



## ECONOMIC DEVELOPMENT

### Illinois Department of Revenue – Manufacturer’s Purchase Credit (MPC)

The purpose of this program is to increase investments in the manufacturing and graphic arts sector by allowing qualified businesses to earn purchase credits to pay sales or use tax on future purchases of machinery or graphic arts equipment.

 For more information, visit the IDOR web site; [Manufacturer’s Purchase Credit](#).

#### Program Details

<b>Program Description:</b>	Qualified manufacturers may earn a credit when they purchase manufacturing or graphic arts machinery or equipment that qualifies for the existing sales/use tax exemptions. Credits may be used to pay state sales taxes or use tax on future purchase of qualifying production-related tangible personal property.
<b>Eligibility:</b>	Purchased equipment must qualified for existing sales/use tax exemptions, including items for research and development and purchased equipment to be leased out to other companies.
<b>Credit Amount:</b>	The MPC is equal to half of the 6.25% state tax that would have been owed if the purchase was not otherwise exempt.
<b>Loan Term:</b>	All unused MPC expires on the last day of the second calendar year following the year in which the original tax-exempt purchase was made.
<b>Application Process:</b>	For assistance with the application process, contact Greater Freeport Partnership Executive Director at (815) 233-1356.
<b>Job Criteria:</b>	Not applicable.