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Governor Quinn Highlights Illinois Small Business Tax Credit

*Businesses Can Quickly and Easily Apply Online
to Receive \$2,500 Tax Credit for New Hires*

CHICAGO – August 12, 2010. Small businesses that create new jobs between July 1, 2010 and June 30, 2011 may be able to take advantage of a \$2,500 tax credit for new hires. The Illinois Small Business Job Creation Tax Credit, proposed and signed into law by Governor Pat Quinn earlier this year, targets the foundation of Illinois' economy – the 500,000 small businesses across the state.

"If a business is deciding whether to hire today or wait, we hope this tax credit gives them the boost they need to hire right now and expand," said Governor Quinn. "We must continue doing everything we can to build our economy, and this is an innovative way to put thousands of people to work across Illinois."

The \$2,500 tax credit is available to businesses with 50 or fewer employees (including all locations) as of June 30, 2010. Ninety-five percent of Illinois businesses have fewer than 50 employees. New small businesses hiring their first Illinois employee(s) may also qualify for the credit. Those businesses that began hiring on July 1 may apply for the credit retroactively.

"The state's small business tax credit has enabled us to hire a full-time systems engineer, strengthen our team and position ourselves for additional work," said Matt Machala, vice president of Peoria-based IT360, Inc., an approximately four year-old company currently employing eight people. "We may add another employee soon to meet the demand of our steadily growing business. Every bit helps in this difficult economic time, and we certainly appreciate how the state's small business tax credit will help our small business grow."

The Illinois Department of Commerce and Economic Opportunity created a simple, easy-to-use online registration system for small business owners at JobsTaxCredit.illinois.gov. Eligible companies should register new positions online as soon as a new, full-time Illinois employee is hired and begins providing services. After one year, companies can use the website to enter substantiating data and apply for their tax credit certificate. Tax credit certificates will be awarded beginning July 1, 2011. The total amount of credits issued is capped at \$50 million, which will support 20,000 jobs.

Senate Bill 1578, sponsored by Sen. Michael Noland (D-Elgin) and House Speaker Michael Madigan (D-Chicago), passed the Illinois General Assembly unanimously.

For eligibility requirements for the Illinois Small Business Job Creation Tax Credit, and to register a new position, visit JobsTaxCredit.illinois.gov.

Illinois has added nearly 60,000 jobs in 2010 – more new jobs than any other Midwest state.

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