



STATE OF ILLINOIS  
COMPTROLLER  
JUDY BAAR TOPINKA

# TAX EXPENDITURE REPORT

FISCAL YEAR 2013

# ILLINOIS

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STATE OF ILLINOIS  
COMPTROLLER  
JUDY BAAR TOPINKA



April 2014

*A Message to Illinois Taxpayers*

**G**reetings! It is my pleasure to present this tax expenditure report for fiscal year 2013.

Compiled by my office as required by state law, this report contains information from agencies throughout state government. Tax expenditures, such as exemptions, credits or abatements, are given to individuals, corporations or other organizations. In fiscal year 2013, state agencies reported 273 such expenditures, totaling roughly \$8.9 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 taxation of retirement income in Illinois and other states. Illinois is one of only three states that fully exempt public pensions, private pensions, and Social Security income from state taxation, and that exemption cost the state \$2.2 billion in fiscal year 2013. The size of this exemption and its likelihood of growth as the population ages makes it an important one to monitor.

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](http://www.illinoiscomptroller.com).

Sincerely,

Judy Baar Topinka  
*Illinois State Comptroller*



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# 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 businesses.

The total impact of tax expenditures in Illinois (as reported by state agencies) was estimated at \$8.9 billion in fiscal year 2013, with the major portion derived from income and sales tax expenditures.

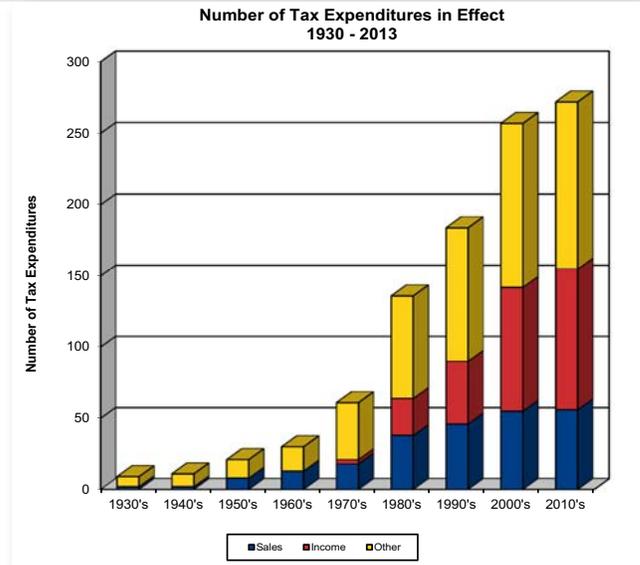
Tax expenditures have been used since the early 1930’s; however, it was the decade of the 1980’s that saw an explosive growth in their use. During that decade, 75 of the existing tax expenditures were enacted. Of these, at least 29 were related to economic development efforts, including various tax expenditures related to enterprise zones, foreign trade zones, and high impact business investments.

For fiscal year 2013, agencies identified 273 tax expenditures; 225 were associated with taxes and 48 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, film production services credit, and the live theater production credit.

## The Impact of Higher Income Tax Rates

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%. Both the individual income tax and corporate income tax information in this report accounts for the impact of the increase in the tax rate. This is the first report in which the corporate income tax data incorporates the impact of the rate increase, and the second report in which individual income tax data accounts for it.

As footnoted in this report, the computations of the costs of tax expenditures for the individual income tax were derived from 2012 tax year returns. 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 2011 tax year returns.

The impact of the higher tax rates on the cost of a specific tax expenditure depends on the nature of the tax expenditure. Higher tax rates are unlikely to have much impact on tax credits other than that 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; its cost rose only slightly from fiscal year 2011 (before the impact of the higher rate was accounted for) to 2012 (\$542 million and \$555 million respectively). In contrast, subtractions from the tax base will become more costly as every \$100 in individual income tax subtractions will now reduce revenues by \$5 versus \$3 before the rate increase. The subtraction for federally taxed retirement and Social Security income is a prime example. Its cost rose from \$1.1 billion in fiscal year 2011 to \$2 billion in fiscal year 2012 and again to \$2.2 billion in fiscal year 2013, making it the most expensive tax expenditure.

The majority of tax expenditures against both the individual and corporate income taxes are subtractions. For the fiscal year 2013 Tax Expenditure Report, \$3.508 billion of tax expenditures for the individual income tax were from subtractions and \$845 million were credits. The breakdown for the corporate income tax was \$377 million arising from subtractions and \$122 million in tax credits.

## What's New in Tax Expenditures

### *Tax Expenditures of \$8.9 Billion in FY 2013*

Reported tax expenditures of \$8.950 billion in fiscal year 2013 were up \$593 million or 7.1% from reported tax expenditures of \$8.356 billion in fiscal year 2012. Much of the increase is from the newly reported corporate income tax Foreign Dividend Subtraction, a subtraction of dividends received from any foreign corporation. Its reported cost was \$360 million in fiscal year 2013. Removing that subtraction from the figures reduces the increase in reported tax expenditures to \$233 million or 2.79%.

Tax expenditures from the sales tax of \$3.502 billion were down \$10 million or 0.29% from the prior year estimate. The estimated cost of the most expensive sales tax expenditure, the food, drugs, and medical appliances rate reduction, of \$1.644 billion was up \$9 million (0.55%) from the prior year estimate. The cost for the exemption for sales of building materials used within an enterprise zone increased \$19.8 million from \$4.1 million to \$23.9 million, largely because of new reporting requirements as described in the next section. The manufacturing and assembly machinery and equipment exemption was up \$21 million or 11.5%. Those increases, and some smaller increases in other expenditures, were partially offset by a drop of \$72 million in the estimated cost of the exemption for sales to exempt organizations, and by the reduction of \$33 million in the estimated cost of the exemption for traded-in property. Beginning in fiscal year 2013, the traded-in property exemption estimate is for only motor vehicles, because the Department of Revenue no longer has data to estimate the non-motor vehicle share.

Tax expenditures for the individual income tax of \$4.354 billion were up \$438 million or 11.2% from fiscal year 2012 expenditures of \$3.916 billion. The expenditure for federally taxed retirement and Social Security subtractions rose \$270 million or 13.8%. The state Earned Income Tax Credit increased to 7.5% of the federal EITC in tax year 2012, which helped grow the cost of that expenditure by \$56.4 million or 53.4%. The standard exemption also rose from \$2,000 to \$2,050 for tax year 2012; the estimated cost of that expenditure rose \$73.6 million or 7.1%. Additionally, the estimated cost of the Economic Development for a Growing Economy tax credit increased \$29.7 million (for credits claimed only against the individual income tax, not the corporate income tax). The three dominant individual income tax expenditures

continued to be the federally taxed retirement and social security subtraction (\$2.233 billion), the standard exemption for taxpayers and their dependents (\$1.110 billion), and the tax credit for residential real property taxes (\$548 million).

Tax expenditures from the corporate income tax of \$499 million were up \$180 million or 56.6% in fiscal year 2013. The cost of the Illinois net operating loss deduction, the largest corporate income tax expenditure at \$219.0 million last year, was \$0 in fiscal year 2013 because it was suspended in tax year 2011. That drop was more than offset by the addition in this year's report of the foreign dividend subtraction at an estimated cost of \$360.3 million.

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 2013. This was virtually 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 2014. Tax expenditures for the motor fuel taxes, the final revenue source with over \$100 million in tax expenditures, were \$139 million in fiscal year 2013, down \$3.5 million from the prior year.

### What's New in Fiscal Year 2013?

Two recently implemented laws have improved the Department of Revenue's data capabilities and enabled more detailed reporting of some tax expenditures. Public Acts 97-905 and 98-109 require High Impact Businesses and businesses located in an enterprise zone or River Edge Redevelopment Zone to report the value of the tax incentives they receive. It also requires utilities providing tax exempt gas, electric, or telecommunications services to eligible businesses to report the value of those services. As a result, the Department of Revenue was able to report separately some tax expenditures that had formerly been combined.

Previously, the Department had combined the reporting of utility tax incentives for Enterprise Zones and High Economic Impact Businesses into one. Starting in fiscal year 2013, it is reporting them separately. Similarly, the corporate income tax investment credit for Enterprise Zones and River Edge Redevelopment Zones had been combined, and they will

now be reported separately. Under the sales tax, the expenditure for sales of Designated Tangible Personal Property within an Enterprise Zone used to include sales of building materials and other designated tangible personal property to High Impact Businesses as well. Now, it is just for sales to enterprise zones, and there are two newly reported expenditures—the High Impact Business Building Materials Exemption and the High Impact Business Designated Tangible Personal Property Exemption. Also, the exemption for sales of building materials within an enterprise zone now includes sales of building materials within River Edge Redevelopment Zones and Intermodal Terminal Facility Redevelopment Projects.

The Department of Revenue has also included a number of newly reported tax expenditures under the corporate income tax. The Historic Preservation Credit is allowed in an amount equal to 25% of qualified expenditures incurred in the restoration and preservation of a qualified historic structure, if the total expenditures are at least \$5,000 and exceed half of the purchase price of the property. Similarly, the River Edge Historic Preservation Credit is available for 25% of expenditures on historic preservation projects in a River Edge Redevelopment Zone. The Live Theater Production Tax Credit is equal to 20% of Illinois labor expenditures and Illinois production spending on a live theater production, plus 15% of Illinois labor expenditures on residents in areas of high poverty or unemployment. The total amount of credits is capped at \$2 million per fiscal year. No costs were reported for these expenditures in fiscal year 2013.

The newly reported Foreign Dividend Subtraction is a subtraction of dividends received from any corporation not created or organized under U.S. law. The amount of the subtraction depends on the taxpayer's percentage ownership of

the foreign corporation. This expenditure totaled \$360.3 million in fiscal year 2013. Also newly reported is the expenditure for interest on certain obligations of Illinois state and local government. This expenditure relates to the statutory exemption from Illinois income tax of the bonds of several authorities, boards, and state-established local governments. The amount of this expenditure for fiscal year 2013 was \$234,000. Finally, the Department of Revenue is now reporting as a group the cost of some subtractions from Schedule M that are either too small to be reported separately or would compromise taxpayer confidentiality if reported separately. They amounted to \$1.1 million in fiscal year 2013.

Under the individual income tax, the standard exemption rose from \$2,000 to \$2,050 for tax year 2012. It grows by the rate of inflation each year, and will be \$2,100 in tax year 2013 and \$2,125 for tax year 2014. The state Earned Income Tax Credit (EITC) increased from 5% to 7.5% of the federal EITC in tax year 2012, and to 10% of the federal EITC in tax year 2013.

The Illinois net operating loss deduction was suspended for tax years ending between January 1, 2011 and December 30, 2012, and is capped at \$100,000 per year per taxpayer for tax years ending between December 31, 2012 and December 30, 2014. ■

# SPECIAL STUDY: STATE TAXATION OF RETIREMENT INCOME

Many states, including Illinois, provide special tax treatment for retirement income, such as Social Security, pensions, and IRAs. The reasoning is that allowing the exclusion of part or all of such income from taxable income serves to protect people living on fixed incomes who cannot return to the workforce to earn more. Additionally, such favorable tax treatment can be viewed as a way to encourage retired people to stay in or move to a state. According to a survey by the National Conference of State Legislatures (NCSL) based on tax year 2010 data,

Illinois provides one of the most favorable treatments of retirement income for its retirees, being one of only three states that exempts all public pension, private pension, and Social Security income from taxation. The following discussion is based largely on the NCSL report.

Forty-one states levy a personal income tax. (Seven states – Alaska, Florida, Nevada, South Dakota, Texas, Washington, and Wyoming – have no personal income tax, and New Hampshire and Tennessee tax

<b>State Personal Income Taxes on Retirement Income, Tax Year 2010</b>			
<i>State</i>	<i>Full Exemption for Public Pensions</i>	<i>Full Exemption for Social Security</i>	<i>Full Exemption for Private Pensions</i>
Alabama	X	X	
Arizona		X	
Arkansas		X	
California		X	
Colorado			
Connecticut			
Delaware		X	
Georgia		X	
Hawaii	X	X	
Idaho		X	
Illinois	X	X	X
Indiana		X	
Iowa			
Kansas	X		
Kentucky			
Louisiana	X	X	
Maine		X	
Maryland		X	
Massachusetts	X	X	
Michigan	X	X	
Minnesota			
Mississippi	X	X	X
Missouri			
Montana			
Nebraska			
New Jersey		X	
New Mexico			
New York	X	X	
North Carolina		X	
North Dakota			
Ohio		X	
Oklahoma		X	
Oregon		X	
Pennsylvania	X	X	X
Rhode Island			
South Carolina		X	
Utah			
Vermont			
Virginia		X	
West Virginia			
Wisconsin		X	
<i>Totals</i>	<i>10</i>	<i>26</i>	<i>3</i>

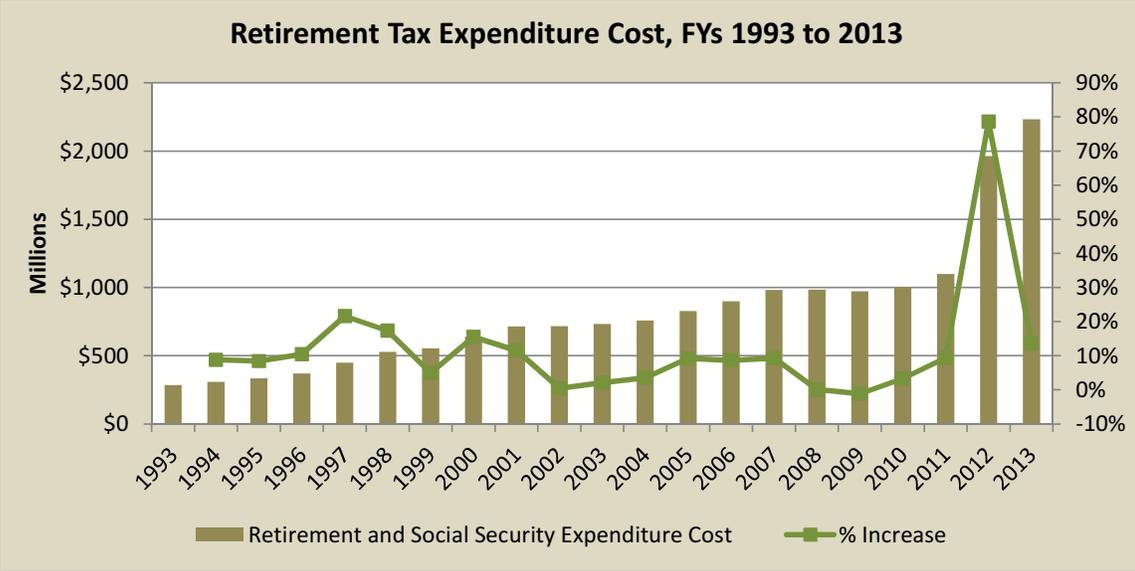
Source: National Conference of State Legislatures, "State Personal Income Taxes on Pensions & Retirement Income: Tax Year 2010"

only interest and dividend income.) Among those 41 states, 36 offer exclusions for at least some state and/or federal pension income, a retirement income exclusion, or a tax credit targeted at the elderly. The five states that offer none of those are California, Nebraska, North Dakota, Rhode Island, and Vermont. Tax treatments for Social Security income are more generous: 26 states (including Illinois) provide a full exclusion for Social Security benefits, and the remaining 15 states have provisions to exclude some Social Security income from taxation.

States' approaches to excluding retirement income from taxation fall into two broad categories: exclusions based on the type of retirement income, and exclusions based on taxpayer age. Use of the first category is less popular than it used to be, but some states still use it. For example, Arizona allows the exclusion of \$2,500 of state or local government retirement income, federal pension income, and military pension income; full exclusion for Social Security income; and no exclusion for private-sector pension income. Additionally, some states have different policies toward income from out-of-state pensions and in-state pensions. States using the second method provide a retirement income exclusion that taxpayers over a specified age, usually 62 or 65, can apply to non-earned income, and more rarely to

earned income. Some of those states have a separate exclusion for Social Security benefits. For example, Virginia allows an income exclusion of \$12,000 per taxpayer applicable to income from any source for people over 65, subject to income limitations, but it fully exempts Social Security benefits. Exclusion amounts range from \$2,000 in West Virginia to \$41,110 in Kentucky.

Excluding retirement income from state tax comes at a great cost for Illinois. In fact, that exclusion was the costliest in fiscal year 2013 at \$2.233 billion. Its cost has grown exponentially over the years, as shown in the graph, increasing almost 8 times its cost of \$284 million in fiscal year 1993 (the first year of the Tax Expenditure Report). Several factors account for this, one being the increase in the maximum percentage of federally taxable social security income from 50% to 85% effective for the 1994 tax year. Also, the cost of the tax expenditure nearly doubled from fiscal year 2011 to fiscal year 2012 as the individual income tax rate increased from 3% to 5% on January 1, 2011, which increased the value of the expenditure. Its cost will likely continue to grow as the population ages, although the scheduled drop in the income tax rate to 3.75% in 2015 and 3.25% in 2025 would lessen the value of the expenditure. ■

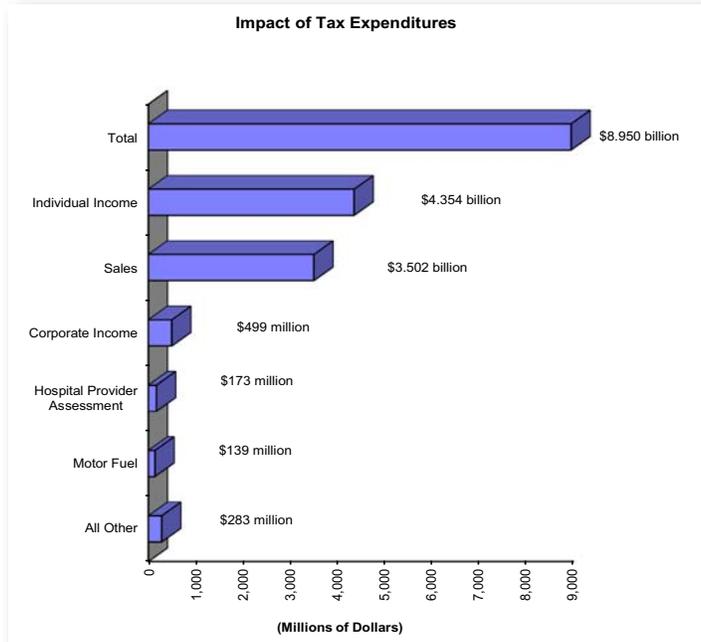


# A REVIEW OF FISCAL YEAR 2013 TAX EXPENDITURES

## The Impact of Tax Expenditures

Although tax expenditures were reported for 44 revenue sources in fiscal year 2013, the five largest tax sources accounted for \$8.667 billion or 97% of the \$8.950 billion in reported tax expenditures.

Close to half of the reported value of tax expenditures was attributed to the individual income tax. Tax expenditures against the individual income tax of \$4.354 billion accounted for 48.7% of total tax expenditures. Tax expenditures against the sales and use tax of \$3.502 billion were 39.1% of the total, and corporate income tax expenditures of \$499 million were 5.6% of the total. The hospital provider assessment (\$173 million) accounted for 1.9% and the motor fuel tax (\$139 million) accounted for 1.6% of reported tax expenditures, leaving only \$283 million or 3.2% 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 2013. 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. Three tax expenditures—the retirement income and Social Security deduction and the standard deduction from the individual income tax, and the food,

drug, and medical appliance rate reduction from the sales tax—had a cost of over \$1 billion. With a cost of \$2.233 billion, the retirement income and Social Security deduction represented 25% of the total reported impact of tax expenditures. The fifteen largest tax expenditures totaled \$7.8 billion or 88% of the total impact of all tax expenditures.

## Three Largest Tax Expenditures, Fiscal Years 1993 to 2013

Reported tax expenditures of \$8.9 billion for fiscal year 2013 were \$5.8 billion greater or over 2.8 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 and new tax expenditures, as well as the impact of inflation and economic growth, and the increase in the individual and corporate income tax rates in 2011. Of particular interest are the trends in growth for the three largest expenditures which accounted for a little over half (55.7% in fiscal year 2013) of the total reported cost.

The largest tax expenditure is the individual income tax deduction for retirement and Social Security income. 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 \$2.233 billion for fiscal year 2013 was \$1.949

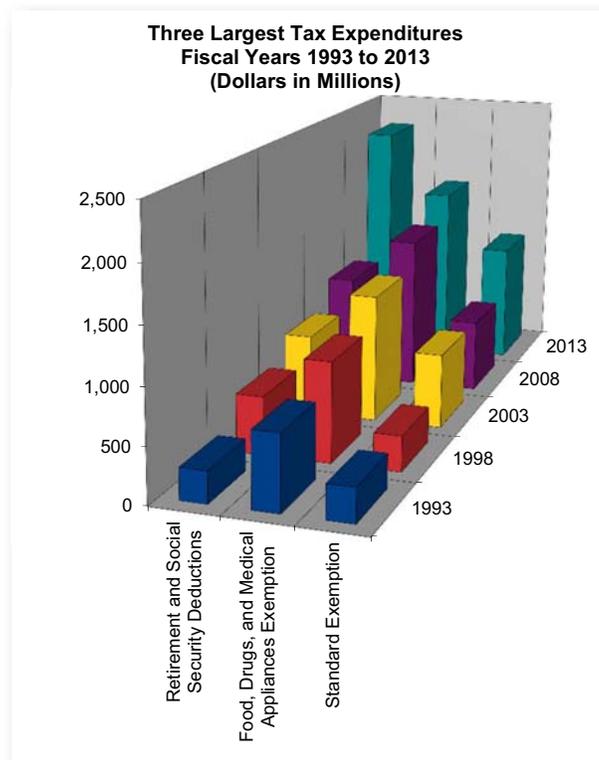
Amount	Expenditure	Applied Against
\$2,233	Retirement and Social Security Deductions	Individual Income Tax
1,644	Food, Drugs, Medical Appliances	Sales Tax
1,110	Standard Deduction	Individual Income Tax
548	Property Tax Credit	Individual Income Tax
360	Foreign Dividend Subtraction	Corporate Income Tax
333	Sales to Exempt Organizations	Sales Tax
282	Exemption for Trade-Ins	Sales Tax
267	Farm Chemical Exemption	Sales Tax
204	Manufacturing Machinery Exemption	Sales Tax
173	Hospital Provider exemption	Hosp. Provider Assess.
162	Earned Income Tax Credit	Individual Income Tax
146	Gasohol Discount	Sales Tax
133	Biodiesel Discount and Exemption	Sales Tax
125	Retailer's Discount	Sales Tax
114	Non Motor Vehicle Use	Motor Fuel Tax
<b>\$7.833 Billion</b>	Total Impact of Fifteen Largest Tax Expenditures	
<b>\$8.950 Billion</b>	Total Impact of All Tax Expenditures	
<b>88%</b>	Percent of Total Impact	

billion greater or almost 8 times its cost of \$284 million in fiscal 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. Also, the cost of the expenditure nearly doubled from fiscal year 2011 to fiscal year 2012 as the individual income tax rate increased from 3% to 5% on January 1, 2011, which increased the value of the expenditure.

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. However, the individual income tax rate is scheduled to drop to 3.75% on January 1, 2015, and to 3.25% on January 1, 2025, which would lessen the value of the expenditure.

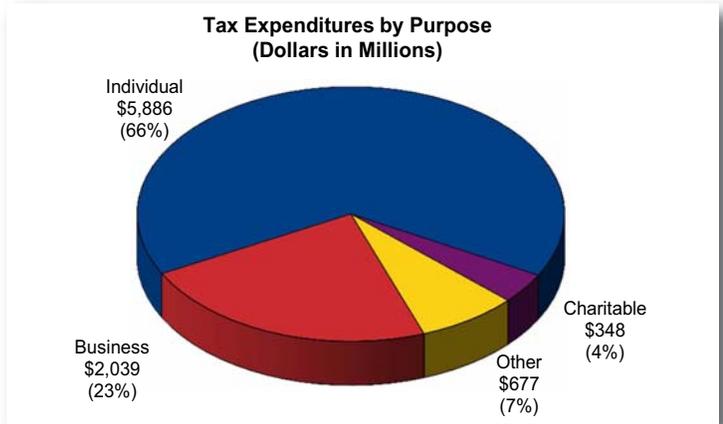
The second-largest tax expenditure is the reduced sales tax rate for food, drugs, and medical appliances. Between fiscal year 1993 and fiscal year 2012, its cost increased \$969 million as the tax expenditure more than doubled from \$675 million to \$1.635 billion, reflecting inflation and increased consumer purchases of exempted items.

The 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 when the deduction amount was \$1,000. With the increases to the deduction amount in the last 15 years (to \$1,300 for the 1998 tax year, \$1,650 for the 1999 tax year, \$2,000 for tax years 2000 through 2011, \$2,050 for tax year 2012, and \$2,100 for tax year 2013), its cost has increased a further \$790 million to \$1.110 billion for fiscal 2013. More annual growth is expected, as the deduction will be increased by an inflation adjustment each year. ■

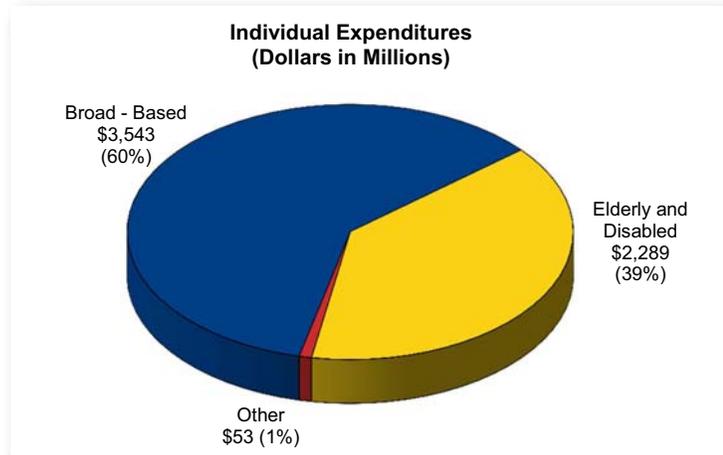


## Who Received Tax Expenditures?

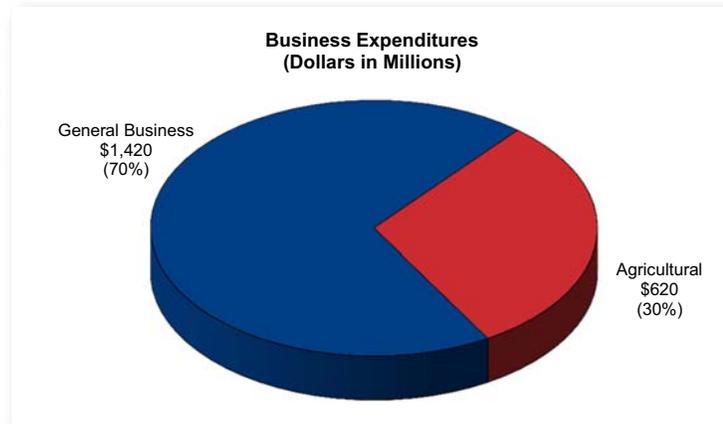
Tax expenditures for individuals totaled \$5.9 billion while businesses received \$2.0 billion, charities \$348 million, and others \$677 million.



Individuals received \$3.5 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 \$2.3 billion consisted primarily of the federally taxed retirement and social security subtractions.



The impact of general business expenditures was \$1.4 billion, while agricultural expenditures were \$620 million. The 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 \$15 million of the \$348 million worth of expenditures for charities. The largest of the \$677 million in other expenditures was the \$282 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 contribution subtractions, research and development credits, and film production services credits.

The cost of these incentives was \$519 million in fiscal year 2013. The largest incentive was the manufacturing and assembling machinery and equipment exemption from the sales tax with a cost to the state of \$204 million. There were four 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 individual and corporate income taxes, and the research and development credit from the corporate income tax. ■

Economic Development Tax Incentives (Thousands)		
	Fiscal Year 2012 Annual Impact	Fiscal Year 2013 Annual Impact
<b>Sales Taxes:</b>		
Manufacturing and Assembling Machinery and Equipment Exemption	\$183,000	\$204,000
Manufacturer's Purchase Credit	37,500	34,539
Building Materials within Special Zone Exemption	4,100	23,899
Designated Tangible Personal Property within Enterprise Zone Exemption	20,000	18,608
Graphic Arts Machinery and Equipment Exemption	8,000	10,200
High Impact Business Building Materials Exemption	0	4,699
High Impact Business Designated Tangible Personal Property Exemption	0	2,311
<b>Individual Income Tax:</b>		
Income Tax Credits	21,506	55,033
Income Tax Subtractions	7,070	7,058
<b>Corporate Income Tax:</b>		
Economic Development for a Growing Economy Tax Credit	31,259	45,085
Research and Development Credit	11,476	30,696
Film Production Services Credit	11,826	18,753
Enterprise Zone Investment Credit	0	17,928
Special Zone Dividend, Interest, and Charitable Contribution Subtractions	1,360	1,588
High Economic Impact Business Dividend Subtraction	61	93
Job Training Contribution Subtraction	82	24
Enterprise Zone and River Edge Redevelopment Zone Investment Credit	7,602	0
High Economic Impact Business Investment Credit	21	0
<b>Electricity Excise Tax:</b>		
Enterprise Zone and Foreign Trade Zone Exemption	0	23,572
High Impact Business Electricity Excise Tax Exemption	0	1,897
Purchase of Electricity Generated by Solid Waste Energy Facility Credit	1,709	126
Enterprise & Foreign Trade Zone High Economic Impact Business Exemption	39,759	0
<b>Gas Revenue Tax:</b>		
Enterprise Zone and Foreign Trade Zone Exemption	0	13,929
High Impact Business Exemption	0	652
Enterprise & Foreign Trade Zone High Economic Impact Business Exemption	12,516	0
<b>Telecommunications Excise Tax:</b>		
Enterprise Zone and Foreign Trade Zone Exemption	0	3,642
High Impact Business Exemption	0	806
Enterprise & Foreign Trade Zone High Economic Impact Business Exemption	1,261	0
<b>Gross Receipts Tax (Public Utility Fund):</b>		
Enterprise Zone Revenue Exemption	17	18
<b>Total</b>	<b>\$400,125</b>	<b>\$519,156</b>

The Tax Expenditure Report identifies only 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 cred-

it 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, or mining. 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% over the previous year. The cost to local governments for this tax expenditure for the 2011 tax year was \$41.6 million.

# TAX EXPENDITURES BY FUND GROUP AND FUND

## (IN THOUSANDS)

### Fund Group: General

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 6,362,473	\$ 6,846,844
General Revenue - Common School Special Account Fund	0005	878,225	875,655
Education Assistance Fund	0007	277,180	316,888
Common School Fund	0412	1,407	1,840
<b>Total Impact, General</b>		<b>\$ 7,519,285</b>	<b>\$ 8,041,227</b>

### Fund Group: Highway

Fund Name and Code:		FY 12	FY 13
Motor Fuel Tax - State Fund	0012	\$ 142,785	\$ 139,265
Road Fund	0011	9,771	8,209
State Construction Account Fund	0902	4,955	4,090
<b>Total Impact, Highway</b>		<b>\$ 157,511</b>	<b>\$ 151,564</b>

### Fund Group: Special State

Fund Name and Code:		FY 12	FY 13
Income Tax Refund Fund	0278	\$ 437,566	\$ 511,832
Hospital Provider Fund	0346	173,274	173,200
Underground Storage Tank Fund	0072	17,340	17,056
Long Term Care Provider Fund	0345	8,996	12,670
Fire Prevention Fund	0047	11,299	10,982
Build Illinois Fund	0960	7,500	8,000
Horse Racing Fund	0632	3,064	3,359
School Infrastructure Fund	0568	1,407	1,840
Illinois Health Facilities Planning Fund	0238	1,712	1,712
Wildlife and Fish Fund	0041	1,272	1,272
Local Tourism Fund	0969	1,175	1,250
International Tourism Fund	0621	775	825
Public Utility Fund	0059	1,260	786
Drivers Education Fund	0031	659	610
Corporate Franchise Tax Refund Fund	0380	367	387
Illinois Clean Water Fund	0731	375	375
Facility Licensing Fund	0118	102	311
Metabolic Screening and Treatment Fund	0920	279	273
Environmental Protection Permit and Inspection Fund	0944	220	220
State Police Vehicle Fund	0246	224	189
Health Facility Plan Review Fund	0524	96	184
Long Term Care Monitor/Receiver Fund	0285	133	150
Lead Poisoning, Screening, Prevention and Abatement Fund	0360	148	85
Private Sewage Disposal Program Fund	0790	16	16
Pesticide Control Fund	0576	11	11
Public Health Water Permit Fund	0256	7	6
Illinois School Asbestos Abatement Fund	0175	1	2
<b>Total Impact, Special State</b>		<b>\$ 669,278</b>	<b>\$ 747,603</b>

### Fund Group: Debt Service

Fund Name and Code:		FY 12	FY 13
Capital Projects Fund	0694	\$ 10,328	\$ 9,223
<b>Total Impact, Debt Service</b>		<b>\$ 10,328</b>	<b>\$ 9,223</b>

**GRAND TOTAL, IMPACT** **\$ 8,356,402** **\$ 8,949,617**

# TAX EXPENDITURES BY REVENUE SOURCE (IN THOUSANDS)

## Revenue Source and Annual Receipts: Individual Income Tax

Expenditure:	FY 12	FY 13
Federally Taxed Retirement and Social Security Subtractions	\$ 1,962,688	\$ 2,232,932
Standard Exemption: Taxpayers and Dependents	1,035,906	1,109,511
Tax Credit for Residential Real Property Taxes	554,929	547,809
Earned Income Tax Credit	105,802	162,245
Education Expense Credit	79,605	79,714
Other Subtractions <sup>1</sup>	68,146	71,795
Military Pay Subtraction	47,663	52,574
Economic Development for a Growing Economy Tax Credit <sup>2</sup>	9,207	38,943
Additional Exemptions: Blind and Elderly	32,111	34,626
Other Income Tax Credits and Subtractions <sup>3</sup>	19,808	23,456
<b>Total Impact</b>	<b>\$ 3,915,865</b>	<b>\$ 4,353,605</b>

## Revenue Source and Annual Receipts: Sales and Use Tax

Expenditure:	FY 12	FY 13
Food, Drugs, and Medical Appliances Rate Reduction	\$ 1,635,000	\$ 1,644,000
Sales to Exempt Organizations	405,000	333,000
Traded-In Property Exemption <sup>4</sup>	315,000	282,000
Farm Chemicals (Includes Feed and Seed) Exemption	259,000	267,000
Manufacturing and Assembling Machinery and Equipment Exemption	183,000	204,000
Gasohol Discount	142,000	146,100
Biodiesel Discount and Exemption	127,000	132,700
Retailer's Discount	121,000	124,500
Rolling Stock Exemption	74,000	76,100
Farm Machinery and Equipment Exemption	57,000	71,000
Sales of Vehicles to Automobile Rentors Exemption	43,000	45,600
Sales of Motor Vehicles to Non-Residents Exemption <sup>5</sup>	43,000	39,900
Manufacturer's Purchase Credit	37,500	34,539
Newsprint and Ink to Newspapers and Magazines Exemption	32,000	32,000
Building Materials Within Enterprise Zone, River Edge Redevelopment Zone, or Intermodal Terminal Facility Redevelopment Project Exemption <sup>2</sup>	4,100	23,899
Designated Tangible Personal Property within Enterprise Zone Exemption	20,000	18,608
Graphic Arts Machinery and Equipment Exemption	8,000	10,200
All Other <sup>6</sup>	6,900	17,060
<b>Total Impact</b>	<b>\$ 3,512,500</b>	<b>\$ 3,502,206</b>

<sup>1</sup> 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.

<sup>2</sup> This exemption was in the "Other" category in fiscal year 2012.

<sup>3</sup> Includes the research and development credit; film production services credit; Enterprise Zone and River Edge Redevelopment Zone Investment credits; High Impact Business investment credit; affordable housing donation credit; New Markets credit; veterans job credit; ex-felon jobs credit; student-assistance contribution credit; TECH-PREP Youth Vocational Programs credit; River Edge Redevelopment Zone site remediation credit; jobs credit; dependent care assistance program credit; Enterprise Zone dividends subtraction; and Foreign Trade Zone dividends subtraction.

<sup>4</sup> Beginning in fiscal year 2013, this expenditure applies only to motor vehicles. The Department of Revenue no longer has data to estimate the non-motor vehicle share.

<sup>5</sup> This exemption is given only to buyers whose home state extends the same exemption to Illinois residents. Thus, Illinois taxes the full amount of out-of-state sales when an Illinois resident brings a vehicle back to register. In that way, Illinois receives some compensation for this tax expenditure in a way that it does not for others.

<sup>6</sup> Two newly reported exemptions were added to this category in fiscal year 2013: High Impact Business Building Materials Exemption and High Impact Business Designated Tangible Personal Property Exemption. They were formerly added in to the Designated Tangible Personal Property within Enterprise Zone Exemption.

# TAX EXPENDITURES BY REVENUE SOURCE

## (IN THOUSANDS)

### Revenue Source and Annual Receipts: Corporate Income Tax

Expenditure:	FY 12	FY 13
Foreign Dividend Subtraction	\$ 0	\$ 360,295
Economic Development for a Growing Economy Tax Credit	31,259	45,085
Research and Development Credit	11,476	30,696
Film Production Services Credit	11,826	18,753
Enterprise Zone Investment Credit	0	17,928
Foreign Insurer Rate Reduction	28,258	14,065
Affordable Housing Donations	7,627	8,484
Enterprise Zone and River Edge Redevelopment Zone Dividend, Interest and Charitable Contribution Subtractions	1,360	1,588
Other Schedule M Subtractions	0	1,095
Employee Child Care Tax Credit	0	682
Interest on Certain Obligations of Illinois State and Local Government	0	234
Veterans Jobs Credit <sup>7</sup>	127	149
High Economic Impact Business Dividend Subtraction	61	93
Job Training Contribution Subtraction	82	24
Enterprise Zone and River Edge Redevelopment Zone Investment Credit	7,602	0
High Economic Impact Business Investment Credit	21	0
Illinois Net Operating Loss Deduction	218,957	0
All Other	28	0
<b>Total Impact</b>	<b>\$ 318,684</b>	<b>\$ 499,171</b>

### Revenue Source and Annual Receipts: Hospital Provider Assessment

Expenditure:	FY 12	FY 13
Hospital Provider Exemption	\$ 173,274	\$ 173,200
<b>Total Impact</b>	<b>\$ 173,274</b>	<b>\$ 173,200</b>

### Revenue Source and Annual Receipts: Motor Fuel Taxes

Expenditure:	FY 12	FY 13
Sales for Use Other Than in Motor Vehicles Exemption	\$ 116,108	\$ 113,902
Timely Filing and Full Payment Discount	20,060	18,872
Municipal Corporation or Private Utility Local Transportation System Exemption	6,575	6,450
Aviation Purposes Exemption	42	41
<b>Total Impact</b>	<b>\$ 142,785</b>	<b>\$ 139,265</b>

### Revenue Source and Annual Receipts: Insurance Retaliatory Tax

Expenditure:	FY 12	FY 13
Replacement Income Tax Credit	\$ 21,755	\$ 26,861
Fire Department Tax Credit	15,913	14,490
Fire Marshal Tax Offset	11,299	10,982
<b>Total Impact</b>	<b>\$ 48,967</b>	<b>\$ 52,333</b>

### Revenue Source and Annual Receipts: Gas Revenue Tax

Expenditure:	FY 12	FY 13
Gas Used in Production of Electric Energy	\$ 20,646	\$ 16,132
Enterprise Zone and Foreign Trade Zone Exemption	0	13,929
Gas Used in Petroleum Refinery Operation	8,123	8,273
Gas Used in Liquefaction Process	0	7,000
Gas Used in Production of Fertilizer	2,544	2,687
Cost of Collection Discount (Gas Use Tax)	580	704
High Impact Business Exemption	0	652
Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemption	12,516	0
<b>Total Impact</b>	<b>\$ 44,409</b>	<b>\$ 49,377</b>

<sup>7</sup> This exemption was in the "All Other" category in fiscal year 2012.

# TAX EXPENDITURES BY REVENUE SOURCE (IN THOUSANDS)

## Revenue Source and Annual Receipts: Electricity Excise Tax

Expenditure:	FY 12	FY 13
Enterprise Zone and Foreign Trade Zone Exemption	\$ 0	\$ 23,572
High Impact Business Electricity Excise Tax Exemption	0	1,897
Purchase of Electricity Generated by Solid Waste Energy Facility Credit	1,709	126
Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemption	39,759	0
<b>Total Impact</b>	<b>\$ 41,468</b>	<b>\$ 25,595</b>

## Revenue Source and Annual Receipts: Vehicle Use Tax

Expenditure:	FY 12	FY 13
Rolling Stock Exemption	\$ 10,560	\$ 5,010
Government, Charitable, Educational, Religious Entities Exemption	6,160	3,610
Family Member Preferential Tax Rate	3,530	3,480
Out-of-State Resident Exemption	2,110	1,090
Farm Implement - Ready Mix Exemption	2,350	1,060
Estate Gift to Beneficiary Preferential Tax Rate	170	173
Surviving Spouse Exemption	270	140
Business Reorganization Preferential Tax Rate	52	49
<b>Total Impact</b>	<b>\$ 25,202</b>	<b>\$ 14,612</b>

## Revenue Source and Annual Receipts: Insurance Privilege Tax

Expenditure:	FY 12	FY 13
Fire Department Tax Credit	\$ 14,968	\$ 14,439
New Markets Development Program	3,817	5,718
Replacement Income Tax Credit	1,158	1,540
<b>Total Impact</b>	<b>\$ 19,943</b>	<b>\$ 21,697</b>

## Revenue Source and Annual Receipts: Annual Reports of Corporations

Expenditure:	FY 12	FY 13
Two Million Dollar Cap on Franchise Tax for Corporations	\$ 18,374	\$ 19,368
<b>Total Impact</b>	<b>\$ 18,374</b>	<b>\$ 19,368</b>

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

Expenditure:	FY 12	FY 13
Senior Citizen Plate Renewal Reduction	\$ 12,329	\$ 11,657
Municipality Owned Passenger Vehicle Exemption	2,493	2,712
Disabled Veteran Vehicle Registration Exemption	409	395
Charitable Organization Vehicle Exemption	2,620	209
X-POW Vehicle Registration Exemption	43	36
Sheriff Plates	23	31
Drivers Education Vehicles	194	9
<b>Total Impact</b>	<b>\$ 18,111</b>	<b>\$ 15,049</b>

## Revenue Source and Annual Receipts: Underground Storage Tank Tax

Expenditure:	FY 12	FY 13
Airport Exemption	\$ 12,378	\$ 12,217
Rail Carrier Exemption	3,103	3,063
Timely Filing and Full Payment Discount	1,224	1,153
Exemption for Ships, Barges & Vessels Conducting Interstate Commerce on Border Rivers	603	595
Liquefied Propane Gas Exemption	32	28
<b>Total Impact</b>	<b>\$ 17,340</b>	<b>\$ 17,056</b>

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

Expenditure:	FY 12	FY 13
Permanent Residents Exemption	\$ 11,100	\$ 11,800
Cost of Collection Discount	4,100	4,400
<b>Total Impact</b>	<b>\$ 15,200</b>	<b>\$ 16,200</b>

# TAX EXPENDITURES BY REVENUE SOURCE

## (IN THOUSANDS)

### Revenue Source and Annual Receipts: Telecommunications Excise Tax

Expenditure:	FY 12	FY 13
Cost of Collection Discount	\$ 8,590	\$ 8,434
Enterprise Zone and Foreign Trade Zone Exemption	0	3,642
High Impact Business Exemption	0	806
Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemption	1,261	0
<b>Total Impact</b>	<b>\$ 9,851</b>	<b>\$ 12,882</b>

### Revenue Source and Annual Receipts: Cigarette and Cigarette Use Taxes

Expenditure:	FY 12	FY 13
Cost of Collection Discount	\$ 8,996	\$ 12,670
<b>Total Impact</b>	<b>\$ 8,996</b>	<b>\$ 12,670</b>

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

Expenditure:	FY 12	FY 13
Reduced Renewal Fee for Senior Citizens	\$ 5,891	\$ 5,370
<b>Total Impact</b>	<b>\$ 5,891</b>	<b>\$ 5,370</b>

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

Expenditure:	FY 12	FY 13
Claims for Loss or Damage Deduction	\$ 1,600	\$ 1,700
Exempt Organization Rentals	1,500	1,600
Insurance Coverage Deduction	1,200	1,200
Timely Filing and Full Payment Discount	600	600
Refueling Deduction	500	500
Other/Miscellaneous Deductions	100	100
<b>Total Impact</b>	<b>\$ 5,500</b>	<b>\$ 5,700</b>

### Revenue Source and Annual Receipts: Standard Identification Card Fee

Expenditure:	FY 12	FY 13
Duplicated/Corrected ID Senior Citizen/Handicapped	\$ 3,375	\$ 3,162
<b>Total Impact</b>	<b>\$ 3,375</b>	<b>\$ 3,162</b>

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

Expenditure:	FY 12	FY 13
Real Estate Tax Credit	\$ 3,064	\$ 3,175
<b>Total Impact</b>	<b>\$ 3,064</b>	<b>\$ 3,175</b>

### Revenue Source and Annual Receipts: Liquor Gallonage Tax

Expenditure:	FY 12	FY 13
Cost of Collection Discount	\$ 2,290	\$ 2,293
Non-Beverage User Exemption	612	613
Sacramental Wine Exemption	20	20
<b>Total Impact</b>	<b>\$ 2,922</b>	<b>\$ 2,926</b>

### Revenue Source and Annual Receipts: All Other

Expenditure:	FY 12	FY 13
All Other	\$ 4,681	\$ 4,998
<b>Total Impact</b>	<b>\$ 4,681</b>	<b>\$ 4,998</b>

<b>GRAND TOTAL, IMPACT</b>	<b>\$ 8,356,402</b>	<b>\$ 8,949,617</b>
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# 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 12	FY 13
Road Fund	0011	\$ 8,437	\$ 6,966
State Police Vehicle Fund	0246	224	189
Capital Projects Fund	0694	4,495	3,804
State Construction Account Fund	0902	4,955	4,090

---

### Revenue Source and Annual Receipts: Standard Identification Card Fee

---

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 2,700	\$ 2,530
Road Fund	0011	675	632

---

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

---

Fund Name and Code:		FY 12	FY 13
Road Fund	0011	\$ 29	\$ 34
Drivers Education Fund	0031	29	34

---

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

---

Fund Name and Code:		FY 12	FY 13
Road Fund	0011	\$ 630	\$ 577
Drivers Education Fund	0031	630	576
Capital Projects Fund	0694	4,631	4,217

---

### Revenue Source and Annual Receipts: Annual Reports of Corporations

---

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 18,007	\$ 18,981
Corporate Franchise Tax Refund Fund	0380	367	387

---

## Natural Resources

---

### Revenue Source and Annual Receipts: Fishing Licenses

---

Fund Name and Code:		FY 12	FY 13
Wildlife and Fish Fund	0041	\$ 1,272	\$ 1,272

---

## Financial and Professional Regulation

---

### Revenue Source and Annual Receipts: Boxing/Martial Arts Events Tax

---

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 0	\$ 50

---

# 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:		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 19,943	\$ 21,697

---

### Revenue Source and Annual Receipts: Retaliatory Tax

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 37,668	\$ 41,351
Fire Prevention Fund	0047	\$ 11,299	\$ 10,982

## Healthcare and Family Services

---

### Revenue Source and Annual Receipts: Hospital Provider Assessment

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
Hospital Provider Fund	0346	\$ 173,274	\$ 173,200

## Public Health

---

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

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
Illinois Health Facilities Planning Fund	0238	\$ 1,712	\$ 1,712

---

### Revenue Source and Annual Receipts: Vital Records Fees

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 4	\$ 19

---

### Revenue Source and Annual Receipts: Metabolic Screening and Treatment Fee

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
Metabolic Screening and Treatment Fund	0920	\$ 279	\$ 273

---

### Revenue Source and Annual Receipts: Private Sewage Fee

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
Private Sewage Disposal Program Fund	0790	\$ 16	\$ 16

---

### Revenue Source and Annual Receipts: Pesticide Control Fee

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
Pesticide Control Fund	0576	\$ 11	\$ 11

---

# 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:		<u>FY 12</u>		<u>FY 13</u>
General Revenue Fund	0001	\$ 36	\$	38

---

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

---

Fund Name and Code:		<u>FY 12</u>		<u>FY 13</u>
Facility Licensing Fund	0118	\$ 102	\$	311

---

**Revenue Source and Annual Receipts:** Long Term Care Facility Fee

---

Fund Name and Code:		<u>FY 12</u>		<u>FY 13</u>
Long Term Care Monitor/Receiver Fund	0285	\$ 133	\$	150

---

**Revenue Source and Annual Receipts:** Childhood Lead Screening Fee

---

Fund Name and Code:		<u>FY 12</u>		<u>FY 13</u>
Lead Poisoning, Screening, Prevention and Abatement Fund	0360	\$ 138	\$	80

---

**Revenue Source and Annual Receipts:** Youth Camp License Application Fee

---

Fund Name and Code:		<u>FY 12</u>		<u>FY 13</u>
General Revenue Fund	0001	\$ 1	\$	1

---

**Revenue Source and Annual Receipts:** Water Pump Installation Contractor Fee

---

Fund Name and Code:		<u>FY 12</u>		<u>FY 13</u>
Public Health Water Permit Fund	0256	\$ 7	\$	6

---

**Revenue Source and Annual Receipts:** Environmental Lead License Application Fee

---

Fund Name and Code:		<u>FY 12</u>		<u>FY 13</u>
Lead Poisoning, Screening, Prevention and Abatement Fund	0360	\$ 10	\$	5

---

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

---

Fund Name and Code:		<u>FY 12</u>		<u>FY 13</u>
General Revenue Fund	0001	\$ 3	\$	3

---

**Revenue Source and Annual Receipts:** Asbestos Abatement License Fee

---

Fund Name and Code:		<u>FY 12</u>		<u>FY 13</u>
Illinois School Asbestos Abatement Fund	0175	\$ 1	\$	2

---

# 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 12</u>	<u>FY 13</u>
Health Facility Plan Review Fund	0524	\$ 96	\$ 184

### Revenue

---

### Revenue Source and Annual Receipts: Sales and Use Tax

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 2,634,275	\$ 2,626,551
General Revenue - Common School Special Account Fund	0005	878,225	875,655

---

### Revenue Source and Annual Receipts: Individual Income Tax

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 3,276,078	\$ 3,642,302
Education Assistance Fund	0007	257,988	286,826
Income Tax Refund Fund	0278	381,799	424,477

---

### Revenue Source and Annual Receipts: Corporate Income Tax

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 243,725	\$ 381,754
Education Assistance Fund	0007	19,192	30,062
Income Tax Refund Fund	0278	55,767	87,355

---

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

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 5,500	\$ 5,700

---

### Revenue Source and Annual Receipts: Cigarette and Cigarette Use Taxes

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
Long Term Care Provider Fund	0345	\$ 8,996	\$ 12,670

---

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

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 5,750	\$ 6,125
International Tourism Fund	0621	775	825
Build Illinois Fund	0960	7,500	8,000
Local Tourism Fund	0969	1,175	1,250

# 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:		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 1,720	\$ 1,724
Capital Projects Fund	0694	1,202	1,202

---

### Revenue Source and Annual Receipts: Underground Storage Tank Tax

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
Underground Storage Tank Fund	0072	\$ 17,340	\$ 17,056

---

### Revenue Source and Annual Receipts: Motor Fuel Taxes

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
Motor Fuel Tax - State Fund	0012	\$ 142,785	\$ 139,265

---

### Revenue Source and Annual Receipts: Electricity Excise Tax

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 40,225	\$ 24,827
Public Utility Fund	0059	1,243	768

---

### Revenue Source and Annual Receipts: Gas Revenue Tax

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 44,409	\$ 49,377

---

### Revenue Source and Annual Receipts: Telecommunications Excise Tax

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 7,037	\$ 9,202
Common School Fund	0412	1,407	1,840
School Infrastructure Fund	0568	1,407	1,840

---

### Revenue Source and Annual Receipts: Vehicle Use Tax

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 25,202	\$ 14,612

# 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 12</u>	<u>FY 13</u>
Public Utility Fund	0059	\$ 17	\$ 18

## Environmental Protection Agency

---

**Revenue Source and Annual Receipts:** Sewer Construction Permit Application Fee

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
Environmental Protection Permit and Inspection Fund	0944	\$ 130	\$ 130

---

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

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
Environmental Protection Permit and Inspection Fund	0944	\$ 90	\$ 90

---

**Revenue Source and Annual Receipts:** NPDES Permit Discharge Fee

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</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 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 190	\$ 0
Horse Racing Fund	0632	0	184

---

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

---

Fund Name and Code:		<u>FY 12</u>	<u>FY 13</u>
Horse Racing Fund	0632	\$ 3,064	\$ 3,175

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<b>GRAND TOTAL, IMPACT</b>		\$ 8,356,402	\$ 8,949,617
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Sales and Use Tax. . . . .	D-7
Individual Income Tax. . . . .	D-10
Corporate Income Tax. . . . .	D-12
Automobile Renting Occupation and Use Tax. . . . .	D-15
Cigarette and Cigarette Use Taxes. . . . .	D-15
Hotel Operators' Occupation and Use Tax. . . . .	D-15
Liquor Gallonage Tax. . . . .	D-16
Underground Storage Tank Tax. . . . .	D-16
Motor Fuel Taxes. . . . .	D-17
Electricity Excise Tax. . . . .	D-17
Gas Revenue Tax. . . . .	D-17
Telecommunications Excise Tax. . . . .	D-18
Vehicle Use Tax. . . . .	D-19
Illinois Commerce Commission. . . . .	D-19
Environmental Protection Agency. . . . .	D-20
Racing Board. . . . .	D-20

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

Secretary of State

		FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Motor Vehicle Registration (1st Division)	\$	838,872	\$ 841,646
<b>Expenditure: Charitable Organization Vehicle Exemption</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Road Fund	0011	\$ 1,282	\$ 103
State Police Vehicle Fund	0246	28	2
Capital Projects Fund	0694	557	44
State Construction Account Fund	0902	753	60
<b>Total</b>		<b>\$ 2,620</b>	<b>\$ 209</b>
<b>Expenditure: Disabled Veteran Vehicle Registration Exemption</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Road Fund	0011	\$ 203	\$ 196
State Police Vehicle Fund	0246	4	4
Capital Projects Fund	0694	83	80
State Construction Account Fund	0902	119	115
<b>Total</b>		<b>\$ 409</b>	<b>\$ 395</b>
<b>Expenditure: Drivers Education Vehicles</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Road Fund	0011	\$ 95	\$ 4
State Police Vehicle Fund	0246	2	0
Capital Projects Fund	0694	41	2
State Construction Account Fund	0902	56	3
<b>Total</b>		<b>\$ 194</b>	<b>\$ 9</b>
<b>Expenditure: Municipality Owned Passenger Vehicle Exemption</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Road Fund	0011	\$ 1,232	\$ 1,340
State Police Vehicle Fund	0246	26	28
Capital Projects Fund	0694	512	557
State Construction Account Fund	0902	723	787
<b>Total</b>		<b>\$ 2,493</b>	<b>\$ 2,712</b>
<b>Expenditure: Senior Citizen Plate Renewal Reduction</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Road Fund	0011	\$ 5,593	\$ 5,289
State Police Vehicle Fund	0246	164	155
Capital Projects Fund	0694	3,288	3,108
State Construction Account Fund	0902	3,284	3,105
<b>Total</b>		<b>\$ 12,329</b>	<b>\$ 11,657</b>
<b>Expenditure: Sheriff Plates</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Road Fund	0011	\$ 11	\$ 16
State Police Vehicle Fund	0246	0	0
Capital Projects Fund	0694	5	6
State Construction Account Fund	0902	7	9
<b>Total</b>		<b>\$ 23</b>	<b>\$ 31</b>
<b>Expenditure: X-POW Vehicle Registration Exemption</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Road Fund	0011	\$ 21	\$ 18
State Police Vehicle Fund	0246	0	0
Capital Projects Fund	0694	9	7
State Construction Account Fund	0902	13	11
<b>Total</b>		<b>\$ 43</b>	<b>\$ 36</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 18,111</b>	<b>\$ 15,049</b>

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

## Secretary of State (Concluded)

		FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Standard Identification Card Fee	\$	11,147	\$ 11,304
<b>Expenditure:</b> Duplicated/Corrected ID Senior Citizen/Handicapped			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 2,700	\$ 2,530
Road Fund	0011	675	632
<b>Total</b>		<b>\$ 3,375</b>	<b>\$ 3,162</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 3,375</b>	<b>\$ 3,162</b>
<hr/>			
		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> Duplicated/Corrected Driver's License	\$	3,222	\$ 3,232
<b>Expenditure:</b> Duplication of Stolen Licenses for Senior Citizens			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Road Fund	0011	\$ 29	\$ 34
Drivers Education Fund	0031	29	34
<b>Total</b>		<b>\$ 58</b>	<b>\$ 68</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 58</b>	<b>\$ 68</b>
<hr/>			
		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> Driver's License Four Year Renewal Fee	\$	50,013	\$ 50,308
<b>Expenditure:</b> Reduced Renewal Fee for Senior Citizens			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Road Fund	0011	\$ 630	\$ 577
Drivers Education Fund	0031	630	576
Capital Projects Fund	0694	4,631	4,217
<b>Total</b>		<b>\$ 5,891</b>	<b>\$ 5,370</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 5,891</b>	<b>\$ 5,370</b>
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		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> Annual Reports of Corporations	\$	194,684	\$ 207,956
<b>Expenditure:</b> Two Million Dollar Cap on Franchise Tax for Corporations			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 18,007	\$ 18,981
Corporate Franchise Tax Refund Fund	0380	367	387
<b>Total</b>		<b>\$ 18,374</b>	<b>\$ 19,368</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 18,374</b>	<b>\$ 19,368</b>
<b>Total Tax Impact, Secretary of State</b>		<b>\$ 45,809</b>	<b>\$ 43,017</b>
<b>Natural Resources</b>			
<hr/>			
		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> Fishing Licenses	\$	8,878	\$ 7,021
<b>Expenditure:</b> Disabled, Under 16, 65 or Over, Fee Fishing Areas, Owners/Tenants Discount			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Wildlife and Fish Fund	0041	\$ 1,272	\$ 1,272
<b>Total</b>		<b>\$ 1,272</b>	<b>\$ 1,272</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 1,272</b>	<b>\$ 1,272</b>
<b>Total Tax Impact, Natural Resources</b>		<b>\$ 1,272</b>	<b>\$ 1,272</b>
<b>Financial and Professional Regulation</b>			
<hr/>			
		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> Boxing/Martial Arts Events Tax	\$	198	\$ 132
<b>Expenditure:</b> Gross Receipts Tax Cap			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 0	\$ 50
<b>Total</b>		<b>\$ 0</b>	<b>\$ 50</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 0</b>	<b>\$ 50</b>
<b>Total Tax Impact, Financial and Professional Regulation</b>		<b>\$ 0</b>	<b>\$ 50</b>

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

## Insurance

		FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Insurance Privilege Tax		\$ 183,043	\$ 174,477
<b>Expenditure:</b> Fire Department Tax Credit			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 14,968	\$ 14,439
<b>Total</b>		\$ 14,968	\$ 14,439
<b>Expenditure:</b> Illinois New Markets Tax Credit			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 3,817	\$ 5,718
<b>Total</b>		\$ 3,817	\$ 5,718
<b>Expenditure:</b> Replacement Income Tax Credit			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 1,158	\$ 1,540
<b>Total</b>		\$ 1,158	\$ 1,540
<b>Total Tax Impact per Revenue Source</b>		\$ 19,943	\$ 21,697
<b>Retaliatory Tax</b>			
		<u>FY 12</u>	<u>FY 13</u>
<b>Revenue Source and Annual Receipts:</b> Retaliatory Tax		\$ 127,243	\$ 122,501
<b>Expenditure:</b> Fire Department Tax Credit			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 15,913	\$ 14,490
<b>Total</b>		\$ 15,913	\$ 14,490
<b>Expenditure:</b> Replacement Income Tax Credit			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 21,755	\$ 26,861
<b>Total</b>		\$ 21,755	\$ 26,861
<b>Expenditure:</b> Fire Marshal Tax Offset			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
Fire Prevention Fund	0047	\$ 11,299	\$ 10,982
<b>Total</b>		\$ 11,299	\$ 10,982
<b>Total Tax Impact per Revenue Source</b>		\$ 48,967	\$ 52,333
<b>Total Tax Impact, Insurance</b>		\$ 68,910	\$ 74,030

## Healthcare and Family Services

		FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Hospital Provider Assessment		\$ 889,720	\$ 892,941
<b>Expenditure:</b> Hospital Provider Exemption			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
Hospital Provider Fund	0346	\$ 173,274	\$ 173,200
<b>Total</b>		\$ 173,274	\$ 173,200
<b>Total Tax Impact per Revenue Source</b>		\$ 173,274	\$ 173,200
<b>Total Tax Impact, Healthcare and Family Services</b>		\$ 173,274	\$ 173,200

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

Public Health		FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Health Care Facility Permit Application Fee		\$ 3,516	\$ 2,298
<b>Expenditure:</b> Natural Disaster and Other Emergency Waiver			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Illinois Health Facilities Planning Fund	238	\$ 1,712	\$ 1,712
<b>Total</b>		<b>\$ 1,712</b>	<b>\$ 1,712</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 1,712</b>	<b>\$ 1,712</b>
		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> Vital Records Fees		\$ 946	\$ 986
<b>Expenditure:</b> Groups Chartered by U.S. Congress Exemption			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 1	\$ 2
<b>Total</b>		<b>\$ 1</b>	<b>\$ 2</b>
<b>Expenditure:</b> Illinois Adoption Registry and Medical Information Exchange			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 1	\$ 15
<b>Total</b>		<b>\$ 1</b>	<b>\$ 15</b>
<b>Expenditure:</b> U.S. Veterans Administration Exemption			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 2	\$ 2
<b>Total</b>		<b>\$ 2</b>	<b>\$ 2</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 4</b>	<b>\$ 19</b>
		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> Metabolic Screening and Treatment Fee		\$ 13,640	\$ 14,819
<b>Expenditure:</b> State Agency Lab Exemption			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Metabolic Screening and Treatment Fund	0920	\$ 279	\$ 273
<b>Total</b>		<b>\$ 279</b>	<b>\$ 273</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 279</b>	<b>\$ 273</b>
		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> Private Sewage Fee		\$ 115	\$ 110
<b>Expenditure:</b> Plumbing License Exemption			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Private Sewage Disposal Program Fund	0790	\$ 16	\$ 16
<b>Total</b>		<b>\$ 16</b>	<b>\$ 16</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 16</b>	<b>\$ 16</b>
		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> Pesticide Control Fee		\$ 264	\$ 280
<b>Expenditure:</b> State Agency Employee Exemption			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Pesticide Control Fund	0576	\$ 11	\$ 11
<b>Total</b>		<b>\$ 11</b>	<b>\$ 11</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 11</b>	<b>\$ 11</b>

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

## Public Health (Continued)

		FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Recreational Area Fee		\$ 37	\$ 36
<b>Expenditure:</b> Not-for-Profit and Governmental Agency Construction Application Fee Waiver			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 1	\$ 1
<b>Total</b>		\$ 1	\$ 1
<b>Expenditure:</b> Not-for-Profit Organization and Governmental Agency License Renewal Fee Waiver			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 34	\$ 36
<b>Total</b>		\$ 34	\$ 36
<b>Expenditure:</b> Not-for-Profit Organization and Governmental Agency Original License Application Fee Waiver			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 1	\$ 1
<b>Total</b>		\$ 1	\$ 1
<b>Total Tax Impact per Revenue Source</b>		\$ 36	\$ 38
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		<u>FY 12</u>	<u>FY 13</u>
<b>Revenue Source and Annual Receipts:</b> Swimming Pool and Bathing Beach Fee		\$ 160	\$ 1,130
<b>Expenditure:</b> Tax Exempt 501(c)(3) and Governmental Facility Construction Application Fee Waiver			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
Facility Licensing Fund	0118	\$ 5	\$ 27
<b>Total</b>		\$ 5	\$ 27
<b>Expenditure:</b> Tax Exempt 501(c)(3) and Governmental Facility License Renewal Fee Waiver			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
Facility Licensing Fund	0118	\$ 95	\$ 277
<b>Total</b>		\$ 95	\$ 277
<b>Expenditure:</b> Tax Exempt 501(c)(3) and Governmental Facility License Original License Fee Waiver			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
Facility Licensing Fund	0118	\$ 2	\$ 7
<b>Total</b>		\$ 2	\$ 7
<b>Total Tax Impact per Revenue Source</b>		\$ 102	\$ 311
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		<u>FY 12</u>	<u>FY 13</u>
<b>Revenue Source and Annual Receipts:</b> Long Term Care Facility Fee		\$ 1,648	\$ 1,783
<b>Expenditure:</b> Facility Fee Exemption			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
Long Term Care Monitor/Receiver Fund	0285	\$ 133	\$ 150
<b>Total</b>		\$ 133	\$ 150
<b>Total Tax Impact per Revenue Source</b>		\$ 133	\$ 150
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		<u>FY 12</u>	<u>FY 13</u>
<b>Revenue Source and Annual Receipts:</b> Childhood Lead Screening Fee		\$ 1,232	\$ 1,101
<b>Expenditure:</b> Low Income Family Waiver			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
Lead Poisoning, Screening, Prevention and Abatement Fund	0360	\$ 138	\$ 80
<b>Total</b>		\$ 138	\$ 80
<b>Total Tax Impact per Revenue Source</b>		\$ 138	\$ 80
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		<u>FY 12</u>	<u>FY 13</u>
<b>Revenue Source and Annual Receipts:</b> Youth Camp License Application Fee		\$ 2	\$ 2
<b>Expenditure:</b> Governmental Agency Waiver			
<b>Fund Name and Code:</b>		<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$ 1	\$ 1
<b>Total</b>		\$ 1	\$ 1
<b>Total Tax Impact per Revenue Source</b>		\$ 1	\$ 1

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

## Public Health (Concluded)

	FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Water Pump Installation Contractor Fee	\$ 15	\$ 15
<b>Expenditure:</b> Licensed Plumber Exemption		
<b>Fund Name and Code:</b>		
Public Health Water Permit Fund	0256	7
<b>Total</b>	<b>\$ 7</b>	<b>\$ 6</b>
<b>Total Tax Impact per Revenue Source</b>	<b>\$ 7</b>	<b>\$ 6</b>
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	FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Environmental Lead License Application Fee	\$ 338	\$ 308
<b>Expenditure:</b> Department of Public Health and Delegate Agency Employee Waiver		
<b>Fund Name and Code:</b>		
Lead Poisoning, Screening, Prevention and Abatement Fund	0360	10
<b>Total</b>	<b>\$ 10</b>	<b>\$ 5</b>
<b>Total Tax Impact per Revenue Source</b>	<b>\$ 10</b>	<b>\$ 5</b>
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	FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Salvage Warehouse & Salvage Warehouse Store Act	\$ 12	\$ 12
<b>Expenditure:</b> Not-for-Profit Organization Waiver		
<b>Fund Name and Code:</b>		
General Revenue Fund	0001	3
<b>Total</b>	<b>\$ 3</b>	<b>\$ 3</b>
<b>Total Tax Impact per Revenue Source</b>	<b>\$ 3</b>	<b>\$ 3</b>
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	FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Asbestos Abatement License Fee	\$ 516	\$ 503
<b>Expenditure:</b> Governmental Employee Waiver		
<b>Fund Name and Code:</b>		
Illinois School Asbestos Abatement Fund	0175	1
<b>Total</b>	<b>\$ 1</b>	<b>\$ 2</b>
<b>Total Tax Impact per Revenue Source</b>	<b>\$ 1</b>	<b>\$ 2</b>
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	FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Plan Review Fee - LTC Facilities	\$ 380	\$ 354
<b>Expenditure:</b> Projects Costing Less than \$100,000 Waiver		
<b>Fund Name and Code:</b>		
Health Facility Plan Review Fund	0524	96
<b>Total</b>	<b>\$ 96</b>	<b>\$ 184</b>
<b>Total Tax Impact per Revenue Source</b>	<b>\$ 96</b>	<b>\$ 184</b>
<b>Total Tax Impact, Public Health</b>	<b>\$ 2,549</b>	<b>\$ 2,811</b>

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

## Revenue

		FY 12	FY 13
<b>Revenue Source and Annual Receipts: Sales and Use Tax</b>		\$ 7,726,196	\$ 7,876,977
<b>Expenditure: Biodiesel Discount and Exemption</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 95,000	\$ 99,500
General Revenue - Common School Special Account Fund	0005	32,000	33,200
<b>Total</b>		<b>\$ 127,000</b>	<b>\$ 132,700</b>
<b>Expenditure: Building Materials within Enterprise Zone, River Edge Redev. Zone, and Intermodal Terminal Facility Redev. Project Exemption</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 3,100	\$ 17,924
General Revenue - Common School Special Account Fund	0005	1,000	5,975
<b>Total</b>		<b>\$ 4,100</b>	<b>\$ 23,899</b>
<b>Expenditure: Designated Tangible Personal Property within Enterprise Zone Exemption<sup>1</sup></b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 15,000	\$ 13,956
General Revenue - Common School Special Account Fund	0005	5,000	4,652
<b>Total</b>		<b>\$ 20,000</b>	<b>\$ 18,608</b>
<b>Expenditure: Farm Chemicals (Includes Feed and Seed) Exemption<sup>2</sup></b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 194,000	\$ 200,000
General Revenue - Common School Special Account Fund	0005	65,000	67,000
<b>Total</b>		<b>\$ 259,000</b>	<b>\$ 267,000</b>
<b>Expenditure: Farm Machinery and Equipment Exemption</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 43,000	\$ 53,200
General Revenue - Common School Special Account Fund	0005	14,000	17,800
<b>Total</b>		<b>\$ 57,000</b>	<b>\$ 71,000</b>
<b>Expenditure: Food, Drugs, and Medical Appliances Rate Reduction</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 1,226,000	\$ 1,233,000
General Revenue - Common School Special Account Fund	0005	409,000	411,000
<b>Total</b>		<b>\$ 1,635,000</b>	<b>\$ 1,644,000</b>

<sup>1</sup> Tangible personal property used or consumed within an enterprise zone in the process of manufacturing or assembling or by producers of graphic arts.

<sup>2</sup> 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			FY 12	FY 13
<b>Fund Name and Code:</b>				
General Revenue Fund	0001	\$	107,000	\$ 109,600
General Revenue - Common School Special Account Fund	0005		35,000	36,500
<b>Total</b>		\$	142,000	\$ 146,100
Expenditure: Graphic Arts Machinery and Equipment Exemption				
<b>Fund Name and Code:</b>				
General Revenue Fund	0001	\$	6,000	\$ 7,600
General Revenue - Common School Special Account Fund	0005		2,000	2,600
<b>Total</b>		\$	8,000	\$ 10,200
Expenditure: High Impact Business Building Materials Exemption				
<b>Fund Name and Code:</b>				
General Revenue Fund	0001	\$	0	\$ 3,524
General Revenue - Common School Special Account Fund	0005		0	1,175
<b>Total</b>		\$	0	\$ 4,699
Expenditure: High Impact Business Designated Tangible Personal Property Exemption				
<b>Fund Name and Code:</b>				
General Revenue Fund	0001	\$	0	\$ 1,733
General Revenue - Common School Special Account Fund	0005		0	578
<b>Total</b>		\$	0	\$ 2,311
Expenditure: Interim Use Prior to Sale Exemption				
<b>Fund Name and Code:</b>				
General Revenue Fund	0001	\$	800	\$ 3,900
General Revenue - Common School Special Account Fund	0005		300	1,300
<b>Total</b>		\$	1,100	\$ 5,200
Expenditure: Legal Tender, Medallions, and Bullion Exemption				
<b>Fund Name and Code:</b>				
General Revenue Fund	0001	\$	2,300	\$ 1,600
General Revenue - Common School Special Account Fund	0005		800	600
<b>Total</b>		\$	3,100	\$ 2,200
Expenditure: Majority Blended Ethanol				
<b>Fund Name and Code:</b>				
General Revenue Fund	0001	\$	1,600	\$ 1,300
General Revenue - Common School Special Account Fund	0005		600	400
<b>Total</b>		\$	2,200	\$ 1,700
Expenditure: Manufacturer's Purchase Credit				
<b>Fund Name and Code:</b>				
General Revenue Fund	0001	\$	28,100	\$ 25,904
General Revenue - Common School Special Account Fund	0005		9,400	8,635
<b>Total</b>		\$	37,500	\$ 34,539
Expenditure: Manufacturing and Assembling Machinery and Equipment Exemption <sup>3</sup>				
<b>Fund Name and Code:</b>				
General Revenue Fund	0001	\$	137,000	\$ 153,000
General Revenue - Common School Special Account Fund	0005		46,000	51,000
<b>Total</b>		\$	183,000	\$ 204,000
Expenditure: Newsprint and Ink to Newspapers and Magazines Exemption				
<b>Fund Name and Code:</b>				
General Revenue Fund	0001	\$	24,000	\$ 24,000
General Revenue - Common School Special Account Fund	0005		8,000	8,000
<b>Total</b>		\$	32,000	\$ 32,000

<sup>3</sup> 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 Exemption<sup>4</sup>

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 375	\$ 710
General Revenue - Common School Special Account Fund	0005	125	240
<b>Total</b>		<b>\$ 500</b>	<b>\$ 950</b>

#### Expenditure: Retailer's Discount

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 91,000	\$ 93,400
General Revenue - Common School Special Account Fund	0005	30,000	31,100
<b>Total</b>		<b>\$ 121,000</b>	<b>\$ 124,500</b>

#### Expenditure: Rolling Stock Exemption

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 56,000	\$ 57,100
General Revenue - Common School Special Account Fund	0005	18,000	19,000
<b>Total</b>		<b>\$ 74,000</b>	<b>\$ 76,100</b>

#### Expenditure: Sales of Motor Vehicles to Non-Residents Exemption<sup>5</sup>

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 32,000	\$ 29,900
General Revenue - Common School Special Account Fund	0005	11,000	10,000
<b>Total</b>		<b>\$ 43,000</b>	<b>\$ 39,900</b>

#### Expenditure: Sales of Vehicles to Automobile Rentors Exemption<sup>6</sup>

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 32,000	\$ 34,200
General Revenue - Common School Special Account Fund	0005	11,000	11,400
<b>Total</b>		<b>\$ 43,000</b>	<b>\$ 45,600</b>

#### Expenditure: Sales to Exempt Organizations<sup>7</sup>

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 304,000	\$ 250,000
General Revenue - Common School Special Account Fund	0005	101,000	83,000
<b>Total</b>		<b>\$ 405,000</b>	<b>\$ 333,000</b>

#### Expenditure: Traded-In Property Exemption<sup>8</sup>

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 236,000	\$ 211,500
General Revenue - Common School Special Account Fund	0005	79,000	70,500
<b>Total</b>		<b>\$ 315,000</b>	<b>\$ 282,000</b>

**Total Tax Impact per Revenue Source** **\$ 3,512,500** **\$ 3,502,206**

<sup>4</sup> 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 applies only to motor vehicles.

<sup>5</sup> This exemption is given only to buyers whose home state extends the same exemption to Illinois residents. Thus, Illinois taxes the full amount of out-of-state sales when an Illinois resident brings a vehicle back to register. In that way, Illinois receives some compensation for this tax expenditure in a way that it does not for others.

<sup>6</sup> Tax expenditure is net of Automobile Rental Tax receipts.

<sup>7</sup> 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.

<sup>8</sup> Beginning in fiscal year 2013, this expenditure applies only to motor vehicles. The Department of Revenue no longer has data to estimate the non-motor vehicle share.

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

## Revenue (Continued)

		FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Individual Income Tax <sup>9</sup>		\$ 16,999,793	\$ 18,323,789
<b>Expenditure: Additional Exemptions: Blind and Elderly</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 26,864	\$ 28,969
Education Assistance Fund	0007	2,116	2,281
Income Tax Refund Fund	0278	3,131	3,376
<b>Total</b>		<b>\$ 32,111</b>	<b>\$ 34,626</b>
<b>Expenditure: Affordable Housing Donations Tax Credit</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 263	\$ 92
Education Assistance Fund	0007	21	7
Income Tax Refund Fund	0278	31	11
<b>Total</b>		<b>\$ 315</b>	<b>\$ 110</b>
<b>Expenditure: Dependent Care Assistance Program Tax Credit</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 5	\$ 5
Education Assistance Fund	0007	0	0
Income Tax Refund Fund	0278	1	1
<b>Total</b>		<b>\$ 6</b>	<b>\$ 6</b>
<b>Expenditure: Earned Income Tax Credit</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 88,516	\$ 135,737
Education Assistance Fund	0007	6,970	10,689
Income Tax Refund Fund	0278	10,316	15,819
<b>Total</b>		<b>\$ 105,802</b>	<b>\$ 162,245</b>
<b>Expenditure: Economic Development for a Growing Economy Tax Credit</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 7,702	\$ 32,580
Education Assistance Fund	0007	607	2,566
Income Tax Refund Fund	0278	898	3,797
<b>Total</b>		<b>\$ 9,207</b>	<b>\$ 38,943</b>
<b>Expenditure: Education Expense Credit</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 66,599	\$ 66,690
Education Assistance Fund	0007	5,245	5,252
Income Tax Refund Fund	0278	7,761	7,772
<b>Total</b>		<b>\$ 79,605</b>	<b>\$ 79,714</b>
<b>Expenditure: Enterprise Zone and River Edge Redevelopment Zone Investment Credit</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 647	\$ 815
Education Assistance Fund	0007	51	64
Income Tax Refund Fund	0278	75	95
<b>Total</b>		<b>\$ 773</b>	<b>\$ 974</b>

<sup>9</sup> Derived from 2012 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 12	FY 13
General Revenue Fund	0001	\$ 2,914	\$ 2,258
Education Assistance Fund	0007	229	178
Income Tax Refund Fund	0278	340	263
<b>Total</b>		<b>\$ 3,483</b>	<b>\$ 2,699</b>

#### Expenditure: Ex-Felons Jobs Credit

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 15	\$ 16
Education Assistance Fund	0007	1	1
Income Tax Refund Fund	0278	2	2
<b>Total</b>		<b>\$ 18</b>	<b>\$ 19</b>

#### Expenditure: Federally Taxed Retirement and Social Security Subtractions

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 1,642,019	\$ 1,868,110
Education Assistance Fund	0007	129,307	147,111
Income Tax Refund Fund	0278	191,362	217,711
<b>Total</b>		<b>\$ 1,962,688</b>	<b>\$ 2,232,932</b>

#### Expenditure: Film Production Service Credit

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 2,205	\$ 606
Education Assistance Fund	0007	174	48
Income Tax Refund Fund	0278	257	71
<b>Total</b>		<b>\$ 2,636</b>	<b>\$ 725</b>

#### Expenditure: Foreign Trade Zone Dividends Subtraction

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 3,001	\$ 3,647
Education Assistance Fund	0007	236	287
Income Tax Refund Fund	0278	350	425
<b>Total</b>		<b>\$ 3,587</b>	<b>\$ 4,359</b>

#### Expenditure: High Impact Business Investment Credit

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 430	\$ 147
Education Assistance Fund	0007	34	12
Income Tax Refund Fund	0278	50	17
<b>Total</b>		<b>\$ 514</b>	<b>\$ 176</b>

#### Expenditure: Military Pay Subtraction

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 39,876	\$ 43,984
Education Assistance Fund	0007	3,140	3,464
Income Tax Refund Fund	0278	4,647	5,126
<b>Total</b>		<b>\$ 47,663</b>	<b>\$ 52,574</b>

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

## Revenue (Continued)

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

<b>Expenditure: New Markets Credit</b>		<b>FY 12</b>	<b>FY 13</b>
<b>Fund Name and Code:</b>			
General Revenue Fund	0001	\$ 110	\$ 106
Education Assistance Fund	0007	9	8
Income Tax Refund Fund	0278	13	12
<b>Total</b>		<b>\$ 132</b>	<b>\$ 126</b>
<b>Expenditure: Other Subtractions<sup>10</sup></b>			
<b>Fund Name and Code:</b>			
General Revenue Fund	0001	\$ 57,012	\$ 60,065
Education Assistance Fund	0007	4,490	4,730
Income Tax Refund Fund	0278	6,644	7,000
<b>Total</b>		<b>\$ 68,146</b>	<b>\$ 71,795</b>
<b>Expenditure: Research and Development Credit</b>			
<b>Fund Name and Code:</b>			
General Revenue Fund	0001	\$ 6,895	\$ 11,773
Education Assistance Fund	0007	543	927
Income Tax Refund Fund	0278	804	1,372
<b>Total</b>		<b>\$ 8,242</b>	<b>\$ 14,072</b>
<b>Expenditure: Standard Exemption: Taxpayers and Dependents</b>			
<b>Fund Name and Code:</b>			
General Revenue Fund	0001	\$ 866,657	\$ 928,237
Education Assistance Fund	0007	68,248	73,097
Income Tax Refund Fund	0278	101,001	108,177
<b>Total</b>		<b>\$ 1,035,906</b>	<b>\$ 1,109,511</b>
<b>Expenditure: Student-Assistance Contribution Credit</b>			
<b>Fund Name and Code:</b>			
General Revenue Fund	0001	\$ 8	\$ 32
Education Assistance Fund	0007	1	3
Income Tax Refund Fund	0278	1	4
<b>Total</b>		<b>\$ 10</b>	<b>\$ 39</b>
<b>Expenditure: Tax Credit for Residential Real Property Taxes</b>			
<b>Fund Name and Code:</b>			
General Revenue Fund	0001	\$ 464,263	\$ 458,307
Education Assistance Fund	0007	36,560	36,091
Income Tax Refund Fund	0278	54,106	53,411
<b>Total</b>		<b>\$ 554,929</b>	<b>\$ 547,809</b>
<b>Expenditure: TECH-PREP Youth Vocational Programs</b>			
<b>Fund Name and Code:</b>			
General Revenue Fund	0001	\$ 2	\$ 14
Education Assistance Fund	0007	0	1
Income Tax Refund Fund	0278	0	2
<b>Total</b>		<b>\$ 2</b>	<b>\$ 17</b>
<b>Expenditure: Veterans Jobs Credit</b>			
<b>Fund Name and Code:</b>			
General Revenue Fund	0001	\$ 75	\$ 112
Education Assistance Fund	0007	6	9
Income Tax Refund Fund	0278	9	13
<b>Total</b>		<b>\$ 90</b>	<b>\$ 134</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 3,915,865</b>	<b>\$ 4,353,605</b>

	<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts: Corporate Income Tax<sup>11</sup></b>	<b>\$ 2,982,969</b>	<b>\$ 3,679,174</b>

<b>Expenditure: Affordable Housing Donations</b>		<b>FY 12</b>	<b>FY 13</b>
<b>Fund Name and Code:</b>			
General Revenue Fund	0001	\$ 5,834	\$ 6,488
Education Assistance Fund	0007	459	511
Income Tax Refund Fund	0278	1,334	1,485
<b>Total</b>		<b>\$ 7,627</b>	<b>\$ 8,484</b>

<sup>10</sup> 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.

<sup>11</sup> Derived from 2011 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 12	FY 13
General Revenue Fund	0001	\$ 23,906	\$ 34,480
Education Assistance Fund	0007	1,883	2,715
Income Tax Refund Fund	0278	5,470	7,890
<b>Total</b>		<b>\$ 31,259</b>	<b>\$ 45,085</b>

#### Expenditure: Employee Child Care Tax Credit

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 0	\$ 522
Education Assistance Fund	0007	0	41
Income Tax Refund Fund	0278	0	119
<b>Total</b>		<b>\$ 0</b>	<b>\$ 682</b>

#### Expenditure: Enterprise Zone and River Edge Redevelopment Zone Dividend, Interest, and Charitable Contribution Subtractions

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 1,040	\$ 1,214
Education Assistance Fund	0007	82	96
Income Tax Refund Fund	0278	238	278
<b>Total</b>		<b>\$ 1,360</b>	<b>\$ 1,588</b>

#### Expenditure: Enterprise Zone and River Edge Redevelopment Zone Investment Credit

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 5,814	\$ 0
Education Assistance Fund	0007	458	0
Income Tax Refund Fund	0278	1,330	0
<b>Total</b>		<b>\$ 7,602</b>	<b>\$ 0</b>

#### Expenditure: Enterprise Zone Investment Credit

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 0	\$ 13,711
Education Assistance Fund	0007	0	1,080
Income Tax Refund Fund	0278	0	3,137
<b>Total</b>		<b>\$ 0</b>	<b>\$ 17,928</b>

#### Expenditure: Film Production Services Credit

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 9,045	\$ 14,342
Education Assistance Fund	0007	712	1,129
Income Tax Refund Fund	0278	2,069	3,282
<b>Total</b>		<b>\$ 11,826</b>	<b>\$ 18,753</b>

#### Expenditure: Foreign Dividend Subtraction

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 0	\$ 275,544
Education Assistance Fund	0007	0	21,699
Income Tax Refund Fund	0278	0	63,052
<b>Total</b>		<b>\$ 0</b>	<b>\$ 360,295</b>

#### Expenditure: Foreign Insurer Rate Reduction

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 21,612	\$ 10,757
Education Assistance Fund	0007	1,701	847
Income Tax Refund Fund	0278	4,945	2,461
<b>Total</b>		<b>\$ 28,258</b>	<b>\$ 14,065</b>

# 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 12	FY 13
General Revenue Fund	0001	\$ 16	\$ 0
Education Assistance Fund	0007	1	0
Income Tax Refund Fund	0278	4	0
<b>Total</b>		<b>\$ 21</b>	<b>\$ 0</b>

#### Expenditure: High Economic Impact Business Dividend Subtraction

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 46	\$ 71
Education Assistance Fund	0007	4	6
Income Tax Refund Fund	0278	11	16
<b>Total</b>		<b>\$ 61</b>	<b>\$ 93</b>

#### Expenditure: Illinois Net Operating Loss Deduction

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 167,454	\$ 0
Education Assistance Fund	0007	13,186	0
Income Tax Refund Fund	0278	38,317	0
<b>Total</b>		<b>\$ 218,957</b>	<b>\$ 0</b>

#### Expenditure: Interest on Certain Obligations of Illinois State and Local Government

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 0	\$ 179
Education Assistance Fund	0007	0	14
Income Tax Refund Fund	0278	0	41
<b>Total</b>		<b>\$ 0</b>	<b>\$ 234</b>

#### Expenditure: Job Training Contribution Subtraction

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 63	\$ 19
Education Assistance Fund	0007	5	1
Income Tax Refund Fund	0278	14	4
<b>Total</b>		<b>\$ 82</b>	<b>\$ 24</b>

#### Expenditure: Other Schedule M Subtractions

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 0	\$ 837
Education Assistance Fund	0007	0	66
Income Tax Refund Fund	0278	0	192
<b>Total</b>		<b>\$ 0</b>	<b>\$ 1,095</b>

#### Expenditure: Research and Development Credit

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 8,777	\$ 23,476
Education Assistance Fund	0007	691	1,848
Income Tax Refund Fund	0278	2,008	5,372
<b>Total</b>		<b>\$ 11,476</b>	<b>\$ 30,696</b>

#### Expenditure: River Edge Redevelopment Zone Site Remediation Tax Credit

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 21	\$ 0
Education Assistance Fund	0007	2	0
Income Tax Refund Fund	0278	5	0
<b>Total</b>		<b>\$ 28</b>	<b>\$ 0</b>

#### Expenditure: Veterans Jobs Credit

Fund Name and Code:		FY 12	FY 13
General Revenue Fund	0001	\$ 97	\$ 114
Education Assistance Fund	0007	8	9
Income Tax Refund Fund	0278	22	26
<b>Total</b>		<b>\$ 127</b>	<b>\$ 149</b>

<b>Total Tax Impact per Revenue Source</b>		<b>\$ 318,684</b>	<b>\$ 499,171</b>
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# DETAIL OF TAX EXPENDITURES BY AGENCY, REVENUE SOURCE AND FUND (IN THOUSANDS)

## Revenue (Continued)

		FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Automobile Renting Occupation and Use Tax		\$ 34,049	\$ 35,658
<b>Expenditure: Claims for Loss or Damage Deduction</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 1,600	\$ 1,700
<b>Total</b>		<b>\$ 1,600</b>	<b>\$ 1,700</b>
<b>Expenditure: Exempt Organization Rentals<sup>12</sup></b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 1,500	\$ 1,600
<b>Total</b>		<b>\$ 1,500</b>	<b>\$ 1,600</b>
<b>Expenditure: Insurance Coverage Deduction</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 1,200	\$ 1,200
<b>Total</b>		<b>\$ 1,200</b>	<b>\$ 1,200</b>
<b>Expenditure: Other/Miscellaneous Deductions</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 100	\$ 100
<b>Total</b>		<b>\$ 100</b>	<b>\$ 100</b>
<b>Expenditure: Refueling Deduction</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 500	\$ 500
<b>Total</b>		<b>\$ 500</b>	<b>\$ 500</b>
<b>Expenditure: Timely Filing and Full Payment Discount</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 600	\$ 600
<b>Total</b>		<b>\$ 600</b>	<b>\$ 600</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 5,500</b>	<b>\$ 5,700</b>
<hr/>			
		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> Cigarette and Cigarette Use Taxes		\$ 577,419	\$ 813,385
<b>Expenditure: Cost of Collection Discount</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Long Term Care Provider Fund	0345	\$ 8,996	\$ 12,670
<b>Total</b>		<b>\$ 8,996</b>	<b>\$ 12,670</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 8,996</b>	<b>\$ 12,670</b>
<hr/>			
		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> Hotel Operators' Occupation and Use Tax		\$ 207,631	\$ 221,031
<b>Expenditure: Cost of Collection Discount</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 1,550	\$ 1,660
International Tourism Fund	0621	225	240
Build Illinois Fund	0960	2,000	2,150
Local Tourism Fund	0969	325	350
<b>Total</b>		<b>\$ 4,100</b>	<b>\$ 4,400</b>
<b>Expenditure: Permanent Residents Exemption</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 4,200	\$ 4,465
International Tourism Fund	0621	550	585
Build Illinois Fund	0960	5,500	5,850
Local Tourism Fund	0969	850	900
<b>Total</b>		<b>\$ 11,100</b>	<b>\$ 11,800</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 15,200</b>	<b>\$ 16,200</b>

<sup>12</sup> 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 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Liquor Gallonage Tax	\$	279,270	\$ 279,930
<b>Expenditure: Cost of Collection Discount</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 1,348	\$ 1,351
Capital Projects Fund	0694	942	942
<b>Total</b>		\$ 2,290	\$ 2,293
<b>Expenditure: Non-Beverage User Exemption</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 360	\$ 361
Capital Projects Fund	0694	252	252
<b>Total</b>		\$ 612	\$ 613
<b>Expenditure: Sacramental Wine Exemption</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 12	\$ 12
Capital Projects Fund	0694	8	8
<b>Total</b>		\$ 20	\$ 20
<b>Total Tax Impact per Revenue Source</b>		\$ 2,922	\$ 2,926
<hr/>			
		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> Underground Storage Tank Tax	\$	69,539	\$ 68,644
<b>Expenditure: Airport Exemption</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Underground Storage Tank Fund	0072	\$ 12,378	\$ 12,217
<b>Total</b>		\$ 12,378	\$ 12,217
<b>Expenditure: Exemption for Ships, Barges, and Vessels Conducting Interstate Commerce on Border Rivers</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Underground Storage Tank Fund	0072	\$ 603	\$ 595
<b>Total</b>		\$ 603	\$ 595
<b>Expenditure: Liquefied Propane Gas Exemption</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Underground Storage Tank Fund	0072	\$ 32	\$ 28
<b>Total</b>		\$ 32	\$ 28
<b>Expenditure: Rail Carrier Exemption</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Underground Storage Tank Fund	0072	\$ 3,103	\$ 3,063
<b>Total</b>		\$ 3,103	\$ 3,063
<b>Expenditure: Timely Filing and Full Payment Discount</b>			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Underground Storage Tank Fund	0072	\$ 1,224	\$ 1,153
<b>Total</b>		\$ 1,224	\$ 1,153
<b>Total Tax Impact per Revenue Source</b>		\$ 17,340	\$ 17,056

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

## Revenue (Continued)

		FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Motor Fuel Taxes		\$ 1,220,726	\$ 1,191,188
<b>Expenditure:</b> Aviation Purposes Exemption			
<b>Fund Name and Code:</b>		FY 12	FY 13
Motor Fuel Tax - State Fund	0012	\$ 42	\$ 41
<b>Total</b>		\$ 42	\$ 41
<b>Expenditure:</b> Municipal Corporation or Private Utility Local Transportation System Exemption			
<b>Fund Name and Code:</b>		FY 12	FY 13
Motor Fuel Tax - State Fund	0012	\$ 6,575	\$ 6,450
<b>Total</b>		\$ 6,575	\$ 6,450
<b>Expenditure:</b> Sales for Use Other Than in Motor Vehicles Exemption			
<b>Fund Name and Code:</b>		FY 12	FY 13
Motor Fuel Tax - State Fund	0012	\$ 116,108	\$ 113,902
<b>Total</b>		\$ 116,108	\$ 113,902
<b>Expenditure:</b> Timely Filing and Full Payment Discount			
<b>Fund Name and Code:</b>		FY 12	FY 13
Motor Fuel Tax - State Fund	0012	\$ 20,060	\$ 18,872
<b>Total</b>		\$ 20,060	\$ 18,872
<b>Total Tax Impact per Revenue Source</b>		\$ 142,785	\$ 139,265
<b>FY 12</b> <b>FY 13</b>			
<b>Revenue Source and Annual Receipts:</b> Electricity Excise Tax		\$ 389,492	\$ 399,950
<b>Expenditure:</b> Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemption			
<b>Fund Name and Code:</b>		FY 12	FY 13
General Revenue Fund	0001	\$ 38,567	\$ 0
Public Utility Fund	0059	1,192	0
<b>Total</b>		\$ 39,759	\$ 0
<b>Expenditure:</b> Enterprise Zone and Foreign Trade Zone Exemption			
<b>Fund Name and Code:</b>		FY 12	FY 13
General Revenue Fund	0001	\$ 0	\$ 22,865
Public Utility Fund	0059	0	707
<b>Total</b>		\$ 0	\$ 23,572
<b>Expenditure:</b> High Impact Business Electricity Excise Tax Exemption			
<b>Fund Name and Code:</b>		FY 12	FY 13
General Revenue Fund	0001	\$ 0	\$ 1,840
Public Utility Fund	0059	0	57
<b>Total</b>		\$ 0	\$ 1,897
<b>Expenditure:</b> Purchase of Electricity Generated by Solid Waste Energy Facility Credit			
<b>Fund Name and Code:</b>		FY 12	FY 13
General Revenue Fund	0001	\$ 1,658	\$ 122
Public Utility Fund	0059	51	4
<b>Total</b>		\$ 1,709	\$ 126
<b>Total Tax Impact per Revenue Source</b>		\$ 41,468	\$ 25,595
<b>FY 12</b> <b>FY 13</b>			
<b>Revenue Source and Annual Receipts:</b> Gas Revenue Tax		\$ 145,178	\$ 143,769
<b>Expenditure:</b> Cost of Collection Discount (Gas Use Tax)			
<b>Fund Name and Code:</b>		FY 12	FY 13
General Revenue Fund	0001	\$ 580	\$ 704
<b>Total</b>		\$ 580	\$ 704
<b>Expenditure:</b> Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemption			
<b>Fund Name and Code:</b>		FY 12	FY 13
General Revenue Fund	0001	\$ 12,516	\$ 0
<b>Total</b>		\$ 12,516	\$ 0
<b>Expenditure:</b> Enterprise Zone and Foreign Trade Zone Exemption			
<b>Fund Name and Code:</b>		FY 12	FY 13
General Revenue Fund	0001	\$ 0	\$ 13,929
<b>Total</b>		\$ 0	\$ 13,929

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

## Revenue (Continued)

### Revenue Source and Annual Receipts: Gas Revenue Tax (Concluded)

<b>Expenditure: High Impact Business Exemption</b>			<u>FY 12</u>	<u>FY 13</u>
<b>Fund Name and Code:</b>				
General Revenue Fund	0001	\$	0	\$ 652
<b>Total</b>		\$	0	\$ 652
<b>Expenditure: Gas Used in Liquefaction Process</b>				
<b>Fund Name and Code:</b>			<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$	0	\$ 7,000
<b>Total</b>		\$	0	\$ 7,000
<b>Expenditure: Gas Used in Petroleum Refinery Operation</b>				
<b>Fund Name and Code:</b>			<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$	8,123	\$ 8,273
<b>Total</b>		\$	8,123	\$ 8,273
<b>Expenditure: Gas Used in Production of Electric Energy</b>				
<b>Fund Name and Code:</b>			<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$	20,646	\$ 16,132
<b>Total</b>		\$	20,646	\$ 16,132
<b>Expenditure: Gas Used in Production of Fertilizer</b>				
<b>Fund Name and Code:</b>			<u>FY 12</u>	<u>FY 13</u>
General Revenue Fund	0001	\$	2,544	\$ 2,687
<b>Total</b>		\$	2,544	\$ 2,687
<b>Total Tax Impact per Revenue Source</b>		\$	44,409	\$ 49,377

	<u>FY 12</u>	<u>FY 13</u>
<b>Revenue Source and Annual Receipts: Telecommunications Excise Tax</b>	\$ 536,852	\$ 573,285

<b>Expenditure: Cost of Collection Discount</b>			<u>FY 12</u>	<u>FY 13</u>
<b>Fund Name and Code:</b>				
General Revenue Fund	0001	\$	6,136	\$ 6,024
Common School Fund	0412		1,227	1,205
School Infrastructure Fund	0568		1,227	1,205
<b>Total</b>		\$	8,590	\$ 8,434

<b>Expenditure: Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemption</b>			<u>FY 12</u>	<u>FY 13</u>
<b>Fund Name and Code:</b>				
General Revenue Fund	0001	\$	901	\$ 0
Common School Fund	0412		180	0
School Infrastructure Fund	0568		180	0
<b>Total</b>		\$	1,261	\$ 0

<b>Expenditure: Enterprise Zone and Foreign Trade Zone Exemption</b>			<u>FY 12</u>	<u>FY 13</u>
<b>Fund Name and Code:</b>				
General Revenue Fund	0001	\$	0	\$ 2,602
Common School Fund	0412		0	520
School Infrastructure Fund	0568		0	520
<b>Total</b>		\$	0	\$ 3,642

<b>Expenditure: High Impact Business Exemption</b>			<u>FY 12</u>	<u>FY 13</u>
<b>Fund Name and Code:</b>				
General Revenue Fund	0001	\$	0	\$ 576
Common School Fund	0412		0	115
School Infrastructure Fund	0568		0	115
<b>Total</b>		\$	0	\$ 806
<b>Total Tax Impact per Revenue Source</b>		\$	9,851	\$ 12,882

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

## Revenue (Concluded)

		FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Vehicle Use Tax		\$ 33,690	\$ 32,446
<b>Expenditure:</b> Business Reorganization Preferential Tax Rate			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 52	\$ 49
<b>Total</b>		<b>\$ 52</b>	<b>\$ 49</b>
<b>Expenditure:</b> Estate Gift to Beneficiary Preferential Tax Rate			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 170	\$ 173
<b>Total</b>		<b>\$ 170</b>	<b>\$ 173</b>
<b>Expenditure:</b> Family Member Preferential Tax Rate			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 3,530	\$ 3,480
<b>Total</b>		<b>\$ 3,530</b>	<b>\$ 3,480</b>
<b>Expenditure:</b> Farm Implement Exemption - Ready Mix Exemption			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 2,350	\$ 1,060
<b>Total</b>		<b>\$ 2,350</b>	<b>\$ 1,060</b>
<b>Expenditure:</b> Government, Charitable, Educational, Religious Entities Exemption			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 6,160	\$ 3,610
<b>Total</b>		<b>\$ 6,160</b>	<b>\$ 3,610</b>
<b>Expenditure:</b> Out-of-State Resident Exemption			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 2,110	\$ 1,090
<b>Total</b>		<b>\$ 2,110</b>	<b>\$ 1,090</b>
<b>Expenditure:</b> Rolling Stock Exemption			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 10,560	\$ 5,010
<b>Total</b>		<b>\$ 10,560</b>	<b>\$ 5,010</b>
<b>Expenditure:</b> Surviving Spouse Exemption			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 270	\$ 140
<b>Total</b>		<b>\$ 270</b>	<b>\$ 140</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 25,202</b>	<b>\$ 14,612</b>
<b>Total Tax Impact, Revenue</b>		<b>\$ 8,060,722</b>	<b>\$ 8,651,265</b>

## Commerce Commission

		FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Gross Receipts Tax (Public Utility Fund)		\$ 7,261	\$ 6,193
<b>Expenditure:</b> Enterprise Zone Revenue Exemption			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Public Utility Fund	0059	\$ 17	\$ 18
<b>Total</b>		<b>\$ 17</b>	<b>\$ 18</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 17</b>	<b>\$ 18</b>
<b>Total Tax Impact, Commerce Commission</b>		<b>\$ 17</b>	<b>\$ 18</b>

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

Environmental Protection Agency		FY 12	FY 13
<b>Revenue Source and Annual Receipts:</b> Sewer Construction Permit Application Fee		\$ 260	\$ 331
<b>Expenditure:</b> State and Local Government Exemption			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Environmental Protection Permit and Inspection Fund	0944	\$ 130	\$ 130
<b>Total</b>		<b>\$ 130</b>	<b>\$ 130</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 130</b>	<b>\$ 130</b>
		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> Water Main Construction Permit Application Fee		\$ 187	\$ 215
<b>Expenditure:</b> State and Local Government Exemption			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Environmental Protection Permit and Inspection Fund	0944	\$ 90	\$ 90
<b>Total</b>		<b>\$ 90</b>	<b>\$ 90</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 90</b>	<b>\$ 90</b>
		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> NPDES Permit Discharge Fee		\$ 16,779	\$ 16,605
<b>Expenditure:</b> State Government and School District Exemption			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Illinois Clean Water Fund	0731	\$ 375	\$ 375
<b>Total</b>		<b>\$ 375</b>	<b>\$ 375</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 375</b>	<b>\$ 375</b>
<b>Total Tax Impact, Environmental Protection Agency</b>		<b>\$ 595</b>	<b>\$ 595</b>
<b>Racing Board</b>			
		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> Admission Tax		\$ 82	\$ 81
<b>Expenditure:</b> Free General Admission			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
General Revenue Fund	0001	\$ 190	\$ 0
Horse Racing Fund	0632	0	184
<b>Total</b>		<b>\$ 190</b>	<b>\$ 184</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 190</b>	<b>\$ 184</b>
		<b>FY 12</b>	<b>FY 13</b>
<b>Revenue Source and Annual Receipts:</b> Racing Pari-mutuel (Privilege) Tax		\$ 6,991	\$ 5,818
<b>Expenditure:</b> Real Estate Tax Credit			
<b>Fund Name and Code:</b>		<b>FY 12</b>	<b>FY 13</b>
Horse Racing Fund	0632	\$ 3,064	\$ 3,175
<b>Total</b>		<b>\$ 3,064</b>	<b>\$ 3,175</b>
<b>Total Tax Impact per Revenue Source</b>		<b>\$ 3,064</b>	<b>\$ 3,175</b>
<b>Total Tax Impact, Racing Board</b>		<b>\$ 3,254</b>	<b>\$ 3,359</b>
<b>GRAND TOTAL, IMPACT</b>		<b>\$ 8,356,402</b>	<b>\$ 8,949,617</b>

# TAX EXPENDITURES WHERE IMPACT WAS NOT REPORTED

## Secretary of State

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**Revenue Source:** Motor Vehicle Registration (1st Division)

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**Expenditure:**

Congressional Medal of Honor Recipients Vehicles

## Treasurer

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**Revenue Source:** Estate and Generation Skipping Transfer Tax

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**Expenditure:**

Exclusion Amount

## Natural Resources

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**Revenue Source:** Watercraft Registration Fee

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**Expenditure:**

Canoe or Kayak Owned by Non-Profit Organization

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**Revenue Source:** Camping and Beach Fees

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**Expenditure:**

Disabled Persons, Former POWs, and Illinois Residents Over 62

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**Revenue Source:** Inland Trout Stamp

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**Expenditure:**

Disabled, Under 16

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**Revenue Source:** Hunting Licenses and Permits

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**Expenditure:**

Disabled, 65 or Over, Landowners/Tenants

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**Revenue Source:** Sportsman License

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**Expenditure:**

Disabled, 65 or Over, Landowners/Tenants

---

**Revenue Source:** Trapping License

---

**Expenditure:**

Owners, Bona Fide Tenants and Their Children

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**Revenue Source:** Salmon Stamp

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**Expenditure:**

Disabled, Under 16

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**Revenue Source:** Habitat Stamps

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**Expenditure:**

Under 16

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**Revenue Source:** Waterfowl Stamps

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**Expenditure:**

Disabled, Landowners/Tenants

# TAX EXPENDITURES WHERE IMPACT WAS NOT REPORTED

## Healthcare and Family Services

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**Revenue Source:** Long Term Care Provider Assessment

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**Expenditure:**

100% Contribution Homes Exemption

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**Revenue Source:** Long Term Care Provider - Occupied Bed Assessment

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**Expenditure:**

Long Term Care Provider - Occupied Bed Assessment Exemption

## Revenue

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**Revenue Source:** Sales and Use Tax

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**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 Organizations<sup>1</sup>  
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

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**Revenue Source:** Individual Income Tax

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**Expenditure:**

Jobs Tax Credit  
River Edge Redevelopment Zone Site Remediation Tax Credit

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**Revenue Source:** Corporate Income Tax

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**Expenditure:**

Angel Investment Credit  
Dependent Care Assistance Credit  
Ex-Felons Jobs Credit  
High Economic Impact Business Interest Subtraction  
High Economic Impact Business Investment Credit  
Historic Preservation Credit  
Illinois Net Operating Loss Deduction  
Interest Expense Subtraction  
Jobs Tax Credit  
Live Theater Production Tax Credit  
New Markets Tax Credit  
River Edge Historic Preservation Credit  
River Edge Redevelopment Zone Investment Credit  
River Edge Redevelopment Zone Site Remediation Tax Credit  
Student-Assistance Contribution Credit  
TECH-PREP Youth Vocational Program Credit

<sup>1</sup> 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)

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**Revenue Source:** Automobile Renting Occupation and Use Tax

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**Expenditure:**

Loaner Vehicles on Warranty

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**Revenue Source:** Cigarette and Cigarette Use Taxes

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**Expenditure:**

Prison and Mental Health Facility Exemption

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**Revenue Source:** Electricity Excise Tax

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**Expenditure:**

Sales to Municipal Transit Systems

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**Revenue Source:** Telecommunications Excise Tax

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**Expenditure:**

Coin-Operated Telecommunications Devices Exemption

State Universities Exemption

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**Revenue Source:** Real Estate Transfer Tax

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**Expenditure:**

Exempted Deeds or Trust Documents

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**Revenue Source:** Aircraft/Watercraft Use Tax

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**Expenditure:**

Production Agriculture Exemption

Rolling Stock Exemption

Sales to Exempt Organizations

Surviving Spouse Exemption

Watercraft Temporarily Used in Illinois Exemption

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## Gaming Board

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**Revenue Source:** Riverboat Gambling Admission Tax

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**Expenditure:**

Tax Free Admission Passes

# TAX EXPENDITURES LEGAL AUTHORITY

## Secretary of State

<b>Revenue Source:</b> Motor Vehicle Registration (1st Division)	625 ILCS 3-806
<b>Expenditure:</b>	
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
<b>Revenue Source:</b> Standard Identification Card Fee	15 ILCS 335/12
<b>Expenditure:</b>	
Duplicated/Corrected ID Senior Citizen/Handicapped	15 ILCS 335/4(d), 12A
<b>Revenue Source:</b> Duplicated/Corrected Driver's License	625 ILCS 5/6-118(a)
<b>Expenditure:</b>	
Duplication of Stolen Licenses for Senior Citizens	625 ILCS 5/6-118(a)
<b>Revenue Source:</b> Driver's License Four Year Renewal Fee	625 ILCS 5/6-118(a), (b), (c)
<b>Expenditure:</b>	
Reduced Renewal Fee for Senior Citizens	625 ILCS 5/6-118(a) & 6-115(g)
<b>Revenue Source:</b> Annual Reports of Corporations	805 ILCS 5/15
<b>Expenditure:</b>	
Two Million Dollar Cap on Annual Franchise Tax for Corporations	805 ILCS 5/15.45, 5/15.75

## Treasurer

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

## Natural Resources

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

# TAX EXPENDITURES LEGAL AUTHORITY

## Natural Resources (Concluded)

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

## Financial and Professional Regulation

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

## Insurance

<b>Revenue Source:</b> Insurance Privilege Tax	215 ILCS 5/409
<b>Expenditure:</b> Fire Department Tax Credit	215 ILCS 5/409
Illinois New Markets Tax Credit	215 ILCS 5/409(6)
Replacement Corporate Income Tax	215 ILCS 5/409
<b>Revenue Source:</b> Retaliatory Tax	215 ILCS 5/444, 5/444.1
<b>Expenditure:</b> Fire Department Tax Credit	215 ILCS 5/444
Fire Marshal Tax Offset	425 ILCS 25/12 and 50 Ill. Adm. Code subsec. 2515.50(b)(8)
Replacement Income Tax Credit	215 ILCS 5/444

## Healthcare and Family Services

<b>Revenue Source:</b> Long-Term Care Provider Assessment	305 ILCS 5/5E-10
<b>Expenditure:</b> 100% Contribution Homes Exemption	305 ILCS 5/5E-5
<b>Revenue Source:</b> Hospital Provider Assessment	305 ILCS 5/5A-2
<b>Expenditure:</b> Hospital Provider exemption	305 ILCS 5/5A-3
<b>Revenue Source:</b> Long Term Care Provider - Occupied Bed Assessment	305 ILCS 5/5B-2 and 5/5-2.07
<b>Expenditure:</b> Long Term Care Provider - Occupied Bed Assessment Exemption	305 ILCS 5/5B-3

## Public Health

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

# TAX EXPENDITURES LEGAL AUTHORITY

## Public Health (Concluded)

<b>Revenue Source:</b> Recreational Area Fee	210 ILCS 95
<b>Expenditure:</b>	
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
<b>Revenue Source:</b> Swimming Pool and Bathing Beach Fee	210 ILCS 125
<b>Expenditure:</b>	
Tax-Exempt 501(c)(3) & Gov. Facility Construction Application Fee Waiver	210 ILCS 125/5
Tax-Exempt 501(c)(3) & Gov. Facility License Renewal Fee Waiver	210 ILCS 125/6
Tax-Exempt 501(c)(3) & Gov. Facility Original License Fee Waiver.	210 ILCS 125/4
<b>Revenue Source:</b> Long Term Care Facility Fee	210 ILCS 45/3-103
<b>Expenditure:</b>	
Fac. lic. for Intermediate Care Facility for Dev. Disabled &/or Skilled under 22 beds only.	210 ILCS 45/3-103
<b>Revenue Source:</b> Childhood Lead Screening Fee	410 ILCS 45/1
<b>Expenditure:</b>	
Low Income Family Waiver	410 ILCS 45/1
<b>Revenue Source:</b> Youth Camp License Application Fee	210 ILCS 100/5
<b>Expenditure:</b>	
Governmental Agency Waiver	210 ILCS 100/5
<b>Revenue Source:</b> Water Pump Contractor Fee	225 ILCS 345/13
<b>Expenditure:</b>	
Licensed Plumber Exemption	225 ILCS 345/1
<b>Revenue Source:</b> Environmental Lead License Application Fee	410 ILCS 45/8.1
<b>Expenditure:</b>	
Department of Public Health and Delegate Agency Employee Waiver	410 ILCS 45/8.1
<b>Revenue Source:</b> Salvage Warehouse and Salvage Warehouse Store Act	240 ILCS 30/0.1
<b>Expenditure:</b>	
Not-for-Profit Organization Waiver	240 ILCS 30/0.1
<b>Revenue Source:</b> Asbestos Abatement License Fee	105 ILCS 105/6 and 225 ILCS 207/20
<b>Expenditure:</b>	
Governmental employee waiver	105 ILCS 105/6 and 225 ILCS 207/20
<b>Revenue Source:</b> Plan Review Fee - LTC Facilities	210 ILCS 45/3-202.5
<b>Expenditure:</b>	
Projects costing less than \$100,000	210 ILCS 45/3-202.5

# TAX EXPENDITURES LEGAL AUTHORITY

## Revenue

<b>Revenue Source:</b> Sales and Use Tax	35 ILCS 105, 110, 115, 120
<b>Expenditure:</b>	
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; 105/3-10; 110/3-10; 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) & 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 (from Ch. 120, par. 439.3-10)
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
High Impact Business Building Materials Exemption	35 ILCS 120/51
High Impact Business Designated Tangible Personal Property Exemption	35 ILCS 120/1d
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(c), 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, 120/1c
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), 110/3-115/2(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
<b>Revenue Source: Individual Income Tax</b>	35 ILCS 5/101 et. seq.
<b>Expenditure:</b>	
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) (O)
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)

# 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
<b>Revenue Source:</b> Corporate Income Tax	35 ILCS 5/101 et. seq.
<b>Expenditure:</b>	
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(e)(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
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
Angel Investment Credit	35 ILCS 5/220
Historic Preservation Credit	35 ILCS 219
Bonds issued by the Central Illinois Economic Development Authority	70 ILCS 506/40
Bonds issued by the Downstate Illinois Sports Facilities Authority	70 ILCS 3210/60
Bonds issued by the Eastern Illinois Economic Development Authority	70 ILCS 506/40
Bonds issued by the Export Development Act of 1983	IL Rev. Stat. 1991, ch. 127, par. 2513, repealed by P.A. 87-860
Bonds issued by the Illinois Development Finance Authority	20 ILCS 3505/7.50-7.61
Bonds issued by the Illinois Development Finance Authority or the Illinois Finance Authority under the Asbestos Abatement Finance Act	20 ILCS 3510/8
Bonds issued by the Illinois Finance Authority	20 ILCS 3501/various sections
Bonds issued by the Illinois Housing Development Authority	20 ILCS 3805/31
Bonds issued by the Illinois Sports Facilities Authority	70 ILCS 3205/15
Bonds issued by the Illinois Urban Development Authority	70 ILCS 531/11
Bonds issued by the Quad Cities Interstate Metropolitan Authority	45 ILCS 35/110
Bonds issued by the Quad Cities Regional Economic Development Authority	70 ILCS 510/11-13
Bonds issued by the Southeastern Illinois Economic Development Authority	70 ILCS 518/40
Bonds issued by the Southern Illinois Economic Development Authority	70 ILCS 519/5-45
Bonds issued by the Southwestern Illinois Development Authority	70 ILCS 520/7.5

# TAX EXPENDITURES LEGAL AUTHORITY

## Revenue (Continued)

Bonds issued by the Upper Illinois River Valley Development Authority	70 ILCS 530/7.1
Bonds issued by the Western Illinois Economic Development Authority	70 ILCS 532/45
Bonds issued by the Will-Kankakee Regional Development Authority	70 ILCS 535/143
Bonds issued pursuant to Sections 7.8 through 7.87 of the Illinois Development Finance Authority Act	20 ILCS 3505/7-86
Bonds issued under the Rural Bond Bank Act	30 ILCS 360/3-12
Live Theater Production Credit	35 ILCS 17
New Markets Tax Credit	20 ILCS 663
Cemetery Pre-Need Sales	225 ILCS 45/4a
Nuclear Decommissioning Trusts	220 ILCS 5/8-508.1
River Edge Historic Preservation Credit	35 ILCS 5/221
River Edge Redevelopment Zone Investment Credit	35 ILCS 201(f)
<b>Revenue Source:</b> Automobile Renting Occupation and Use Tax	35 ILCS 155/1 - 155/4
<b>Expenditure:</b>	
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
<b>Revenue Source:</b> Cigarette and Cigarette Use Taxes	35 ILCS 130/1 - 130/30, and 135/1 - 135/37
<b>Expenditure:</b>	
Prison and Mental Health Facility Exemption	35 ILCS 130/1
Cost of Collection Discount	35 ILCS 130/2, 135/3
<b>Revenue Source:</b> Hotel Operators' Occupation and Use Tax	35 ILCS 145/1 - 145/10
<b>Expenditure:</b>	
Cost of Collection Discount	35 ILCS 145/6
Permanent Residents Exemption	35 ILCS 145/3, 145/9
<b>Revenue Source:</b> Liquor Gallonage Tax	235 ILCS 5/1-1 - 5/11-2
<b>Expenditure:</b>	
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
<b>Revenue Source:</b> Underground Storage Tank Tax	35 ILCS 505/1 - 505/21
<b>Expenditure:</b>	
Liquefied Propane Gas Exemption	35 ILCS 505/2a
Airport Exemption	35 ILCS 505/2a
Timely Filing and Full Payment Discount	35 ILCS 505/2b (UST); 415 ILCS 125/301 (EIF)
Exemp. for Ships, Barges, & Vessels in Interstate Commerce on Border Rivers	35 ILCS 505/2a
Rail Carrier Exemption	35 ILCS 505/2a
<b>Revenue Source:</b> Motor Fuel Taxes	35 ILCS 505/1 - 505/21
<b>Expenditure:</b>	
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
<b>Revenue Source:</b> Electricity Excise Tax	35 ILCS 640/15- 640/99
<b>Expenditure:</b>	
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
Enterprise Zone Exemption	220 ILCS 5/9-222 and 9-222.1A
High Impact Business Exemption	220 ILCS 5/9-222 and 9-222.1A
<b>Revenue Source:</b> Gas Revenue Tax	35 ILCS 615/1 -615/15; 35 ILCS 173/5-1 - 173/5-999
<b>Expenditure:</b>	
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)
Enterprise Zone Exemption	220 ILCS 5/9-222 and 9-222.1A
High Impact Business Exemption	220 ILCS 5/9-222 and 9-222.1A
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)

# TAX EXPENDITURES LEGAL AUTHORITY

## Revenue (Concluded)

<b>Revenue Source:</b> Telecommunications Excise Tax	35 ILCS 630/1 - 630/21
<b>Expenditure:</b>	
Enterprise Zone and Foreign Trade Zone High Economic Impact Business Exemption	35 ILCS 630/2
Enterprise Zone Exemption	220 ILCS 5/9-222 and 9-222.1A
High Impact Business Exemption	220 ILCS 5/9-222 and 9-222.1A
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
<b>Revenue Source:</b> Vehicle Use Tax	625 ILCS 5/3-1001 - 5/3-1006
<b>Expenditure:</b>	
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
<b>Revenue Source:</b> Real Estate Transfer Tax	35 ILCS 200/31
<b>Expenditure:</b>	
Other Exempted Deeds or Trust Documents	35 ILCS 200/31-45
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)
<b>Revenue Source:</b> Aircraft/Watercraft Use Tax	35 ILCS 157, 35 ILCS 158
<b>Expenditure:</b>	
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)
<b>Commerce Commission</b>	
<b>Revenue Source:</b> Gross Receipts Tax (Public Utility Fund)	220 ILCS 5/2-202
<b>Expenditure:</b>	
Enterprise Zone Revenue Exemption	220 ILCS 5/3-121
<b>Environmental Protection Agency</b>	
<b>Revenue Source:</b> Sewer Construction Permit Application Fee	415 ILCS 5/12.2
<b>Expenditure:</b>	
State and Local Government Exemption	415 ILCS 5/12.2
<b>Revenue Source:</b> Water Main Construction Permit Application Fee	415 ILCS 5/16.1
<b>Expenditure:</b>	
State and Local Government Exemption	415 ILCS 5/16.1
<b>Revenue Source:</b> NPDES Permit Discharge Fee	415 ILCS 5/12.5
<b>Expenditure:</b>	
State Government and School District Exemption	415 ILCS 5/12.5
<b>Gaming Board</b>	
<b>Revenue Source:</b> Riverboat Gambling Admission Tax	230 ILCS 10/12(a)
<b>Expenditure:</b>	
Tax Free Admission Passes	230 ILCS 10/12
<b>Racing Board</b>	
<b>Revenue Source:</b> Horse Racing Admission Tax	230 ILCS 5/25
<b>Expenditure:</b>	
Free General Admission	230 ILCS 5/25
<b>Revenue Source:</b> Racing Pari-mutuel (aka:Privilege Tax)	230 ILCS 5/27
<b>Expenditure:</b>	
Real Estate Tax Credit	230 ILCS 5/32.1

## TAX EXPENDITURES BY PURPOSE (IN THOUSANDS)

<b>Agricultural Expenditures</b>		
	<b>Fiscal Year 2012 Annual Impact</b>	<b>Fiscal Year 2013 Annual Impact</b>
<b>Tax: Sales Tax</b>		
Farm Chemicals (Includes Feed and Seed) Exemption	\$ 259,000	\$ 267,000
Gasohol Discount	142,000	146,100
Biodiesel Discount and Exemption	127,000	132,700
Farm Machinery and Equipment Exemption	57,000	71,000
Majority Blended Ethanol	2,200	1,700
<b>Total</b>	<b>\$ 587,200</b>	<b>\$ 618,500</b>
<b>Tax: Other</b>		
Farm Implement - Ready Mix Exemption	\$ 2,350	\$ 1,060
<b>Total</b>	<b>\$ 2,350</b>	<b>\$ 1,060</b>
<b>Total, Agricultural Expenditures</b>	<b>\$ 589,550</b>	<b>\$ 619,560</b>
<b>Business Expenditures</b>		
	<b>Fiscal Year 2012 Annual Impact</b>	<b>Fiscal Year 2013 Annual Impact</b>
<b>Tax: Sales Tax</b>		
Manufacturing and Assembling Machinery and Equipment Exemption*	\$ 183,000	\$ 204,000
Retailer's Discount	121,000	124,500
Rolling Stock Exemption	74,000	76,100
Sales of Vehicles to Automobile Rentors Exemption	43,000	45,600
Manufacturer's Purchase Credit*	37,500	34,539
Newsprint and Ink to Newspapers and Magazines Exemption	32,000	32,000
Building Materials within Special Zone Exemption*	4,100	23,899
Designated Tangible Personal Property within Enterprise Zone Exemption*	20,000	18,608
Graphic Arts Machinery and Equipment Exemption*	8,000	10,200
Interim Use Prior to Sale Exemption	1,100	5,200
HIB Building Materials Exemption*	0	4,699
HIB Designated Tangible Personal Property Exemption*	0	2,311
<b>Total</b>	<b>\$ 523,700</b>	<b>\$ 581,656</b>
<b>Tax: Individual Income Tax</b>		
Income Tax Credits*	\$ 21,506	\$ 55,033
Income Tax Subtractions*	7,070	7,058
<b>Total</b>	<b>\$ 28,576</b>	<b>\$ 62,091</b>
<b>Tax: Corporate Income Tax</b>		
Foreign Dividend Subtraction	\$ 0	\$ 360,295
Economic Development for a Growing Economy Tax Credit*	31,259	45,085
Research and Development Credit*	11,476	30,696
Film Production Services Credit*	11,826	18,753
Enterprise Zone Investment Credit*	0	17,928
Foreign Insurer Rate Reduction	28,258	14,065
Special Zone Dividend, Interest, and Charitable Contribution Subtractions*	1,360	1,588

## TAX EXPENDITURES BY PURPOSE (IN THOUSANDS)

<b>Business Expenditures (Concluded)</b>		
	<b>Fiscal Year 2012 Annual Impact</b>	<b>Fiscal Year 2013 Annual Impact</b>
<b>Tax: Corporate Income Tax (Concluded)</b>		
Other Schedule M Subtractions	0	1,095
Interest on Certain Obligations of IL State & Local Government	0	234
High Economic Impact Business Dividend Subtraction*	61	93
Job Training Contribution Subtraction*	82	24
Enterprise Zone and River Edge Redevelopment Zone Investment Credit*	7,602	0
High Economic Impact Business Investment Credit*	21	0
Illinois Net Operating Loss Deduction	218,957	0
River Edge Redevelopment Zone Site Remediation Tax Credit	28	0
<b>Total</b>	<b>\$ 310,930</b>	<b>\$ 489,856</b>
<b>Tax: Other<sup>1</sup></b>		
Sales for Use Other Than in Motor Vehicles Exemption	\$ 116,108	\$ 113,902
Enterprise & Foreign Trade Zone Exemption - Electricity*	0	23,572
Two Million Dollar Cap on Franchise Tax for Corporations	18,374	19,368
Timely Filing and Full Payment Discount - MFT	20,060	18,872
Gas Used in Production of Electric Energy	20,646	16,132
Enterprise & Foreign Trade Zone Exemption - Gas*	0	13,929
Cost of Collection Discount - Cigarettes	8,996	12,670
Airport Exemption	12,378	12,217
Cost of Collection Discount - Telecommunications	8,590	8,434
Gas Used in Petroleum Refinery Operation	8,123	8,273
Gas Used In Liquefaction Process	0	7,000
New Markets Development Program	3,817	5,718
Cost of Collection Discount - Hotel	4,100	4,400
Enterprise & Foreign Trade Zone Exemption - Telecommunications*	0	3,642
Real Estate Tax Credit	3,064	3,175
Rail Carrier Exemption	3,103	3,063
Gas Used in Production of Fertilizer	2,544	2,687
Cost of Collection Discount - Liquor	2,290	2,293
HIB Exemption - Electricity*	0	1,897
Timely Filing and Full Payment Discount -UST	1,224	1,153
HIB Exemption - Telecommunications*	0	806
Cost of Collection Discount (Gas Use Tax)	580	704
HIB Exemption - Gas*	0	652
Timely Filing and Full Payment Discount - ART	600	600
Exemption for Vessels Conducting Interstate Commerce on Border Rivers	603	595
Purchase of Electricity Generated by Solid Waste Energy Facility Credit*	1,709	126
Business Reorganization Preferential Tax Rate	52	49
Aviation Purposes Exemption	42	41
Enterprise Zone Revenue Exemption*	17	18
Enterprise & Foreign Trade Zone HIB Exemption - Electricity*	39,759	0
Enterprise & Foreign Trade Zone HIB Exemption - Gas*	12,516	0
Enterprise & Foreign Trade Zone HIB Exemption - Telecommunications*	1,261	0
<b>Total</b>	<b>\$ 290,556</b>	<b>\$ 285,988</b>
<b>Total, Business Expenditures</b>	<b>\$ 1,153,762</b>	<b>\$ 1,419,591</b>

\* Tax expenditures intended to provide an economic incentive for business activities.

HIB stands for High Impact Business.

<sup>1</sup> Refer to Appendix D for specific receipt sources for other tax expenditures.

# TAX EXPENDITURES BY PURPOSE

## (IN THOUSANDS)

<b>Individual Expenditures - Broad Based</b>		
	<b>Fiscal Year 2012 Annual Impact</b>	<b>Fiscal Year 2013 Annual Impact</b>
<b>Tax: Sales Tax</b>		
Food, Drugs, and Medical Appliances Rate Reduction	\$ 1,635,000	\$ 1,644,000
<b>Total</b>	<b>\$ 1,635,000</b>	<b>\$ 1,644,000</b>
<b>Tax: Individual Income Tax</b>		
Standard Exemption: Taxpayers and Dependents	\$ 1,035,906	\$ 1,109,511
Tax Credit for Residential Real Property Taxes	554,929	547,809
Earned Income Tax Credit	105,802	162,245
Education Expense Credit	79,605	79,714
<b>Total</b>	<b>\$ 1,776,242</b>	<b>\$ 1,899,279</b>
<b>Total, Individual Expenditures - Broad Based</b>	<b>\$ 3,411,242</b>	<b>\$ 3,543,279</b>
<b>Individual Expenditures - Elderly and Disabled</b>		
	<b>Fiscal Year 2012 Annual Impact</b>	<b>Fiscal Year 2013 Annual Impact</b>
<b>Tax: Individual Income Tax</b>		
Federally Taxed Retirement and Social Security Subtractions	\$ 1,962,688	\$ 2,232,932
Additional Exemptions: Blind and Elderly	32,111	34,626
<b>Total</b>	<b>\$ 1,994,799</b>	<b>\$ 2,267,558</b>
<b>Tax: Other</b>		
Senior Citizen Plate Renewal Reduction	\$ 12,329	\$ 11,657
Reduced Renewal Fee for Senior Citizens	5,891	5,370
Duplicated/Corrected ID Senior Citizen/Handicapped	3,375	3,162
Disabled, Under 16, 65 & Over, Fee Fishing Area, Owner/Tenant Discount	1,272	1,272
Disabled Veteran Vehicle Registration Exemption	409	395
Duplication of Stolen Licenses for Senior Citizens	58	68
<b>Total</b>	<b>\$ 23,334</b>	<b>\$ 21,924</b>
<b>Total, Individual Expenditures - Elderly and Disabled</b>	<b>\$ 2,018,133</b>	<b>\$ 2,289,482</b>
<b>Individual Expenditures - Other</b>		
	<b>Fiscal Year 2012 Annual Impact</b>	<b>Fiscal Year 2013 Annual Impact</b>
<b>Tax: Individual Income Tax</b>		
Military Pay Subtraction	\$ 47,663	\$ 52,574
Other	124	198
<b>Total</b>	<b>\$ 47,787</b>	<b>\$ 52,772</b>
<b>Tax: Other</b>		
Veterans Jobs Credit	\$ 127	\$ 149
X-POW Vehicle Registration Exemption	43	36
Illinois Adoption Registry and Medical Information Exchange	1	15
<b>Total</b>	<b>\$ 171</b>	<b>\$ 200</b>
<b>Total, Individual Expenditures - Other</b>	<b>\$ 47,958</b>	<b>\$ 52,972</b>

## TAX EXPENDITURES BY PURPOSE (IN THOUSANDS)

Charitable Expenditures		
	Fiscal Year 2012 Annual Impact	Fiscal Year 2013 Annual Impact
<b>Tax: Sales Tax</b>		
Sales to Exempt Organizations <sup>2</sup>	\$ 405,000	\$ 333,000
<b>Total</b>	<b>\$ 405,000</b>	<b>\$ 333,000</b>
<b>Tax: Corporate Income Tax</b>		
Affordable Housing Donations	\$ 7,627	\$ 8,484
Employee Child Care Tax Credit	0	682
<b>Total</b>	<b>\$ 7,627</b>	<b>\$ 9,166</b>
<b>Tax: Other</b>		
Government, Charitable, Educational, Religious Entities Exemption	\$ 6,160	\$ 3,610
Exempt Organization Rentals	1,500	1,600
Other	141	352
Charitable Organization Vehicle Exemption	2,620	209
Affordable Housing Donations Tax Credit	315	110
Low Income Family Waiver	138	80
<b>Total</b>	<b>\$ 10,874</b>	<b>\$ 5,961</b>
<b>Total, Charitable Expenditures</b>	<b>\$ 423,501</b>	<b>\$ 348,127</b>
Other Expenditures		
	Fiscal Year 2012 Annual Impact	Fiscal Year 2013 Annual Impact
<b>Tax: Sales Tax</b>		
Traded-In Property Exemption	\$ 315,000	\$ 282,000
Sales of Motor Vehicles to Non-Residents Exemption	43,000	39,900
Legal Tender, Medallions, and Bullion Exemption	3,100	2,200
Property Acquired by Non-Resident before Relocating in Illinois Exemption	500	950
<b>Total</b>	<b>\$ 361,600</b>	<b>\$ 325,050</b>
<b>Tax: Hospital Provider Assessment</b>		
Hospital Provider Exemption	\$ 173,274	\$ 173,200
<b>Total</b>	<b>\$ 173,274</b>	<b>\$ 173,200</b>
<b>Tax: Individual Income Tax</b>		
Other Subtractions	\$ 68,146	\$ 71,795
<b>Total</b>	<b>\$ 68,146</b>	<b>\$ 71,795</b>
<b>Tax: Other</b>		
Other	\$ 109,236	\$ 106,561
<b>Total</b>	<b>\$ 109,236</b>	<b>\$ 106,561</b>
<b>Total, Other Expenditures</b>	<b>\$ 712,256</b>	<b>\$ 676,606</b>

<sup>2</sup> The Department of Revenue estimates that of the \$333 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 2013 (however, some agencies did report smaller tax expenditures and the receipting 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 taxed only 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.

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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.illinois-comptroller.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 Sarah Barlow at 217/782-7921. ■