refund Fund	0278	1,254	1,052
Total		\$ 7,169	\$ 6,009

Expenditure: Film Production Services Credit

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 8,508	\$ 9,024
Education Assistance Fund	0007	670	710
Income Tax Refund Fund	0278	1,947	2,065
Total		\$ 11,125	\$ 11,799

Expenditure: Foreign Insurer Rate Reduction

Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 7,831	\$ 1,766
Education Assistance Fund	0007	617	139
Income Tax Refund Fund	0278	1,792	404
Total		\$ 10,240	\$ 2,309

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

Revenue Source and Annual Receipts: Corporate Income Tax (Concluded)

Expenditure: High Economic Impact Business Investment Credit			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 73	\$ 2,374
Education Assistance Fund	0007	6	187
Income Tax Refund Fund	0278	17	543
Total		\$ 96	\$ 3,104
Expenditure: High Economic Impact Business Dividend Subtraction			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 3,678	\$ 903
Education Assistance Fund	0007	290	71
Income Tax Refund Fund	0278	842	207
Total		\$ 4,810	\$ 1,181
Expenditure: Illinois Net Operating Loss Deduction			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 195,422	\$ 147,974
Education Assistance Fund	0007	15,389	11,653
Income Tax Refund Fund	0278	44,718	33,860
Total		\$ 255,529	\$ 193,487
Expenditure: Job Training Contribution Subtraction			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 879	\$ 365
Education Assistance Fund	0007	69	29
Income Tax Refund Fund	0278	201	83
Total		\$ 1,149	\$ 477
Expenditure: Research and Development Credit			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 14,634	\$ 10,095
Education Assistance Fund	0007	1,152	795
Income Tax Refund Fund	0278	3,349	2,310
Total		\$ 19,135	\$ 13,200
Expenditure: River Edge Redevelopment Zone Site Remediation Tax Credit			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 0	\$ 11
Education Assistance Fund	0007	0	1
Income Tax Refund Fund	0278	0	3
Total		\$ 0	\$ 15
Expenditure: Veterans Jobs Credit			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 25	\$ 29
Education Assistance Fund	0007	2	2
Income Tax Refund Fund	0278	6	6
Total		\$ 33	\$ 37
Total Tax Impact per Revenue Source		\$ 354,522	\$ 277,504

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

		FY 10	FY 11
Revenue Source and Annual Receipts: Automobile Renting Occupation and Use Tax		\$ 28,866	\$ 33,588
Expenditure: Claims for Loss or Damage Deduction			
Fund Name and Code:			
General Revenue Fund	0001	\$ 1,400	\$ 1,600
Total		\$ 1,400	\$ 1,600
Expenditure: Exempt Organization Rentals¹¹			
Fund Name and Code:			
General Revenue Fund	0001	\$ 1,400	\$ 1,500
Total		\$ 1,400	\$ 1,500
Expenditure: Insurance Coverage Deduction			
Fund Name and Code:			
General Revenue Fund	0001	\$ 1,100	\$ 1,200
Total		\$ 1,100	\$ 1,200
Expenditure: Other/Miscellaneous Deductions			
Fund Name and Code:			
General Revenue Fund	0001	\$ 100	\$ 100
Total		\$ 100	\$ 100
Expenditure: Refueling Deduction			
Fund Name and Code:			
General Revenue Fund	0001	\$ 400	\$ 500
Total		\$ 400	\$ 500
Expenditure: Timely Filing and Full Payment Discoun			
Fund Name and Code:			
General Revenue Fund	0001	\$ 500	\$ 600
Total		\$ 500	\$ 600
Total Tax Impact per Revenue Source		\$ 4,900	\$ 5,500
<hr/>			
		FY 10	FY 11
Revenue Source and Annual Receipts: Cigarette and Cigarette Use Taxes		\$ 557,805	\$ 560,810
Expenditure: Cost of Collection Discount			
Fund Name and Code:			
Long Term Care Provider Fund	0345	\$ 8,604	\$ 8,854
Total		\$ 8,604	\$ 8,854
Total Tax Impact per Revenue Source		\$ 8,604	\$ 8,854

¹¹ Includes government, charitable, religious, and not-for-profit senior citizen entities.

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

		FY 10	FY 11
Revenue Source and Annual Receipts: Hotel Operators' Occupation and Use Tax		\$ 173,129	\$ 192,028
Expenditure: Cost of Collection Discount			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 1,300	\$ 1,450
International Tourism Fund	0621	200	200
Build Illinois Fund	0960	1,800	1,950
Local Tourism Fund	0969	300	300
Total		\$ 3,600	\$ 3,900
Expenditure: Permanent Residents Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 3,500	\$ 3,900
International Tourism Fund	0621	400	450
Build Illinois Fund	0960	4,600	5,100
Local Tourism Fund	0969	700	750
Total		\$ 9,200	\$ 10,200
Total Tax Impact per Revenue Source		\$ 12,800	\$ 14,100
FY 10 FY 11			
Revenue Source and Annual Receipts: Liquor Gallonage Tax		\$ 175,763	\$ 182,195
Expenditure: Cost of Collection Discount			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 1,253	\$ 1,290
Capital Projects Fund	0694	0	909
Total		\$ 1,253	\$ 2,199
Expenditure: Non-Beverage User Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 414	\$ 344
Capital Projects Fund	0694	0	243
Total		\$ 414	\$ 587
Expenditure: Sacramental Wine Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 12	\$ 12
Capital Projects Fund	0694	0	8
Total		\$ 12	\$ 20
Total Tax Impact per Revenue Source		\$ 1,679	\$ 2,806
FY 10 FY 11			
Revenue Source and Annual Receipts: Underground Storage Tank Tax		\$ 70,816	\$ 71,124
Expenditure: Airport Exemption			
Fund Name and Code:		FY 10	FY 11
Underground Storage Tank Fund	0072	\$ 15,223	\$ 16,732
Total		\$ 15,223	\$ 16,732
Expenditure: Exemption for Ships, Barges, and Vessels Conducting Interstate Commerce on Border River:			
Fund Name and Code:		FY 10	FY 11
Underground Storage Tank Fund	0072	\$ 485	\$ 583
Total		\$ 485	\$ 583
Expenditure: Liquefied Propane Gas Exemption			
Fund Name and Code:		FY 10	FY 11
Underground Storage Tank Fund	0072	\$ 26	\$ 27
Total		\$ 26	\$ 27

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

Revenue Source and Annual Receipts: Underground Storage Tank Tax (Concluded)

Expenditure: Rail Carrier Exemption

Fund Name and Code:

		FY 10	FY 11
Underground Storage Tank Fund	0072	\$ 2,967	\$ 2,982
Total		\$ 2,967	\$ 2,982

Expenditure: Timely Filing and Full Payment Discoun

Fund Name and Code:

		FY 10	FY 11
Underground Storage Tank Fund	0072	\$ 1,220	\$ 1,217
Total		\$ 1,220	\$ 1,217

Total Tax Impact per Revenue Source \$ 19,921 \$ 21,541

	FY 10	FY 11
Revenue Source and Annual Receipts: Motor Fuel Taxes	\$ 1,268,412	\$ 1,242,344

Expenditure: Aviation Purposes Exemption

Fund Name and Code:

		FY 10	FY 11
Motor Fuel Tax - State Fund	0012	\$ 45	\$ 41
Total		\$ 45	\$ 41

Expenditure: Municipal Corporation or Private Utility Local Transportation System Exemption

Fund Name and Code:

		FY 10	FY 11
Motor Fuel Tax - State Fund	0012	\$ 7,077	\$ 6,459
Total		\$ 7,077	\$ 6,459

Expenditure: Sales for Use Other Than in Motor Vehicles Exemptior

Fund Name and Code:

		FY 10	FY 11
Motor Fuel Tax - State Fund	0012	\$ 103,025	\$ 110,126
Total		\$ 103,025	\$ 110,126

Expenditure: Timely Filing and Full Payment Discoun

Fund Name and Code:

		FY 10	FY 11
Motor Fuel Tax - State Fund	0012	\$ 19,918	\$ 19,955
Total		\$ 19,918	\$ 19,955

Total Tax Impact per Revenue Source \$ 130,065 \$ 136,581

	FY 10	FY 11
Revenue Source and Annual Receipts: Electricity Excise Tax	\$ 381,814	\$ 400,448

Expenditure: Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemptior

Fund Name and Code:

		FY 10	FY 11
General Revenue Fund	0001	\$ 43,529	\$ 42,108
Public Utility Fund	0059	1,306	1,226
Total		\$ 44,835	\$ 43,334

Expenditure: Purchase of Electricity Generated by Solid Waste Energy Facility Credi

Fund Name and Code:

		FY 10	FY 11
General Revenue Fund	0001	\$ 3,082	\$ 2,122
Public Utility Fund	0059	92	62
Total		\$ 3,174	\$ 2,184

Total Tax Impact per Revenue Source \$ 48,009 \$ 45,518

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Continued)

		FY 10	FY 11
Revenue Source and Annual Receipts: Gas Revenue Tax		\$ 158,323	\$ 159,071
Expenditure: Cost of Collection Discount (Gas Use Tax)			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 679	\$ 682
Total		\$ 679	\$ 682
Expenditure: Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 12,783	\$ 13,725
Total		\$ 12,783	\$ 13,725
Expenditure: Gas Used in Petroleum Refinery Operation			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 8,020	\$ 8,328
Total		\$ 8,020	\$ 8,328
Expenditure: Gas Used in Production of Electric Energy			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 7,968	\$ 11,352
Total		\$ 7,968	\$ 11,352
Expenditure: Gas Used in Production of Fertilizer			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 2,700	\$ 2,700
Total		\$ 2,700	\$ 2,700
Total Tax Impact per Revenue Source		\$ 32,150	\$ 36,787
FY 10			
FY 11			
Revenue Source and Annual Receipts: Telecommunications Excise Tax		\$ 642,595	\$ 665,089
Expenditure: Cost of Collection Discount			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 6,668	\$ 6,645
Common School Fund	0412	1,297	1,292
School Infrastructure Fund	0568	1,297	1,292
Total		\$ 9,262	\$ 9,229
Expenditure: Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 1,568	\$ 1,610
Common School Fund	0412	314	322
School Infrastructure Fund	0568	314	322
Total		\$ 2,196	\$ 2,254
Total Tax Impact per Revenue Source		\$ 11,458	\$ 11,483

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Revenue (Concluded)

		FY 10	FY 11
Revenue Source and Annual Receipts: Vehicle Use Tax		\$ 35,173	\$ 35,263
Expenditure: Business Reorganization Preferential Tax Rate			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 58	\$ 58
Total		\$ 58	\$ 58
Expenditure: Estate Gift to Beneficiary Preferential Tax Rate			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 290	\$ 160
Total		\$ 290	\$ 160
Expenditure: Family Member Preferential Tax Rate			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 3,900	\$ 3,528
Total		\$ 3,900	\$ 3,528
Expenditure: Farm Implement Exemption - Ready Mix Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 1,120	\$ 2,164
Total		\$ 1,120	\$ 2,164
Expenditure: Government, Charitable, Educational, Religious Entities Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 2,900	\$ 5,960
Total		\$ 2,900	\$ 5,960
Expenditure: Out-of-State Resident Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 900	\$ 1,810
Total		\$ 900	\$ 1,810
Expenditure: Rolling Stock Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 5,800	\$ 11,010
Total		\$ 5,800	\$ 11,010
Expenditure: Surviving Spouse Exemption			
Fund Name and Code:		FY 10	FY 11
General Revenue Fund	0001	\$ 150	\$ 280
Total		\$ 150	\$ 280
Total Tax Impact per Revenue Source		\$ 15,118	\$ 24,970
Total Tax Impact, Revenue		\$ 6,066,151	\$ 6,493,572

Commerce Commission

		FY 10	FY 11
Revenue Source and Annual Receipts: Gross Receipts Tax (Public Utility Fund)		\$ 7,649	\$ 7,337
Expenditure: Enterprise Zone Revenue Exemption			
Fund Name and Code:		FY 10	FY 11
Public Utility Fund	0059	\$ 18	\$ 26
Total		\$ 18	\$ 26
Total Tax Impact per Revenue Source		\$ 18	\$ 26
Total Tax Impact, Commerce Commission		\$ 18	\$ 26

DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

Environmental Protection Agency

	FY 10	FY 11
Revenue Source and Annual Receipts: Sewer Construction Permit Application Fee	\$ 296	\$ 253
Expenditure: State and Local Government Exemptior		
Fund Name and Code:	FY 10	FY 11
Environmental Protection Permit and Inspection Fund 0944	\$ 148	\$ 126
Total	\$ 148	\$ 126
Total Tax Impact per Revenue Source	\$ 148	\$ 126
<hr/>		
	FY 10	FY 11
Revenue Source and Annual Receipts: Water Main Construction Permit Application Fee	\$ 233	\$ 179
Expenditure: State and Local Government Exemptior		
Fund Name and Code:	FY 10	FY 11
Environmental Protection Permit and Inspection Fund 0944	\$ 117	\$ 90
Total	\$ 117	\$ 90
Total Tax Impact per Revenue Source	\$ 117	\$ 90
<hr/>		
	FY 10	FY 11
Revenue Source and Annual Receipts: NPDES Permit Discharge Fee	\$ 15,179	\$ 13,889
Expenditure: State Government and School District Exemptior		
Fund Name and Code:	FY 10	FY 11
Illinois Clean Water Fund 0731	\$ 375	\$ 375
Total	\$ 375	\$ 375
Total Tax Impact per Revenue Source	\$ 375	\$ 375
Total Tax Impact, Environmental Protection Agency	\$ 640	\$ 591

Racing Board

	FY 10	FY 11
Revenue Source and Annual Receipts: Admission Tax	\$ 86	\$ 78
Expenditure: Free General Admission		
Fund Name and Code:	FY 10	FY 11
General Revenue Fund 0001	\$ 216	\$ 192
Total	\$ 216	\$ 192
Total Tax Impact per Revenue Source	\$ 216	\$ 192
<hr/>		
	FY 10	FY 11
Revenue Source and Annual Receipts: Racing Pari-mutuel (Privilege) Tax	\$ 6,833	\$ 6,496
Expenditure: Real Estate Tax Credit		
Fund Name and Code:	FY 10	FY 11
Horse Racing Fund 0632	\$ 3,632	\$ 2,881
Total	\$ 3,632	\$ 2,881
Total Tax Impact per Revenue Source	\$ 3,632	\$ 2,881
Total Tax Impact, Racing Board	\$ 3,848	\$ 3,073
 GRAND TOTAL, IMPACT	 \$ 6,345,563	 \$ 6,776,029

TAX EXPENDITURES WHERE IMPACT WAS NOT REPORTED

Secretary of State

Revenue Source: Motor Vehicle Registration (1st Division)

Expenditure:

Congressional Medal of Honor Recipients Vehicles

Treasurer

Revenue Source: Estate and Generation Skipping Transfer Tax

Expenditure:

Exclusion Amount

Natural Resources

Revenue Source: Watercraft Registration Fee

Expenditure:

Canoe or Kayak Owned by Non-Profit Organization

Revenue Source: Camping and Beach Fees

Expenditure:

Disabled Persons, Former POWs, and Illinois Residents Over 62

Revenue Source: Inland Trout Stamp

Expenditure:

Disabled, Under 16

Revenue Source: Hunting Licenses and Permits

Expenditure:

Disabled, 65 or Over, Landowners/Tenants

Revenue Source: Sportsman License

Expenditure:

Disabled, 65 or Over, Landowners/Tenants

Revenue Source: Trapping License

Expenditure:

Owners, Bona Fide Tenants and Their Children

Revenue Source: Salmon Stamp

Expenditure:

Disabled, Under 16

Revenue Source: Habitat Stamps

Expenditure:

Under 16

Revenue Source: Waterfowl Stamps

Expenditure:

Disabled, Landowners/Tenants

Financial and Professional Regulation

Revenue Source: Boxing/Martial Arts Events Tax

Expenditure:

Gross Receipts Tax Cap

TAX EXPENDITURES WHERE IMPACT WAS NOT REPORTED

Healthcare and Family Services

Revenue Source: Long Term Care Provider Assessment

Expenditure:

100% Contribution Homes Exemption

Revenue

Revenue Source: Sales and Use Tax

Expenditure:

Aircraft Support Center Exemption
Demonstration Use Prior to Resale
Fuel and Petroleum Products for International Flight Exemption
Leased Property to Hospitals or Government Bodies
Low Sulfur Dioxide Emission Coal Fueled Device Exemption
Machinery/Equipment for Operation of High Economic Impact Service Facility
Occasional Sales
Photo Processing Machinery and Equipment Exemption
Property Used in the Operation of Pollution Control Facilities
Sales by Exempt Organizations¹
Sales of Fuel to Vessels on Bordering Rivers
Sales of Machinery and Equipment in Operation of Aircraft Maintenance Facilities
Sales of Tangible Personal Property Used by Aircraft Maintenance Facilities
Sales Through Penny Bulk Vending Machines
Specified Photoprocessing Charges Exemption
Use by Nonresidents While Temporarily Passing Through Illinois

Revenue Source: Individual Income Tax

Expenditure:

New Markets Credit
River Edge Redevelopment Zone Site Remediation Tax Credit
Student-Assistance Contribution Credit

Revenue Source: Corporate Income Tax

Expenditure:

Attorney-In-Fact Subtraction
Bonus Depreciation Adjustment
Dependent Care Assistance Credit
Ex-Felons Jobs Credit
High Economic Impact Business Interest Subtraction
Interest Expense Subtraction
Jobs Tax Credit
Student-Assistance Contribution Credit
TECH-PREP Youth Vocational Program Credit

¹ Sales by a non-profit service enterprise operated exclusively for charitable, religious, or educational purposes are exempt when sales are 1) made to the organization's members, students, patients, or inmates when made primarily for the purpose of the organization; 2) noncompetitive with business establishments, and 3) occasional.

TAX EXPENDITURES WHERE IMPACT WAS NOT REPORTED

Revenue (Concluded)

Revenue Source: Automobile Renting Occupation and Use Tax

Expenditure:
Loaner Vehicles on Warranty

Revenue Source: Cigarette and Cigarette Use Taxes

Expenditure:
Prison and Mental Health Facility Exemption

Revenue Source: Electricity Excise Tax

Expenditure:
Sales to Municipal Transit Systems

Revenue Source: Gas Revenue Tax

Expenditure:
Gas Used in Liquefaction Process

Revenue Source: Telecommunications Excise Tax

Expenditure:
Coin-Operated Telecommunications Devices Exemption
State Universities Exemption

Revenue Source: Real Estate Transfer Tax

Expenditure:
Corporate Franchise Tax Exemption
Homeownership Made Easy Act
Exempted Deeds or Trust Documents

Revenue Source: Aircraft/Watercraft Use Tax

Expenditure:
Production Agriculture Exemption
Rolling Stock Exemption
Sales to Exempt Organizations
Surviving Spouse Exemption
Watercraft Temporarily Used in Illinois Exemption

Gaming Board

Revenue Source: Riverboat Gambling Admission Tax

Expenditure:
Tax Free Admission Passes

TAX EXPENDITURES LEGAL AUTHORITY

Secretary of State

Revenue Source: Motor Vehicle Registration (1st Division)	625 ILCS 3-806
Expenditure:	
Drivers Education Vehicles	625 ILCS 5/3-808
X-POW Vehicle Registration Exemption	625 ILCS 5/3-620
Charitable Organization Vehicle Exemption	625 ILCS 5/3-808
Disabled Veteran Vehicle Registration Exemption	625 ILCS 5/3-609
Municipality Owned Passenger Vehicle Exemption	625 ILCS 5/3-808
Sheriff Plates	625 ILCS 5/3-808
Senior Citizen Plate Renewal Reduction	625 ILCS 5/3-806.3
Congressional Medal of Honor Winners Vehicles	625 ILCS 5/3-609.1
Revenue Source: Standard Identification Card Fee	15 ILCS 335/12
Expenditure:	
Duplicated/Corrected ID Senior Citizen/Handicapped	15 ILCS 335/4(d),12A
Revenue Source: Duplicated/Corrected Driver's License	625 ILCS 5/6-118(a)
Expenditure:	
Duplication of Stolen Licenses for Senior Citizens	625 ILCS 5/6-118(a)
Revenue Source: Driver's License Four Year Renewal Fee	625 ILCS 5/6-118 (a), (b), (c)
Expenditure:	
Reduced Renewal Fee for Senior Citizens	625 ILCS 5/6-118 (a) & 6-115(g)
Revenue Source: Annual Reports of Corporations	805 ILCS 5/15
Expenditure:	
Two Million Dollar Cap on Annual Franchise Tax for Corporations	805 ILCS 5/15.45, 5/15.75

Treasurer

Revenue Source: Estate and Generation Skipping Transfer Tax	35 ILCS 405
Expenditure:	
Exclusion Amount	35 ILCS 405/2
Qualified Terminable Interest Property (QTIP) Trust	35 ILCS 405/2(b-1)

Natural Resources

Revenue Source: Watercraft Registration Fee	625 ILCS 45/3-2
Expenditure:	
Canoe or Kayak Owned by Non-Profit Organization	624 ILCS 45/3-12
Revenue Source: Camping and Beach Fees	20 ILCS 805/63a23, 805/63a21.1
Expenditure:	
Disabled Persons, Former POWs, and Illinois Residents Over 62	20 ILCS 805/63a23
Revenue Source: Inland Trout Stamp	515 ILCS 5/20-11,5/20-51
Expenditure:	
Disabled, Under 16	515 ILCS 5/20-11
Revenue Source: Hunting Licenses and Permits	520 ILCS 5/1/13, 5/2.11, 5/2.26, 5/3.2
Expenditure:	
Disabled, 65 or Over, Landowners/Tenants	520 ILCS 5/3.1,5/3.1-2
Revenue Source: Fishing Licenses	515 ILCS 5/20-5, 5/20-20 5/20-45, 5/20-55
Expenditure:	
Disabled, Under 16, 65 or Over, Fee Fishing Areas, Owners/Tenants Disc.	515 ILCS 5/20-5,5/20-15
Revenue Source: Sportsman License	515 ILCS 5/20-45,520 ILCS 5/3.39
Expenditure:	
Disabled, 65 or Over, Landowners/Tenants	515 ILCS 5/20-5, 520 ILCS 5/3.1

TAX EXPENDITURES LEGAL AUTHORITY

Natural Resources (Concluded)

Revenue Source: Trapping License	520 ILCS 5/3.3, 3.4
Expenditure: Owners, Bona Fide Tenants and Their Children	520 ILCS 5/3.3
Revenue Source: Salmon Stamp	515 ILCS 5/20-10, 5/20-50
Expenditure: Disabled, Under 16	515 ILCS 5/20-10
Revenue Source: Habitat Stamps	520 ILCS 5/3.1
Expenditure: Under 16	520 ILCS 5/3.1
Revenue Source: Waterfowl Stamps	520 ILCS 5/3.1, 5/3.2
Expenditure: Disabled, Landowners/Tenants	520 ILCS 5/3.1

Financial and Professional Regulation

Revenue Source: Boxing/Martial Arts Events Tax	225 ILCS 105/13
Expenditure: Gross Receipts Tax Cap	225 ILCS 105/13

Insurance

Revenue Source: Insurance Privilege Tax	215 ILCS 5/409
Expenditure: Fire Department Tax Credit	215 ILCS 5/409
Illinois New Markets Tax Credit	215 ILCS 5/409 (c)
Replacement Corporate Income Tax	215 ILCS 5/409
Revenue Source: Retaliatory Tax	215 ILCS 5/444, 5/444.1
Expenditure: Fire Department Tax Credit	215 ILCS 5/444
Replacement Income Tax Credit	215 ILCS 5/444

Healthcare and Family Services

Revenue Source: Long-Term Care Provider Assessment	305 ILCS 5/5E-10
Expenditure: 100% Contribution Homes Exemption	305 ILCS 5/5E-5
Revenue Source: Hospital Provider Assessment	305 ILCS 5/5A-2
Expenditure: Hospital Provider exemption	305 ILCS 5/5A-3

Public Health

Revenue Source: Health Care Facility Permit Application Fee	20 ILCS 3960/5
Expenditure: Natural Disaster and Other Emergency Waiver	20 ILCS 3960/5
Revenue Source: Vital Records Fees	410 ILCS 535
Expenditure: U. S. Veterans Administration Exemption	410 ILCS 535/25-7
Groups Chartered by U. S. Congress Exemption	410 ILCS 535/25 (1)
Illinois Adoption Registry	750 ILCS 50/18.6
Revenue Source: Metabolic Screening and Treatment Fee	410 ILCS 240/1
Expenditure: State Agency Lab Exemption	410 ILCS 240/1
Revenue Source: Private Sewage Fee	225 ILCS 225/5
Expenditure: Plumbing License Exemption	225 ILCS 225/5
Revenue Source: Pesticide Control Fee	225 ILCS 235/9
Expenditure: State Agency Employee Exemption	225 ILCS 235/22

TAX EXPENDITURES LEGAL AUTHORITY

Public Health (Concluded)

Revenue Source: Recreational Area Fee	210 ILCS 95
Expenditure: Not-for-Profit & Gov. Agency Original License Application Fee Waiver.	210 ILCS 95/5
Not-for-Profit & Gov. Agency Construction Application Fee Waiver	210 ILCS 95/4
Not-for-Profit & Gov. Agency License Renewal Waiver.	210 ILCS 95/6
Revenue Source: Swimming Pool and Bathing Beach Fee	210 ILCS 125
Expenditure: Not-for-Profit & Gov. Facility Construction Application Fee Waiver	210 ILCS 125/5
Not-for-Profit & Gov. Facility License Renewal Fee Waiver	210 ILCS 125/6
Not-for-Profit & Gov. Facility Original License Fee Waiver.	210 ILCS 125/4
Revenue Source: Long Term Care Facility Fee	210 ILCS 45/3-103
Expenditure: Fac. lic. for Intermediate Care Facility for Dev. Disabled &/or Skilled under 22 beds only.	210 ILCS 45/3-103
Revenue Source: Childhood Lead Screening Fee	410 ILCS 45/1
Expenditure: Low Income Family Waiver	410 ILCS 45/1
Revenue Source: Automated Lab Tests - HIV (ELISA) Test and STD Tests	20 ILCS 2310/55.09
Expenditure: Dept. Funded HIV Counseling & Testing Site & HIV Seroprevalence Exemption	20 ILCS 2310/55.09
Pop. With High Incidence of Sexually Transmitted Diseases Exemption.	20 ILCS 2310/55.09
Revenue Source: Youth Camp License Application Fee	210 ILCS 100/5
Expenditure: Governmental Agency Waiver	210 ILCS 100/5
Revenue Source: Water Pump Contractor Fee	225 ILCS 345/13
Expenditure: Licensed Plumber Exemption	225 ILCS 345/1
Revenue Source: Environmental Lead License Application Fee	410 ILCS 45/8.1
Expenditure: Department of Public Health and Delegate Agency Employee Waiver	410 ILCS 45/8.1
Revenue Source: Salvage Warehouse and Salvage Warehouse Store Act	240 ILCS 30/0.1
Expenditure: Not-for-Profit Organization Waiver	240 ILCS 30/0.1
Revenue Source: Asbestos Abatement License Fee	105 ILCS 105 / 77 IAC 855
Expenditure: Governmental employee waiver	105 ILCS 105 / 77 IAC 855
Revenue Source: Plan Review Fee - LTC Facilities	210 ILCS 45/3-202.5
Expenditure: Projects costing less than \$100,000.	210 ILCS 45/3-202.5

TAX EXPENDITURES LEGAL AUTHORITY

Revenue

Revenue Source: Sales and Use Tax	35 ILCS 105, 110, 115, 120
Expenditure:	
Demonstration Use Prior to Resale	35 ILCS 105/2, 110/2
Game or Game Birds sold at Hunting Area	35 ILCS 120/2-5 (32)
Feed and Seed Exemption	35 ILCS 105/2, 120/1
Farm Chemicals Exemption	35 ILCS 105/3-5(7), 120/2-5(1)
Designated Personal Property within Enterprise Zone Exemption	35 ILCS 105/12, 110/12, 115/12, 120/1d
Biodiesel Discount and Exemption	35 ILCS 120/2-10; 35 ILCS 105/3-10; 35 ILCS 110/3-10; 35 ILCS 115/3-10
Building Materials within Enterprise Zone Exemption	35 ILCS 105/12, 110/12, 115/12, 120/5k
Leased Property to Hospitals or Government Bodies	35 ILCS 105/3-5(22)(23), 110/3-5(15)(16), 115/3-5(16)(17), 120/2-5(28)(29)
Race Horses	35 ILCS 120/2-5 (27)
Build. Mat. with Intermodal Terminal Fac. Redevelopment Proj. Area Exemption	35 ILCS 120/2-6
Majority Blended Ethanol	35 ILCS 105/3-10
Food, Drugs, and Medical Appliances Rate Reduction	35 ILCS 105/3-10, 110/3-10, 115/3-10, 120/2-10
Building Materials to High Economic Impact Business Exemption	35 ILCS 105/12, 110/12, 115/12, 120/5L
Building Materials within River Edge Redevelopment Zone Exemption	35 ILCS 120/2-54
Fuel and Petroleum Products for International Flight Exemption	35 ILCS 105/3-5(12), 110/3-5(8), 115/3-5(8), 120/2-5(22)
Interim Use Prior to Sale Exemption	35 ILCS 105/2, 110/2
Graphic Arts Machinery and Equipment Exemption	35 ILCS 105/3-5(6), 110/3-5(5), 115/3-5(5), 120/2-5(4)
Community Water Supply Construction Items	35 ILCS 105/3-5 (34), 110/3-5 (26), 115 /3-5 (27), 120/2-5 (39)
Sales by Exempt Organizations	35 ILCS 105/2, 120/1
Sale of Non-Resident Aircraft	35 ILCS 105/3-55 (h-2), 120/2-5 (25-7)
Semen for Artificial Insemination of Livestock	35 ILCS 120/2-5 (26)
Aircraft Support Center Exemption	35 ILCS 105/12, 110/12, 115/12, 120/1o
Farm Machinery and Equipment Exemption	35 ILCS 105/3-5(11), 110/3-5(7), 115/3-5(7), 120/2-5(2)
Sales of Motor Vehicles to Non-Residents Exemption	35 ILCS 105/3-55, 120/2-5(25)
Photo Processing Machinery and Equipment Exemption	35 ILCS 105/3-5(15), 110/3-5(11), 115/3-5(11), 120/2-5(20)
Gasohol Discount	35 ILCS 105/3-10, 110/3-10, 115/3-10, 120/2-10
Manufacturing and Assembling Machinery and Equipment Exemption	35 ILCS 105/3-5(18), 110/2(5), 115/2(e), 120/2-5(14)
Property Acquired by Non-Resident before Relocating in Illinois Exemption	35 ILCS 105/3-70, 110/3-60
Specified Photoprocessing Charges Exemption	35 ILCS 105/3-15, 110/3-15, 115/3-15, 120/2-15
Low Sulfur Dioxide Emission Coal Fueled Device Exemption	35 ILCS 105/2a-1, 110/2b, 115/2b, 120/1a-1
Sales Tax Holiday Exemptions	35 ILCS 105/3-10, 120/2-10
Machinery/Equipment for Operation of High Economic Impact Service Facility	35 ILCS 105/12, 110/12, 115/12, 120/1j

TAX EXPENDITURES LEGAL AUTHORITY

Revenue (Continued)

Property Used in the Operation of Pollution Control Facilities	35 ILCS 105/12, 110/12, 115/12, 120/1e
Newsprint and Ink to Newspapers and Magazines Exemption	35 ILCS 105/2, 120/1
Occasional Sales	35 ILCS 105/2, 120/1
Sales of Fuel to Vessels on Bordering Rivers	35 ILCS 120/2-5(24)
Retailer's Discount	35 ILCS 105/9, 110/9, 115/9, 120/3
Public Service Corporation for Municipal Convention Hall Purposes	65 ILCS 5/11-65-15, 5/11-65-25
Teacher Sponsored Student Organization Exemption	35 ILCS 105/3-5(9), 110/3-5(6), 115/3-5(6), 120/2-5(6)
Manufacturer's Purchase Credit	35 ILCS 105/3-85, 110/3-70
Sales of Vehicles to Automobile Rentors Exemption	35 ILCS 105/3-5(10) & 120/2-5(5)
Sales to Not for Profit Music and Dramatic Arts Organization Exemption	35 ILCS 105/3-5(3), 110/3-5(3), 115/3-5(3), 120/2-5(9)
Legal Tender, Medallions, and Bullion Exemption	35 ILCS 105/3-5(8), 110/3-5(4), 115/3-5(4), 120/2-5(18)
Nursing Homes Food Drugs and Medical Appliances Exemption	35 ILCS 115/3-5(13)
Use by Nonresidents While Temporarily Passing Through Illinois Exemption	35 ILCS 105/3-55, 110/3-45
Rolling Stock Exemption	35 ILCS 105/3-55(b)(c), 110/3-45(b), 115/2(d)(d-1), 120/2-5(12)(13)
Traded-In Property Exemption	35 ILCS 105/2, 120/1
Senior Citizens Service Enterprises Exemption	35 ILCS 105/3-5(1), 110/3-5(1), 115/3-5(1), 120/2-5(10)
Sales to County Fair Association Exemption	35 ILCS 105/3-5(2), 110/3-5(2), 115/3-5(2), 120/2-5(8)
Sales of Mach. & Equip. in Operation of Aircraft Maintenance Facilities	35 ILCS 105/12, 110/12, 115/12, 120/1m
Nutrition Program for the Elderly Exemption	35 ILCS 105/2, 120/1
Charitable, Religious, Governmental, and Educational Exemption	35 ILCS 105/3-5(4), 110/2, 115/2, 120/2-5(11)
Sales of Tangible Personal Property Used by Aircraft Maintenance Facilities	35 ILCS 105/12, 110/12, 115/12, 120/1n
Sales Through Penny Bulk Vending Machines	35 ILCS 105/2, 120/1
Revenue Source: Individual Income Tax	35 ILCS 5/101 et. seq.
Expenditure:	
Military Pay Subtraction	35 ILCS 5/203 (a)(E)
Ex-Felons Jobs Credit	35 ILCS 5/216
River Edge Redevelopment Zone Site Remediation Tax Credit	35 ILCS 5/201(n)
Veterans Jobs Credit	35 ILCS 5/217
River Edge Redevelopment Zone - Jobs Tax Credit	35 ILCS 5/201(g)
80/20 Rules (3)	35 ILCS 5/203 (a) (EE)
80/20 Rules (1)	35 ILCS 5/203 (a) (CC)
Additional Exemptions: Blind and Elderly	35 ILCS 5/204 (d)
Earned Income Tax Credit	35 ILCS 5/212
Education Expense Credit	35 ILCS 5/201 (m)
80/20 Rules (2)	35 ILCS 5/203 (a) (DD)
Federally Taxed Social Security Subtraction	35 ILCS 5/203 (a)(L)
TECH-PREP Youth Vocational Credit	35 ILCS 5/209
River Edge Redevelopment Zone Investment Credit	35 ILCS 5/201(f)
Federally Taxed Retirement	35 ILCS 5/203 (a)(F)
Interest Expense Subtraction	35 ILCS 5/203 (a) (M)
River Edge Redevelopment Zone Dividend Subtraction	35 ILCS 5/203(a)(2)(J)
Acceleration of Life Insurance Benefits Subtraction	35 ILCS 5/203 (a) (Q)
Job Training Contribution Subtraction	35 ILCS 5/203 (a) (O)
Compensation of Nazi Victims	35 ILCS 5/203 (a) (X)
Foreign Trade Zone Dividends Subtraction	35 ILCS 5/203 (a) (K)
Ride Sharing Subtraction	35 ILCS 5/203 (a) (BB)
Capital Gain or Loss Bonus Depreciation	35 ILCS 5/203 (a) (AA)
Bonus Depreciation	35 ILCS 5/203(a)(Z)

TAX EXPENDITURES LEGAL AUTHORITY

Revenue (Continued)

Credit for Student Assistance Contributions	35 ILCS 5/218
New Markets Tax Credits	20 ILCS 663
Amount Awarded for being Wrongfully Imprisoned	35 ILCS 5/203 (a) (FF)
Economic Development for a Growing Economy Tax Credit	35 ILCS 5/211
Film Production Services Credit	35 ILCS 5/213
College Savings Pool Account	35 ILCS 5/203 (a)(Y)
Affordable Housing Donations Tax Credit	35 ILCS 5/214
Enterprise Zone Investment Credit	35 ILCS 5/201 (f)
Enterprise Zone Dividends Subtraction	35 ILCS 5/203 (a) (J)
Enterprise Zone; Foreign Trade Zone - Jobs Tax Credit	35 ILCS 5/201(g)
High Impact Business Investment Credit	35 ILCS 5/201(h)
Research and Development Credit	35 ILCS 5/201(k)
IRA Converted to Roth IRA Subtraction	35 ILCS 5/203(a) (W)
Tax Credit for Residential Real Property Taxes	35 ILCS 5/208
Standard Exemption: Taxpayers and Dependents	35 ILCS 5/204 (a),(b),(c)
Self-Employed Health Insurance Subtraction	35 ILCS 5/203 (a) (V)
Persian Gulf War Bonus Subtraction	35 ILCS 5/203 (a) (R)
Medical Care Savings Account Subtraction	35 ILCS 5/203 (a) (S) & (T)
Dependent Care Assistance Program Tax Credit	35 ILCS 5/210
Revenue Source: Corporate Income Tax	35 ILCS 5/101 et. seq.
Expenditure:	
TECH-PREP Youth Vocational Program Credit	35 ILCS 5/209
River Edge Redevelopment Zone Site Remediation Tax Credit	35 ILCS 5/201(n)
Job Training Contribution Subtraction	35 ILCS 5/203 (b) (P)
Enterprise Zone; Foreign Trade Zone - Jobs Credit	35 ILCS 5/201(g)
Dependent Care Assistance Credit	35 ILCS 5/210
High Economic Impact Business Dividend Subtraction	35 ILCS 5/203 (b) (L)
Research and Development Credit	35 ILCS 5/201 (k)
Interest Expense Subtraction	35 ILCS 5/203 (b) (I)
Illinois Net Operating Loss Deduction	35 ILCS 5/207 (a) & (b)
High Economic Impact Business Investment Credit	35 ILCS 5/201 (h)
Foreign Insurer Rate Reduction	35 ILCS 5/201(d-1)
Employee Child Care Tax Credit	35 ILCS 5/210.5
Film Production Services Credit	35 ILCS 5/213
River Edge Redevelopment Zone - Jobs Tax Credit	35 ILCS 5/201 (g)
Enterprise Zone Investment Credit	35 ILCS 5/201 (f)
Enterprise Zone Charitable Contribution Subtraction	35 ILCS 5/203 (b) (2) (N)
High Economic Impact Business Interest Subtraction	35 ILCS 5/203(b)(M-1)
Ex-Felons Jobs Credit	35 ILCS 5/216
River Edge Redevelopment Zone Investment Credit	35 ILCS 5/201 (f)
Attorney-In-Fact Subtraction	35 ILCS 5/203(b) (R)
Affordable Housing Donations	35 ILCS 5/214
Enterprise Zone Dividends Subtraction	35 ILCS 5/203 (b) (2) (K)
Veterans Jobs Credit	35 ILCS 5/217
Bonus Depreciation	35 ILCS 5/203(b)(T)
Capital Gain or Loss	35 ILCS 5/203(b)(U)
Enterprise Zone Interest Subtraction	35 ILCS 5/203 (b) (2) (M)
River Edge Redevelopment Zone Charitable Contribution Subtraction	35 ILCS 5/203 (b) (2) (N)
River Edge Redevelopment Zone Interest Subtraction	35 ILCS 5/203 (b) (2) (M)
River Edge Redevelopment Zone Dividends Subtraction	35 ILCS 5/203 (b) (2) (K)
Credit for Student Assistance Contributions	35 ILCS 5/218
Economic Development for a Growing Economy Tax Credit	35 ILCS 5/211

TAX EXPENDITURES LEGAL AUTHORITY

Revenue (Continued)

Revenue Source: Automobile Renting Occupation and Use Tax	35 ILCS 155/1 - 155/4
Expenditure:	
Claims for Loss or Damage Deduction	35 ILCS 155/2
Exempt Organization Rentals	35 ILCS 155/3
Other/Miscellaneous Deduction	35 ILCS 155/2
Timely Filing and Full Payment Discount	35 ILCS 120/3, 155/3
Refueling Deduction	35 ILCS 155/2
Insurance Coverage Deduction	35 ILCS 155/2
Loaner Vehicles on Warranty	35 ILCS 155/2
Revenue Source: Cigarette and Cigarette Use Taxes	35 ILCS 130/1-30, 35 ILCS 135/1-37
Expenditure:	
Prison and Mental Health Facility Exemption	35 ILCS 130/1
Cost of Collection Discount	35 ILCS 130/2, 135/3
Revenue Source: Hotel Operators' Occupation and Use Tax	35 ILCS 145/1 - 145/10
Expenditure:	
Cost of Collection Discount	35 ILCS 145/6
Permanent Residents Exemption	35 ILCS 145/3, 145/9
Revenue Source: Liquor Gallonage Tax	235 ILCS 5/1-1 - 5/11-2
Expenditure:	
Sacramental Wine Exemption	235 ILCS 5/1-3.05
Non-Beverage User Exemption	235 ILCS 5/8-1
Cost of Collection Discount	235 ILCS 5/8-2
Revenue Source: Underground Storage Tank Tax	35 ILCS 505/1 - 505/21
Expenditure:	
Liquefied Propane Gas Exemption	35 ILCS 505/2a
Airport Exemption	35 ILCS 505/2a
Timely Filing and Full Payment Discount	35 ILCS 505/2b; 415 ILCS 125/301
Exemp. for Ships, Barges, & Vessels in Interstate Comm. on Border Rivers	35 ILCS 505/2a
Rail Carrier Exemption	35 ILCS 505/2a
Revenue Source: Motor Fuel Taxes	35 ILCS 505/1 - 505/21
Expenditure:	
Timely Filing and Full Payment Discount	35 ILCS 505/6,505/6a
Sales for Use Other Than in Motor Vehicles Exemption	35 ILCS 505/6,505/6a
Privately Owned Transportation Utility Exemption	35 ILCS 505/6,505/6a
Municipal Corporation Owning Transportation System Exemption	35 ILCS 505/6,505/6a
Aviation Purposes Exemption	35 ILCS 505/6,505/6a
Revenue Source: Electricity Excise Tax	35 ILCS 640/15- 640/99
Expenditure:	
Sales to Municipal Transit Systems	35 ILCS 640/2-4
Purchase of Electricity Generated by Solid Waste Energy Facility Credit	220 ILCS 5/8-403.1
Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemption	220 ILCS 5/9-222.1
Revenue Source: Gas Revenue Tax	35 ILCS 615/1 -15, 35 ILCS 173/5-1 - 5-999
Expenditure:	
Gas Used in Production of Fertilizer	35 ILCS 173/5-50(6)
Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemption	35 ILCS 615/1, 35 ILCS 173/5-50(1)
Gas Used in Petroleum Refinery Operation	35 ILCS 173/5-50(4)
Gas Used in Production of Electric Energy	35 ILCS 173/5-50(3)
Cost of Collection Discount (Gas Use Tax)	35 ILCS 173/5-40
Gas Used in Liquefaction Process	35 ILCS 173/5-50(5)
Revenue Source: Telecommunications Excise Tax	35 ILCS 630/1 - 630/21
Expenditure:	
Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemption	35 ILCS 630/2
State Universities Exemption	35 ILCS 630/2(k)
Cost of Collection Discount	35 ILCS 630/6
Coin-Operated Telecommunications Devices Exemption	35 ILCS 630/2

TAX EXPENDITURES LEGAL AUTHORITY

Revenue (Concluded)

Revenue Source: Vehicle Use Tax	625 ILCS 5/3-1001 - 5/3-1006
Expenditure:	
Farm Implement - Ready Mix Exemption	625 ILCS 5/3-1001
Family Member Preferential Tax Rate	625 ILCS 5/3-1001
Business Reorganization Preferential Tax Rate	625 ILCS 5/3-1001
Estate Gift to Beneficiary Preferential Tax Rate	625 ILCS 5/3-1001
Government, Charitable, Educational, Religious Entities Exemption	625 ILCS 5/3-1001
Surviving Spouse Exemption	625 ILCS 5/3-1001
Out-of-State Resident Exemption	625 ILCS 5/3-1001, 35 ILCS 105/3-55
Rolling Stock Exemption	625 ILCS 5/3-1001, 35 ILCS 105/3-55
Revenue Source: Real Estate Transfer Tax	35 ILCS 200/31
Expenditure:	
Other Exempted Deeds or Trust Documents	35 ILCS 305/31-45
Exempted deeds or trust documents	35 ILCS 200/31-45
Corporate Franchise Tax Exemption	35 ILCS 200/31-46
Homeownership Made Easy Act	35 ILCS 200/31-45(m)
Revenue Source: Aircraft/Watercraft Use Tax	35 ILCS 157, 35 ILCS 158
Expenditure:	
Watercraft Temporarily Used in Illinois Exemption	35 ILCS 158/15-10(v)
Surviving Spouse Exemption	35 ILCS 157/10-15(iv), 35 ILCS 158/15-10(iv)
Rolling Stock Exemption	35 ILCS 157/10-15(iii), 35 ILCS 158/15-10(iii)
Sales to Exempt Organizations	35 ILCS 157/10-15(ii), 35 ILCS 158/15-10(ii)
Commerce Commission	
Revenue Source: Gross Receipts Tax (Public Utility Fund)	220 ILCS 5/2-202
Expenditure:	
Enterprise Zone Revenue Exemption	220 ILCS 5/3-121
Environmental Protection Agency	
Revenue Source: Sewer Construction Permit Application Fee	415 ILCS 5/12.2
Expenditure:	
State and Local Government Exemption	415 ILCS 5/12.2
Revenue Source: Water Main Construction Permit Application Fee	415 ILCS 5/16.1
Expenditure:	
State and Local Government Exemption	415 ILCS 5/16.1
Revenue Source: NPDES Permit Discharge Fee	415 ILCS 5/12.5
Expenditure:	
State Government and School District Exemption	415 ILCS 5/12.5
Gaming Board	
Revenue Source: Riverboat Gambling Admission Tax	230 ILCS 10/12
Expenditure:	
Tax Free Admission Passes	230 ILCS 10/12
Racing Board	
Revenue Source: Horse Racing Admission Tax	230 ILCS 5/25
Expenditure:	
Free General Admission	230 ILCS 5/25
Revenue Source: Racing Pari-mutuel (aka:Privilege Tax)	230 ILCS 5/27
Expenditure:	
Real Estate Tax Credit	230 ILCS 5/32.1

TAX EXPENDITURES BY PURPOSE (IN THOUSANDS)

Agricultural Expenditures		
	Fiscal Year 2010 Annual Impact	Fiscal Year 2011 Annual Impact
Tax: Sales Tax		
Farm Chemicals (Includes Feed and Seed) Exemption	\$ 191,000	\$ 241,000
Gasohol Discount	102,000	125,000
Biodiesel Discount and Exemption	83,000	107,000
Farm Machinery and Equipment Exemption	53,000	51,000
Majority Blended Ethanol	670	1,500
Total	\$ 429,670	\$ 525,500
Tax: Other		
Farm Implement - Ready Mix Exemption	\$ 1,120	\$ 2,164
Total	\$ 1,120	\$ 2,164
Total, Agricultural Expenditures	\$ 430,790	\$ 527,664

Business Expenditures		
	Fiscal Year 2010 Annual Impact	Fiscal Year 2011 Annual Impact
Tax: Sales Tax		
Manufacturing and Assembling Machinery and Equipment Exemption*	\$ 174,000	\$ 184,000
Retailer's Discount	109,000	116,000
Rolling Stock Exemption	27,000	47,000
Manufacturer's Purchase Credit*	33,000	37,785
Newsprint and Ink to Newspapers and Magazines Exemption	39,000	33,000
Sales of Vehicles to Automobile Rentors Exemption	27,000	32,000
Designated Tangible Personal Property within Enterprise Zone Exemption*	21,000	20,000
Graphic Arts Machinery and Equipment Exemption*	8,600	8,300
Building Materials within Special Zone Exemption*	4,400	4,100
Interim Use Prior to Sale Exemption	3,700	900
Total	\$ 446,700	\$ 483,085
Tax: Individual Income Tax		
Income Tax Credits*	\$ 6,877	\$ 16,354
Income Tax Subtractions*	0	4,532
Total	\$ 6,877	\$ 20,886

TAX EXPENDITURES BY PURPOSE (IN THOUSANDS)

Business Expenditures (Concluded)		
	Fiscal Year 2010	Fiscal Year 2011
	Annual Impact	Annual Impact
Tax: Corporate Income Tax		
Illinois Net Operating Loss Deduction	\$ 255,529	\$ 193,487
Economic Development for a Growing Economy Tax Credit*	34,766	36,149
Research and Development Credit*	19,135	13,200
Film Production Services Credit*	11,125	11,799
Enterprise Zone and River Edge Redevelopment Zone Investment Credit*	7,169	6,009
High Economic Impact Business Investment Credit*	96	3,104
Foreign Insurer Rate Reduction	10,240	2,309
Special Zone Dividend, Interest, and Charitable Contribution Subtractions*	1,505	1,529
High Economic Impact Business Dividend Subtraction*	4,810	1,181
Job Training Contribution Subtraction*	1,149	477
River Edge Redevelopment Zone Site Remediation Tax Credit	0	15
Total	\$ 345,524	\$ 269,259
Tax: Other¹		
Sales for Use Other Than in Motor Vehicles Exemption	\$ 103,025	\$ 110,126
Enterprise & Foreign Trade Zone High Economic Impact Business Exemption*	44,835	43,334
Timely Filing and Full Payment Discount - MFT	19,918	19,955
Two Million Dollar Cap on Franchise Tax for Corporations	17,510	17,934
Airport Exemption	15,223	16,732
Enterprise & Foreign Trade Zone High Economic Impact Business Exemption*	12,783	13,725
Cost of Collection Discount - Telecommunications	9,262	9,229
Cost of Collection Discount - Cigarettes	8,604	8,854
Gas Used in Petroleum Refinery Operation	8,020	8,328
Gas Used in Production of Electric Energy	7,968	11,352
Real Estate Tax Credit	3,632	2,881
Cost of Collection Discount - Hotel	3,600	3,900
Purchase of Electricity Generated by Solid Waste Energy Facility Credit*	3,174	2,184
Rail Carrier Exemption	2,967	2,982
Gas Used in Production of Fertilizer	2,700	2,700
Enterprise & Foreign Trade Zone High Economic Impact Business Exemption*	2,196	2,254
Cost of Collection Discount - Liquor	1,253	2,199
Timely Filing and Full Payment Discount -UST	1,220	1,217
Cost of Collection Discount (Gas Use Tax)	679	682
Timely Filing and Full Payment Discount - ART	500	600
Exemption for Vessels Conducting Interstate Commerce on Border Rivers	485	583
Business Reorganization Preferential Tax Rate	58	58
Aviation Purposes Exemption	45	41
Enterprise Zone Revenue Exemption*	18	26
New Markets Development Program	0	1
Total	\$ 269,675	\$ 281,877
Total, Business Expenditures	\$ 1,068,776	\$ 1,055,107

* Tax expenditures intended to provide an economic incentive for business activities. Several of the 'other individual income tax subtractions' including enterprise zone and foreign trade zone dividends and job training contributions are business incentives.

¹ Refer to Appendix D for specific receipt sources for other tax expenditures.

TAX EXPENDITURES BY PURPOSE (IN THOUSANDS)

Individual Expenditures - Broad Based		
	Fiscal Year 2010 Annual Impact	Fiscal Year 2011 Annual Impact
Tax: Sales Tax		
Food, Drugs, and Medical Appliances Rate Reduction	\$ 1,530,000	\$ 1,547,000
Total	\$ 1,530,000	\$ 1,547,000
Tax: Individual Income Tax		
Standard Exemption: Taxpayers and Dependents	\$ 654,272	\$ 619,858
Tax Credit for Residential Real Property Taxes	524,864	541,786
Earned Income Tax Credit	106,239	105,607
Education Expense Credit	75,705	74,354
Total	\$ 1,361,080	\$ 1,341,605
Total, Individual Expenditures - Broad Based	\$ 2,891,080	\$ 2,888,605
Individual Expenditures - Elderly and Disabled		
	Fiscal Year 2010 Annual Impact	Fiscal Year 2011 Annual Impact
Tax: Individual Income Tax		
Federally Taxed Retirement and Social Security Subtractions	\$ 1,005,159	\$ 1,098,914
Additional Exemptions: Blind and Elderly	19,375	17,925
Total	\$ 1,024,534	\$ 1,116,839
Tax: Other		
Senior Citizen Plate Renewal Reduction	\$ 10,538	\$ 12,040
Reduced Renewal Fee for Senior Citizens	4,648	5,162
Duplicated/Corrected ID Senior Citizen/Handicapped	3,284	3,125
Disabled, Under 16, 65 & Over, Fee Fishing Area, Owner/Tenant Discount	1,272	1,272
Disabled Veteran Vehicle Registration Exemption	416	417
Duplication of Stolen Licenses for Senior Citizens	8	30
Total	\$ 20,166	\$ 22,046
Total, Individual Expenditures - Elderly and Disabled	\$ 1,044,700	\$ 1,138,885
Individual Expenditures - Other		
	Fiscal Year 2010 Annual Impact	Fiscal Year 2011 Annual Impact
Tax: Individual Income Tax		
Military Pay Subtraction	\$ 28,017	\$ 28,866
Other	3,374	25
Total	\$ 31,391	\$ 28,891
Tax: Other		
Sales Tax Holiday Exemptions	\$ 0	\$ 16,800
Pop. With High Incidence of Sexually Transmitted Diseases Exemption	2,356	2,356
Dept. Funded HIV Counseling/Testing Site and HIV Seroprevalence Exemption	330	330
X-POW Vehicle Registration Exemption	60	48
Veterans Jobs Credit	33	37
Illinois Adoption Registry and Medical Information Exchange	1	15
Total	\$ 2,780	\$ 19,586
Total, Individual Expenditures - Other	\$ 34,171	\$ 48,477

TAX EXPENDITURES BY PURPOSE (IN THOUSANDS)

Charitable Expenditures		
	Fiscal Year 2010 Annual Impact	Fiscal Year 2011 Annual Impact
Tax: Sales Tax		
Sales to Exempt Organizations ²	\$ 405,000	\$ 424,000
Total	\$ 405,000	\$ 424,000
Tax: Corporate Income Tax		
Affordable Housing Donations	\$ 8,938	\$ 8,208
Employee Child Care Tax Credit	27	0
Total	\$ 8,965	\$ 8,208
Tax: Other		
Government, Charitable, Educational, Religious Entities Exemption	\$ 2,900	\$ 5,960
Exempt Organization Rentals	1,400	1,500
Affordable Housing Donations Tax Credit	231	1,126
Charitable Organization Vehicle Exemption	2,581	215
Low Income Family Waiver	232	163
Other	140	138
Total	\$ 7,484	\$ 9,102
Total, Charitable Expenditures	\$ 421,449	\$ 441,310

Other Expenditures		
	Fiscal Year 2010 Annual Impact	Fiscal Year 2011 Annual Impact
Tax: Sales Tax		
Traded-In Property Exemption	\$ 109,000	\$ 309,000
Sales of Motor Vehicles to Non-Residents Exemption	36,000	39,000
Legal Tender, Medallions, and Bullion Exemption	2,000	2,700
Property Acquired by Non-Resident before Relocating in Illinois Exemption	900	227
Total	\$ 147,900	\$ 350,927
Tax: Hospital Provider Assessment		
Hospital Provider Exemption	\$ 173,274	\$ 173,274
Total	\$ 173,274	\$ 173,274
Tax: Individual Income Tax		
Other Subtractions	\$ 43,541	\$ 51,269
Total	\$ 43,541	\$ 51,269
Tax: Other		
Other	\$ 89,881	\$ 100,511
Total	\$ 89,881	\$ 100,511
Total, Other Expenditures	\$ 454,596	\$ 675,981

² The Department of Revenue estimates that of the \$424 million in sales to exempt organizations, governments account for 80% with qualifying non-profits such as charities, religious organizations, and private schools accounting for the remainder.

TECHNICAL APPENDIX

Tax Expenditures Included in This Report

The Comptroller's Office has decided to limit required agency reporting to those tax expenditures that are:

- 1) state levied taxes accruing to the state (this excludes tax expenditures related to locally levied taxes that are collected by the state and tax expenditures for state levied taxes like the personal property replacement taxes and local share of the state sales taxes that are automatically distributed to local governments);
- 2) authorized directly by state law (tax expenditures arising from the adoption of federal income tax provisions as the starting point for state income tax computations need not be reported); and
- 3) in excess of \$1 million in fiscal year 2010 (however some agencies did report smaller tax expenditures and the reporting agencies were asked to list any tax expenditures for which detailed cost estimates were not provided either because the tax expenditures were less than \$1 million or were not calculable).

Limitations on Using Tax Expenditure Data

Unlike much of the other data released by the Comptroller's Office, the costs of many of the reported tax expenditures are estimates whose accuracy may be affected by the limitations of the data used to construct each estimate. Measurement of a tax expenditure may require assumptions about the tax base that are subjective and might differ if made by another analyst.

The revenue gained from eliminating a tax expenditure can vary from the figures presented in this report as elimination of a tax expenditure may lead taxpayers to change their behavior. For example, the cost savings from a sales tax exemption might be the attraction that causes some shoppers to purchase an item. If the exemption were eliminated, these shoppers might forego purchase of the item, leaving the state with smaller new revenues than would be computed by adding the revenue losses from purchases with the exemption in place. Further, adding the impacts of the various tax expenditures may overstate the total cost of the tax expenditures, as some transactions may be exempt under multiple tax expenditures.

Transactions that are not taxed because they fall outside of the Illinois tax base are not tax expenditures. For example, the Illinois sales tax is a tax on the transfer of tangible personal property for final use. In most cases, services are only taxed to the extent tangible personal property is transferred as part of the service agreement. Thus a purchase of auto repair services is only taxed on the parts used in the repairs. Not fully taxing service purchases is not a tax expenditure as services lie outside the state tax base.

State Versus Federal Law

In some cases, federal tax law serves as the basis for starting state tax computations. For example, computation of the Illinois personal income tax begins with adjusted gross income (AGI) as determined on federal tax returns. Thus some federal tax expenditures are implicitly extended to Illinois personal income taxpayers.

For this report, such indirect tax expenditures are not considered to be authorized by state law. The Illinois statutes may set AGI as the starting point for Illinois personal income tax computations, but the actual authorization of the tax expenditure is determined by federal law and can be modified by amendment of the federal law. The portion of the tax expenditure statute asking for the “citation of the legal authority for the tax expenditure, the year it was enacted, and the fiscal year in which it first took effect” is interpreted to apply only to state statutes.

However, the state can require specific federal tax expenditures to be added back to the state tax base. An example is the municipal bond interest deductions which are added back to taxable income when computing the Illinois personal income tax base.

Tax expenditures based on the federal Constitution are also excluded from this report. An example would be items exempt from state taxation due to the Commerce Clause of the federal Constitution.

Overlapping Taxes

In some cases transactions or income are exempted from one state tax because they are subject to another state tax. For example, transactions subject to the state sales tax are exempt from the state use tax. Exemptions included in the statutes to prevent double taxation are not considered tax expenditures for purposes of this report. Similarly, credits for taxes paid to other states prevent double taxation and are not tax expenditures.

For More Detailed Information

Agency *Tax Expenditure Report* submissions are available on the State Comptroller’s website: To access the detailed submissions:

- ✓ Go to the Comptroller’s website: <http://www.illinoiscomptroller.com>

- ✓ Move the mouse pointer over the Departments button on the top of the page, and then click on the Research and Fiscal Info button.

- ✓ Click on the Detailed Tax Expenditure Data button.

- ✓ Use the drop down box to select the agency of interest. Then select the appropriate fiscal year and click on the Select Agency button.

- ✓ Reports can be created for all receipts for the agency or a selected group of receipts. If select receipts is chosen, use the drop down boxes to choose the first and last of the desired group of receipts.

- ✓ Three standardized reports can be created. The Tax Expenditure Detail report contains the detailed agency submissions. The Tax Expenditure by Fund report provides cost estimates by fund and the Total Tax Expenditure Cost report lists total cost estimates.

- ✓ The above reports can be printed as HTML files.

If you have any additional questions about the *Tax Expenditure Report*, please contact Alexis Sturm at 217-524-5774. ■