

Various issues related to the credits for costs of restoring and preserving historical properties in a River Edge Redevelopment Zone addressed.

July 13, 2015

Re: Request for Private Letter Ruling
COMPANY 2

Dear Mr. XXXX:

This is in response to your letter dated April 29, 2015, in which you request a Private Letter Ruling on behalf of COMPANY 1 (“Developer”). However, you have submitted supplemental information indicating that the owner of the qualifying property at issue will be COMPANY 2 (Taxpayer). COMPANY 1 has submitted Form IL-2848 Power of Attorney, requesting a PLR on behalf of COMPANY 2. Review of your request for a Private Letter Ruling indicates that all information described in paragraphs 1 through 8 of subsection (b) of 2 Ill. Adm. Code 1200.110 is contained in your request. This Private Letter Ruling will bind the Department only with respect to COMPANY 2. Issuance of this ruling is conditioned upon the understanding that COMPANY 2 and/or any related taxpayer(s) is not currently under audit or involved in litigation concerning the issues that are the subject of this ruling request.

The facts and analysis as you have presented them are as follows:

This taxpayer request for a private letter ruling (“Private Letter Ruling” or “PLR”) is made by the COMPANY 1 (“Developer”) (EIN XX-XXXXXX), concerning adaptive reuse of the property known as the COMPANY 2 building, located at ADDRESS 1 (“Project”).

Exhibit 1 to this PLR request is that certain Redevelopment Agreement dated October 8, 2014 by and between the CITY, Illinois (“City”) and Developer regarding the Project’s proposed redevelopment. The Redevelopment Agreement provides a detailed description of the City’s intended transaction to sell Project to Developer and provide financial incentives. Exhibit 2 to this PLR request provides Project’s general description and initial financial projections.

To make Project financially feasible, Developer intends to utilize (a) the historic preservation tax credit provided by Section 47 (“Federal Historic Tax Credits”) of the Internal Revenue Code of 1986, as amended (“Code”), and (b) the State of Illinois River Edge Historic Preservation Tax Credit Program pursuant to Public Act 097-0203, 35 Illinois Compiled Statutes Section 5/221 *et. seq.* (“State Historic Tax Credits” or “SHTC” (Collectively, “Tax Credits”).

The Redevelopment Agreement provides site control of Project to Developer during a due diligence period that, among other things, permits Developer to apply for Tax Credits. Purchase of Project under the Rehabilitation Agreement is contingent upon

Developer's ability to monetize the State Historic Tax Credits by entering into an agreement with Commerce Bank to invest in the State Historic Tax Credits (as "SHTC Investor") and thereby provide equity to Project.

Parties with an interest in SHTC Investor include COMPANY 3 (EIN: XX-XXXXXXX) and its banking subsidiary, COMPANY 4 (EIN: XX-XXXXXXX) ("Commerce"). The principal address for each entity is ADDRESS 2.

COMPANY 3 is a publicly traded bank holding company headquartered in CITY, STATE. COMPANY 4 originated in 1865 and has more than 350 locations throughout the United States. COMPANY 4 has approximately 4,750 full-time equivalent employees, has \$23.1 Billion in assets, and administers an additional \$35 Billion of customer assets through the COMPANY 4 Trust Company.

COMPANY 4's Tax Credit Services Department operates as a direct purchaser of various state tax credits arising from third-party property redevelopment, business expansion and job creation. These tax credits are either re-sold to COMPANY 4's customers or retained for use by COMPANY 4. During 2013, purchases and sales of tax credits amounted to \$65.1 Million and \$59.6 Million, respectively. At December 31, 2013, COMPANY 4 had outstanding purchase commitments totaling \$181.8 Million. These activities allow for additional (indirect) investment in community development through investors which lack the requisite expertise and/or administrative resources to participate in state tax credit programs.

Developer has solicited COMPANY 4 to invest in approximately \$2,614,036.00 of State Historic Tax Credits for Project. Developer and COMPANY 4 seek clarification on certain points of policy and law with respect to the River Edge Historic Tax Credit Program in order to make a prudent investment in Project.

Rulings Requested:

Developer and SHTC Investor wish to determine whether the State Historic Tax Credits would be appropriate to invest in, and thus require issuance of a Private Letter Ruling to address the following issues:

1. Multiple Allocations: Please confirm that multiple allocations are permitted. The SHTC Investor may claim all or a portion of the SHTC as a credit against its own taxes, and may consider admitting partners shareholders or members (as applicable) in SHTC Investor for purposes of making further allocations to its customers for their needs.
2. Bifurcation: Please confirm that bifurcating (i.e. splitting) the SHTC into separate SHTC allocations is permitted. COMPANY 4 may wish to take its allocation of SHTC and re-allocate all or a portion of the SHTC to separate customers admitted as partners, shareholders or members (as applicable) in SHTC Investor. It will need to "split" its SHTC into separate tax credit allocations so that each customer will receive a separate tax credit allocation that represents the amount of SHTC allocated to that customer.

3. Liability for Adjustments or Disallowances: Please confirm that the SHTC Investor and its customers will not be liable to repay any adjusted or disallowed amount of the SHTC after the SHTC are duly allocated by the Developer or Project Owner. It is our understanding that only the owner of the project that was originally awarded the SHTC would be liable to repay any adjusted or disallowed amount.

4. Can SHTC be allocated more than once by tiers of a partnership and/or an s-corp? This would make HTC syndication possible. Please confirm that, if a partner in a partnership that receives the initial award of the SHTC is itself a partnership or a Subchapter S corporation, that partner's share of the SHTC is allocated among its partners or shareholders as provided in the statute (Section 221 of the Illinois Income Tax Act, 35 ILCS 5/221). In a structure with more tiers of partnerships or Subchapter S corporations, the SHTC flows through each tier.

5. Is disproportionate allocation of HTC permitted sufficient to satisfy Public Act 097-0203 ("Act")? For example, can a .01% interest in a partnership/s-corp. be allocated 100% of HTC? See definition of "Qualified taxpayer" in Public Act 097-0203: "Qualified taxpayer" means the owner of the qualified historic structure or any other person who qualifies for the federal rehabilitation credit allowed by Section 47 of the federal Internal Revenue Code with respect to that qualified historic structure. Partners, shareholders of subchapter S corporations, and owners of limited liability companies (if the limited liability company is treated as a partnership for purposes of federal and State income taxation) are entitled to a credit under this Section to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 703 and subchapter S of the Internal Revenue Code, provided that credits granted to a partnership, a limited liability company taxed as a partnership, or other multiple owners of property shall be passed through to the partners, members, or owners respectively on a pro rata basis or pursuant to an executed agreement among the partners, members, or owners documenting any alternate distribution method."

Please confirm that the statute expressly allows partnerships (including limited liabilities treated as partnerships for income tax purposes) to provide for an allocation of SHTC among their partners in a manner that is different from the manner in which items of income or loss are allocated, without any restrictions. (However, our understanding is that the statute does not allow Subchapter S corporations to do so.)

6. When must a partner/s-corp. shareholder be admitted to a partnership/s-corp. in order to claim the credit? The Act says the credit amount is based upon qualified rehabilitation expenditures ("QRE") incurred. If that means an end-user partner must be a partner when the QRE are incurred the Act is limiting. Many states use a 12/31 date or even a 4/15 filing date for the deadline to admit the end-user partner/shareholder.

Please confirm that the SHTC is awarded to the Project owner for QRE incurred during the entity's taxable year. Consistent with the federal practice regarding tax items, the SHTC flows through to the partners or shareholders of the Project owner on the last day of Project owner's taxable year. Anyone who becomes a partner or shareholder of the Project owner after that date cannot receive an allocation of SHTC from Project owner.

7. Does the state need to administer tax credit allocations and track allocations? Will the state provide official transfer forms to facilitate credit allocations/transfers? Please confirm that the statute does not permit sales or other transfers (as distinguished from allocations) of SHTCs. Allocations among partners or Subchapter S corporation shareholders are reported to the partners or shareholders on the Schedule K-1-P and, together with any other credits that are passed through, on Schedule B of the Form IL-1065 or IL-1120-ST.

8. The Act is silent on recapture, thus does that mean a federal recapture does not trigger a state recapture? Please confirm that the SHTC is only granted by the Department of Commerce and Economic Opportunity after it has reviewed the taxpayer's submission regarding QRE incurred. There is no provision for further review or recapture of the SHTC after it is awarded.

9. If there is a recapture risk, is it limited to the developer and not the HTC investors? Please confirm that there is no provision for recapture of the SHTC.

10. May an end-user partner/shareholder that claims the credit on his tax return dispose of his partnership/s-corp interest after the credit is claimed on the tax return without recapture? Assume the end-user files a return on 4/15; may the end-user dispose of its interest on 4/16? Is the filing date the appropriate date to consider for this rule? Please confirm that there is no provision for recapture of the SHTC.

11. Are there general IL carryback/carryforward provisions that are applicable? Or is the credit certificate usable for any year after Jan 1, 2012 and ending prior to January 1, 2017 (e.g. 2012-2016). Please confirm that there is no provision in the statute for carryover of SHTC not claimed in the year of award.

12. If a credit is first available in 2014, may the taxpayer elect to claim the credit on a 2012 or 2013 amended return before claiming the credit on a 2014 tax return? Please confirm that the SHTC is awarded for QRE incurred and may be claimed "during the taxable year," in which such QRE were incurred and cannot be used in another taxable year by the taxpayer awarded the SHTC, or its allocate(s). If the taxpayer earning the SHTC is a partnership or Subchapter S corporation, each partner or shareholder must claim the SHTC in the partner's or shareholder's taxable year in which the partnership's or Subchapter S corporation tax year ends, since SHTC is passed through on that date.

13. Can a 2016 credit be claimed on a 2012 amended return, or are there general Illinois income tax statute of limitation concerns? Please confirm that an SHTC awarded and issued in 2016 cannot be claimed by the taxpayer, or its allocatees, on a 2012 (or any other year) return.

14. If a 2014 credit is not claimed by any taxpayer on a 2014 return, may a partnership admit a new partner in a subsequent year and allocate the 2014 credit to that new partner? Please confirm that SHTC awarded and issued in 2014 is allocated among and must be

claimed by the taxpayer, or its allocate(s) as of the last day of the taxpayer's 2014 taxable year. A new partner, member or shareholder admitted into the taxpayer after the end of the taxpayer's 2014 taxable year would not be permitted to receive an allocation of or claim the SHTC.

15. Are changes of interest percentages among members/partners permitted? Please confirm that the amount of SHTC allocated among partners can be set by special agreement, but that agreement cannot change the allocation of SHTC after the end of the partnership's taxable year for the credit that passed through on that date. To do so would, in effect, transfer the credit from one partner to another, which is not allowed by the statute.

16. If there is a phased federal project, can an applicant also submit phased Part B (plans) and Part C (cost cert) for the IL credit. The Act says the credit amount is based upon QRE incurred (not placed in service), so this interpretation to allow state phases seems consistent with the Act. Would each phase need to meet the substantial rehab test (\$5,000 or purchase price) separately or on a combined projected basis? Should the Substantial Rehab test be met one time only at the end of a project, and not annually? Please confirm that the actual grant of the SHTC is administered by the Department of Commerce and Economic Opportunity, based on its review of the taxpayer's submission regarding qualifying expenses incurred in a taxable year. We do not believe that the law intended to require applicants to meet the substantial rehab test more than once in a project. In the Federal Historic Credit, an applicant need only meet the substantial rehab test (minimum expenditure) once for a project even if it takes up to 60 months. For a multiyear project, a new SHTC is awarded for QRE incurred, and has to be claimed, for each taxable year during the pendency of the Project. So far, as required by applicable law, the applicants have submitted a new Part C for each year during the pendency of the Project, and SHTC was issued for the QRE incurred during each year.

17. Which parties may rely on the Private Letter Ruling? Please confirm that the rulings requested herein may be relied upon by Developer, SHTC Investor, COMPANY 3, COMPANY 4 and their respective partners, members or shareholders (as applicable) who receive an allocation of SHTC.

Developer Representations:

The following representations and information are included in this request for a Private Letter Ruling as required by 2 Ill. Adm. Code Section 1200.110:

1) Statement of material facts:

Developer makes this request for a PLR pursuant to its planned purchase, adaptive reuse, and general redevelopment of the historic COMPANY 2 building located at ADDRESS 1. Developer is performing due diligence requirements pursuant to that certain Redevelopment Agreement dated October 8, 2014 by and between the CITY, Illinois and Developer, Exhibit 1. The Redevelopment Agreement provides a detailed description of the City's transaction with the Developer to sell the Project to Developer and provide

financial incentives for Project. Exhibit 2 to this PLR request provides the Project's general description and initial financial projections.

To make Project financially feasible, Developer intends to utilize (a) the historic preservation tax credit provided in Section 47 of the Internal Revenue Code of 1986, as amended, and (b) the State of Illinois River Edge Historic Preservation Tax Credit Program pursuant to Public Act 97-0203, 35 Illinois Compiled Statutes Section 5/221. *et seq.*

The Redevelopment Agreement provides site control of Project to Developer during a due diligence period that, among other things, permits Developer to apply for Tax Credits. Purchase of Project under the Rehabilitation Agreement is contingent upon Developer's ability to monetize the State Historic Tax Credits by entering into an agreement with COMPANY 4 to invest in the State Historic Tax Credits and thereby provide equity to Project.

Parties with an interest in SHTC Investor consist of COMPANY 3 (EIN: XX-XXXXXXX) and its banking subsidiary, COMPANY 4 (EIN: XX-XXXXXXX).

2) All contracts, licenses, agreements, instruments or other documents relevant to the request: See Exhibit 1 and Exhibit 2.

3) An identification of the tax period at issue, and disclosure of whether an audit or litigation is pending with the Department: Developer has no applicable tax period at issue, nor is there any audit or litigation pending with the Department.

4) A statement that to the best of the knowledge of both the taxpayer and the taxpayer's representative the Department has not previously ruled on the same or a similar issue for the taxpayer or a predecessor, or whether the taxpayer or any representatives previously submitted the same or a similar issue to the Department but withdrew it before a letter ruling was issued: Developer hereby affirms that to the best of its knowledge the Department has not previously ruled on the same or similar issues for the taxpayer or a predecessor, and that neither the taxpayer nor any representatives have previously submitted the same or a similar issue to the Department but withdrew it before a letter ruling was issued.

5) A statement of authorities supporting the taxpayer's views, an explanation of the grounds for that conclusion and the relevant authorities to support that conclusion: Developer is not aware of authorities supporting any particular view, grounds, or conclusions concerning issues raised herein, other than by previous email communications with Illinois governmental administrative services. See Exhibit 3.

6) A statement of authorities contrary to the Private Letter Ruling views. Each taxpayer is under an affirmative duty to identify any and all authorities contrary to the taxpayer's views. If the taxpayer determines that there are no authorities contrary to his or her views, or taxpayer is unable to locate such authority, the request must contain a statement to that

effect: Developer is not aware of authorities refuting any particular view, grounds, or conclusions concerning issues raised herein, other than by previous email communications with Illinois governmental administrative services. See Exhibit 3.

7) An identification of any specific trade secret information taxpayer requests be deleted from the publicly disseminated version of the Private Letter Ruling.

8) The signature of the taxpayer or the taxpayer's representative. A taxpayer's representative must also provide a properly executed power of attorney. Developer is the signatory of the Private Letter Ruling request and is not represented herein by a third party.

c) The Department will delete certain information from Private Letter Rulings prior to public dissemination. Deletions will include the name and address of the taxpayer and taxpayer's representative, confidential return information and specific trade secret information identified by taxpayers in the ruling request: Developer acknowledges and approves of the deletion of certain information in Private Letter Rulings prior to public dissemination.

d) Private Letter Rulings will cease to bind the Department if there is a pertinent change in statutory law, case law, rules or material facts. In certain rare circumstances, it will be necessary for the Department to specifically revoke a Private Letter Ruling previously issued to a taxpayer. In the case of such a revocation, the taxpayer will incur no liability for any tax, penalty or interest as a result of reliance on the ruling up to the date of the issuance of the revocation of the ruling. (See Section 4 of the Taxpayer's Bill of Rights Act (Ill. Rev. Stat. 1991, ch. 120 par. 2304)[20 ILCS 2520/4]: Developer acknowledges that Private Letter Rulings will cease to bind the Department if there is a pertinent change in statutory law, case law, rules or material facts. Developer is aware that in certain rare circumstances, it will be necessary for the Department to specifically revoke a Private Letter Ruling previously issued to a taxpayer. Developer and the Department affirm that in the case of such a revocation, the taxpayer will incur no liability for any tax, penalty or interest as a result of reliance on the ruling up to the date of the issuance of the revocation of the ruling.

e) Beginning July 1, 2002, every letter ruling is revoked on the date that is 10 years after the date of issuance of the ruling or July 1, 2002, whichever is later. No ruling may be cited or relied upon for any purpose after the date of its revocation, and the ruling will cease to bind the Department after the date of revocation. Taxpayers entitled to rely on the opinion contained in a particular letter ruling must apply for a new letter ruling prior to the aforementioned revocation date: Developer acknowledges the 10 year sunset provision for Private Letter Rulings described herein.

RULING

Section 221 of the Illinois Income Tax Act (“IITA”; 35 ILCS 5/221) provides the following credit against the income tax imposed under IITA Sections 201(a) and (b):

(a) For taxable years beginning on or after January 1, 2012 and ending prior to January 1, 2017, there shall be allowed a tax credit against the tax imposed by subsections (a) and (b) of Section 201 in an amount equal to 25% of qualified expenditures incurred by a qualified taxpayer during the taxable year in the restoration and preservation of a qualified historic structure located in a River Edge Redevelopment Zone pursuant to a qualified rehabilitation plan, provided that the total amount of such expenditures (i) must equal \$5,000 or more and (ii) must exceed 50% of the purchase price of the property.

(b) To obtain a tax credit pursuant to this Section, the taxpayer must apply with the Department of Commerce and Economic Opportunity. The Department of Commerce and Economic Opportunity, in consultation with the Historic Preservation Agency, shall determine the amount of eligible rehabilitation costs and expenses. The Historic Preservation Agency shall determine whether the rehabilitation is consistent with the standards of the Secretary of the United States Department of the Interior for rehabilitation. Upon completion and review of the project, the Department of Commerce and Economic Opportunity shall issue a certificate in the amount of the eligible credits. At the time the certificate is issued, an issuance fee up to the maximum amount of 2% of the amount of the credits issued by the certificate may be collected from the applicant to administer the provisions of this Section. If collected, this issuance fee shall be deposited into the Historic Property Administrative Fund, a special fund created in the State treasury. Subject to appropriation, moneys in the Historic Property Administrative Fund shall be evenly divided between the Department of Commerce and Economic Opportunity and the Historic Preservation Agency to reimburse the Department of Commerce and Economic Opportunity and the Historic Preservation Agency for the costs associated with administering this Section. The taxpayer must attach the certificate to the tax return on which the credits are to be claimed. The Department of Commerce and Economic Opportunity may adopt rules to implement this Section.

(c) The tax credit under this Section may not reduce the taxpayer’s liability to less than zero.

(d) As used in this Section, the following terms have the following meanings.

“Qualified expenditure” means all the costs and expenses defined as qualified rehabilitation expenditures under Section 47 of the federal Internal Revenue Code that were incurred in connection with a qualified historic structure.

“Qualified historic structure” means a certified historic structure as defined under Section 47(c)(3) of the federal Internal Revenue Code.

“Qualified rehabilitation plan” means a project that is approved by the Historic Preservation Agency as being consistent with the standards in effect on the effective date of this amendatory Act of the 97th General Assembly for rehabilitation as adopted by the federal Secretary of the Interior.

“Qualified taxpayer” means the owner of the qualified historic structure or any other person who qualifies for the federal rehabilitation credit allowed by Section 47 of the federal Internal Revenue Code with respect to that qualified historic structure. Partners, shareholders of subchapter S corporations, and owners of limited liability companies (if the limited liability company is treated as a partnership for purposes of federal and State income taxation) are entitled to a credit under this Section to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 703 and subchapter S of the Internal Revenue Code, provided that credits granted to a partnership, a limited liability company taxed as a partnership, or other multiple owners of property shall be passed through to the

partners, members, or owners respectively on a pro rata basis or pursuant to an executed agreement among the partners, members, or owners documenting any alternate distribution method.

The credit under IITA Section 221 applies against the taxpayer's liability for tax imposed under IITA Sections 201(a) and (b). It does not apply against the personal property tax replacement income tax (replacement tax) imposed under IITA Sections 201(c) and (d). Therefore, the credit is not available to reduce the replacement tax liability of a partnership or S corporation. However, Section 221(d) provides that partners and shareholders of Subchapter S corporations shall be entitled to the credit determined in accordance with the distributive share rules of IRC Sections 702 and 703 and Subchapter S of the Internal Revenue Code, provided that credits granted to a partnership shall be passed through pro rata or pursuant to an executed agreement among the partners documenting any alternate distribution method. Except as so provided, Section 221 does not allow a sale or transfer of the credit earned by one taxpayer to another taxpayer.

Therefore, with regard to your requested rulings 1 and 2, Taxpayer may not claim the credit under Section 221 against its replacement tax liability. However, any credit granted to the Taxpayer will flow through to its partners or shareholders, as applicable, as provided in Section 221(d). Because Section 221 does not allow for sales or transfers of the credit, neither the Taxpayer nor a partner/shareholder may separately transfer the credit to another taxpayer. However, any credit granted the Taxpayer is passed through to a newly admitted partner as indicated above.

Regarding your requested ruling 3, under IITA Section 221(b) the actual grant of the credit is administered by the Department of Commerce and Economic Opportunity (DCEO), based upon its review of the taxpayer's submission regarding its qualifying expenses incurred in a taxable year. DCEO issues the taxpayer a certificate in the amount of the eligible credits, and the taxpayer must attach the certificate to its tax return on which the credits are claimed. The section provides for no further review of the credit after it is awarded, and it does not contain a recapture provision. Nonetheless, if a taxpayer attempts to claim a credit in an amount greater than the amount of the eligible credits as determined by DCEO, or if a partner or shareholder attempts to claim an amount of credit greater than the amount properly passed through, the Department may issue a notice of deficiency. See IITA Section 904(a).

Regarding your requested ruling 4, as indicated above, Section 221 provides that the credit awarded a partnership shall pass through to its partners. Under this provision, if a partner in a partnership that earns the credit is itself a partnership or a Subchapter S corporation, that partner's share of the credit is allocated among its partners or shareholders as provided in Section 221(d). In a structure with more tiers of partnerships or Subchapter S corporations, the credit flows through each tier.

Regarding your requested ruling 5, IITA Section 221(d) expressly allows partnerships to provide for an allocation of the credit among their partners in a manner that is different from the manner in which shares of income are allocated, without any restrictions. However, Section 221(d) does not allow Subchapter S corporations to do so.

Regarding your requested ruling 6, the credit flows through to the partners or shareholders as of the last day of the partnership's or S corporation's taxable year. Any person that becomes a partner or shareholder after that date cannot claim a share of the credit. See Department Regulations Section 100.3500(a)(2) (86 Ill. Adm. Code 100.3500(a)(2)).

Regarding your requested ruling 7, as indicated above, Section 221 does not permit transfers of the credit. Allocation among partners or Subchapter S corporation shareholders is reported to the partners or shareholders on the Schedule K-1-P and Schedule B of Form IL-1065 or IL-1120-ST.

Regarding your requested rulings 8 through 10, as indicated above, Section 221 does not contain a recapture provision.

Regarding your requested ruling 11, under Section 221(c) the credit may not reduce a taxpayer's liability to less than zero. Section 221 does not provide for the carryover of excess credits to other taxable years.

Regarding your requested rulings 12 through 14, the credit is allowed for expenses incurred "during the taxable year." Therefore, it may not be used in another taxable year by the taxpayer earning the credit. In the case of a credit awarded a partnership or Subchapter S corporation, each partner or shareholder must use the credit in the partner's or shareholder's taxable year in which the partnership's or Subchapter S corporation tax year ends. It may not be used in another taxable year, nor, as indicated above, by a taxpayer who is not a partner or shareholder as of the last day of the partnership's or S corporation's taxable year.

Regarding your requested ruling 15, as indicated above, Section 221(d) expressly allows partnerships to provide for an allocation of the credit among their partners in a manner that is different from the manner in which shares of income are allocated, without any restrictions. In addition, the credit flows through to partners/S corporation shareholders as of the last day of the partnership's or S corporation's taxable year. Finally, as indicated above, Section 221 does not allow for transfers of the credit. Therefore, an agreement among the partners cannot change the allocation of a credit already passed through.

Regarding your requested ruling 16, as indicated above, the actual grant of the credit is administered by DCEO. Therefore, the Department may not issue a ruling with respect to the requirements for issuance of a credit certificate.

This ruling shall bind the Department for taxable years for which Taxpayer obtains a credit certificate under IITA Section 221, except as limited pursuant to 2 Ill. Adm. Code 1200.110(d) and (e). The facts upon which this ruling is based are subject to review by the Department during the course of any audit, investigation or hearing and this ruling shall bind the Department only if the material facts as recited and incorporated in this ruling are correct and complete. This ruling will cease to bind the Department if there is a pertinent change in statutory law, case law, rules or in the material facts recited in this ruling.

Sincerely,

Brian L. Stocker
Chairman, PLR Committee (Income Tax)