

ILLINOIS POLLUTION CONTROL BOARD  
June 18, 2020

KOPPERS, INC. Sulfur Dioxide Scrubber	)	
(Property Identification Number 19-04-200-	)	
026-0000)	)	
	)	
Petitioner,	)	
	)	
v.	)	PCB 20-78
	)	(Tax Certification - Air)
ILLINOIS ENVIRONMENTAL	)	
PROTECTION AGENCY,	)	
	)	
Respondent.	)	

ORDER OF THE BOARD (by B.K. Carter):

On May 20, 2020, the Illinois Environmental Protection Agency (Agency) filed a recommendation that the Board certify a specified facility of Koppers, Inc. (Koppers) as a “pollution control facility” for preferential tax treatment under the Property Tax Code. *See* 35 ILCS 200/11-5 *et seq.* (2018); 35 Ill. Adm. Code 125. Koppers’ Sulfur Dioxide (SO<sub>2</sub>) Scrubber facility is located at 3900 South Laramie Avenue in Cicero, Cook County. In this order, the Board describes the legal framework for tax certifications, discusses the Agency’s recommendation, and certifies that Koppers’ identified Sulfur Dioxide (SO<sub>2</sub>) Scrubber is a pollution control facility.

**LEGAL FRAMEWORK**

Under the Property Tax Code, “[i]t is the policy of this State that pollution control facilities should be valued, at 33 1/3% of the fair cash value of their economic productivity to their owners.” 35 ILCS 200/11-5 (2018); *see also* 35 Ill. Adm. Code 125.200(a)(2). “For tax purposes, pollution control facilities shall be certified as such by the Pollution Control Board and shall be assessed by the Department [of Revenue].” 35 ILCS 200/11-20 (2018); *see also* 35 Ill. Adm. Code 125.200(a). Under the statute, the Board determines if the facilities are pollution control facilities; however, the Board is not authorized to assess a value of those facilities.

Under Section 125.202 of the Board’s procedural rules, a person may submit an application for tax certification to the Agency. *See* 35 Ill. Adm. Code 125.202. If the Agency receives a tax certification application, the Agency must file with the Board a recommendation on the application, unless the applicant withdraws the application. *See* 35 Ill. Adm. Code 125.204(a). Among other things, the Agency’s filing must recommend that the Board issue or deny tax certification. *See* 35 Ill. Adm. Code 125.204(a)(4). If the Board finds “that the claimed facility or relevant portion thereof is a pollution control facility . . . , the Pollution Control Board . . . shall enter a finding and issue a certificate to that effect.” 35 ILCS 200/11-25 (2018); *see also* 35 Ill. Adm. Code 125.216(a).

### AGENCY RECOMMENDATION

The Agency states that it received a tax certification application from Koppers on December 18, 2019.<sup>1</sup> Rec. at 3. On May 20, 2020, the Agency filed a recommendation with the Board, attaching Koppers' application. (Rec. Exh. A.) The Agency's recommendation identifies the facility at issue:

The subject matter of this request consists of a Sulfur Dioxide ("SO<sub>2</sub>") Scrubber, which was constructed and installed by Koppers on its naphthalene process at the coal distillation manufacturing facility. The SO<sub>2</sub> Scrubber controls SO<sub>2</sub> emissions from the naphthalene process. Koppers is obligated to control the SO<sub>2</sub>-laden gases from the process to no more than 2,000 parts per million in accordance with 35 Ill. Adm. Code 214.301, which is cited as an applicable requirement in the facility's existing CAAPP permit. *See*, Exhibit A, Attachment A thereto. As generally recognized in the field of air pollution control technology, a SO<sub>2</sub> Scrubber acts to prevent or reduce SO<sub>2</sub> emissions that would otherwise be emitted by a manufacturing activity subject to 35 Ill. Adm. Code 214.301. *Id.* at 4.

The Agency recommends that the Board certify that the facility recommended for certification is a pollution control facility as defined in Section 11-10 of the Property Tax Code (35 ILCS 200/11-10 (2018)) with the primary purpose to prevent or reduce air pollution. *Id.*; *see also* Rec., Agency Technical Memorandum.

### TAX CERTIFICATE

Based upon the Agency's recommendation, Koppers' application, and the Board's technical review, the Board finds and certifies that Koppers' SO<sub>2</sub> Scrubber facility identified in this order is a pollution control facility under the Property Tax Code (35 ILCS 200/11-10 (2018)). The Board makes no finding regarding the assessed value of that facility. Under Section 11-25 of the Property Tax Code, the effective date of this certificate is "the date of application for the certificate or the date of the construction of the facility, which ever is later." 35 ILCS 200/11-25 (2016); *see also* 35 Ill. Adm. Code 125.216(a). Section 125.216(d) of the Board's procedural rules states that the Clerk "will provide the applicant and the Agency with a copy of the Board's order setting forth *the Board's findings and certificate, if any.*" 35 Ill. Adm. Code 125.216(d) (quoting in italics 35 ILCS 200/11-30 (2018)). The Clerk therefore will provide Koppers and the Agency with a copy of this order.

IT IS SO ORDERED.

Section 11-60 of the Property Tax Code provides that any applicant or holder aggrieved by the issuance, refusal to issue, denial, revocation, modification or restriction of a pollution control certificate or a low sulfur dioxide emission coal fueled device certificate may appeal the Board's finding and order to the Circuit Court under the Administrative Review Law (735 ILCS 5/3-101 *et seq.* (2018)). *See* 35 ILCS 200/11-60 (2018). Filing a motion asking that the Board

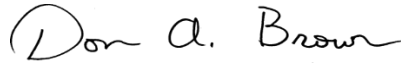
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<sup>1</sup> The Agency's recommendation is cited as "Rec. at 3."

reconsider this final order is not a prerequisite to appealing the order. 35 Ill. Adm. Code 101.902.

<b>Names and Addresses for Receiving Service of Any Appeal Filed with the Circuit Court</b>	
<b>Parties</b>	<b>Board</b>
Koppers, Inc. Attn: Kathryn Tronsberg Macciocca c/o Duff & Phelps 2000 Market Street, Suite 2700 Philadelphia, PA 19103	Illinois Pollution Control Board Attn: Don A. Brown, Clerk James R. Thompson Center 100 West Randolph Street, Suite 11-500 Chicago, Illinois 60601
Illinois Environmental Protection Agency Attn: Robb H. Layman 1021 North Grand Avenue East P.O Box 19276 Springfield, Illinois 62794-9276	

I, Don A. Brown, Clerk of the Illinois Pollution Control Board, certify that the Board adopted the above order on June 18, 2020, by a vote of 4-0.



Don A. Brown, Clerk  
 Illinois Pollution Control Board