

**Illinois Department of Revenue  
Regulations**

**Title 86 Part 4000 Section 4000.201 Application for Approval of STAR Bond District**

**TITLE 86: REVENUE  
CHAPTER I: DEPARTMENT OF REVENUE**

**PART 4000  
STAR BONDS**

**SUBPART B: STAR BOND DISTRICT**

**Section 4000.201 Application for Approval of STAR Bond District**

- a) *Upon adoption of the resolution to establish a STAR bond district, the political subdivision shall submit the proposed STAR bond district to the Director for consideration. [50 ILCS 470/15(d)]*
- b) *The Director may only approve a STAR bond district if the Director makes all of the findings in this subsection (b).*
  - 1) *The proposed STAR bond district is an eligible area.*
  - 2) *The STAR bond district plan includes a projected capital investment of at least \$100,000,000. The projected capital investment identified to meet the requirements of this subsection (b)(2) must consist only of private capital investment.*
  - 3) *The STAR bond district plan is reasonably projected to produce at least \$100,000,000 of annual gross sales revenues and 500 new jobs. With respect to the annual gross sales revenues provision, the applicant must demonstrate that the plan is reasonably projected to produce at least \$100,000,000 in annual gross sales revenues from sales of tangible personal property, ticket sales, entry fees, hotel room rentals and other products or services sold within the district. Gross sales revenues generated from sales within the district that represent sales displaced from outside of the district do not count toward the \$100,000,000 gross sales revenues requirement.*
  - 4) *The STAR bond district plan includes potential destination users and a potential entertainment user. The applicant must generally identify the potential destination users and entertainment user and must include information that substantiates that the potential destination and entertainment users are anticipated to meet the requirements of the Act to be designated as destination or entertainment users.*
  - 5) *The creation of the STAR bond district and STAR bond district plan are in accordance with the purpose of the Act and the public interest.*

- 6) *The STAR bond district and STAR bond district plan meet any other requirement that the Director deems appropriate [50 ILCS 470/15(d)], including, but not limited to, the items listed in this subsection (b)(6). The application must:*
- A) demonstrate that the district will satisfy the purpose of the Act by creating a true "destination" development;
  - B) include the proposed sources of financing for the district and any projects in the district;
  - C) identify any person or entity that holds at least a 5% financial interest in the appointed master developer for the STAR bond district;
  - D) identify any person or entity that holds at least a 5% financial interest in any parcel of real property within the STAR bond district, and identify how much real property in the district that person or entity holds and what percentage of all real property in the district that real property represents;
  - E) explain the relationship, if any, between the master developer and the owner of any parcel of real property in the district if they are not the same;
  - F) describe the extent of the benefit to the STAR bond district of any Tax Increment Financing (TIF) district in which the STAR bond district is located, if located, or partially located, in a TIF district, as well as any other government incentive being provided to or sought by the master developer;
  - G) provide proof that, except as otherwise provided in this subsection (b)(6)(G) and the Act, all of the local sales tax increment has been irrevocably committed as pledged STAR revenues;
    - i) Exception: Any local sales tax revenues pledged to pay debt service on municipal bonds issued prior to the effective date of the Act are not required to be included as pledged STAR revenues;
    - ii) Exception: If a STAR bond district is formed that is wholly within the boundaries of a municipality, then, in order for the proceeds of a county-imposed sales tax or a county's 0.25% share of the 6.25% State-imposed sales tax that is generated in the STAR bond district by taxpayers that are not destination users, destination hotels or entertainment users to be considered as pledged STAR revenues, the corporate authorities of the county must adopt an ordinance that designates these tax revenues as part of the local sales tax increment and file a certified copy of that ordinance with the Department in accordance with the Act;
    - iii) Exception: The pledge of STAR Bond occupation taxes imposed under Section 31 of the Act as pledged STAR revenues is subject to the specific provisions of the Act.