



Building Material Sales Tax Exemption Eligibility

Eligible for Exemption

Materials must be permanently affixed to real property or become a permanent part of the real estate during construction, rehabilitation, or renovation within an Enterprise Zone.

Examples include:

- Essential construction materials such as timber, bricks, concrete, glazing for windows and doors, insulation solutions, and roofing components.
- Heating infrastructure, comprising furnaces, ducts, vents, boilers, and radiators.
- Electrical installations, such as cabling, sockets, and lighting fixtures, when embedded within the property.
- HVAC and air systems, alongside their integral components installed within the property.
- Fixed woodworks and cabinetry, so long as they are part of the property's structure.
- Integrated appliances, such as built-in refrigerators, cooktops, ovens, and waste compactors, when incorporated within the property.
- Flooring solutions such as tiles, linoleum, and carpets, when permanently attached to the property using specific fastening methods.

Ineligible for Exemption

Materials that do not meet the permanent installation requirement or proper documentation rules are ineligible.

Examples include:

- Non-integrated items such as tools, machinery, equipment, fuel, and other construction site materials that are not embedded within the property.
- Standalone appliances, including kitchen and laundry equipment that connects to the property's systems but remains non-integral.
- Furniture or temporary fixtures.
- Flooring that consists of removable rugs or those attached merely with adhesive tape.

Applicants must request a Building Material Exemption Certificate (BMEC) from the McHenry County Enterprise Zone in **advance of material purchases**. BMEC certificates are project-specific and valid for the specified duration and location. BMEC certificates are not retroactive, and misuse may result in tax repayment and additional penalties.

For questions or more information, email info@mchenrycountyenterprisezone.com or call (815) 893-0895.