



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB2869

Introduced 2/16/2023, by Rep. Dan Ugaste

SYNOPSIS AS INTRODUCED:

35 ILCS 5/208.5
5 ILCS 100/5-45.35 new

Amends the Illinois Income Tax Act. Provides that the Department of Revenue shall establish a 60-day reapplication period during calendar year 2023 to allow qualified taxpayers to file an original or amended return for tax year 2021 for the purpose of receiving the 2021 residential real estate tax rebate. Provides that a qualified taxpayer is a person who (i) was 65 years of age or older during calendar year 2022, (ii) would have been eligible for the rebate if he or she had filed the appropriate individual income tax return for tax year 2021, and (iii) did not receive a rebate. Amends the Illinois Administrative Procedure Act to allow emergency rulemaking. Effective immediately.

LRB103 25091 HLH 51426 b

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Income Tax Act is amended by
5 changing Section 208.5 as follows:

6 (35 ILCS 5/208.5)

7 (Section scheduled to be repealed on January 1, 2024)

8 Sec. 208.5. Residential real estate tax rebate.

9 (a) The Department shall pay a one-time rebate to every
10 individual taxpayer who files with the Department, on or
11 before October 17, 2022 or during the reapplication period
12 established under subsection (h-5), an Illinois income tax
13 return for tax year 2021 and who qualifies, in that tax year,
14 under rules adopted by the Department, for the income tax
15 credit provided under Section 208 of this Act. The amount of
16 the one-time rebate provided under this Section shall be the
17 lesser of: (1) the amount of the credit provided under Section
18 208 for tax year 2021, including any amounts that would
19 otherwise reduce a taxpayer's liability to less than zero, or
20 (2) \$300 per principal residence. The Department shall develop
21 a process to claim a rebate for taxpayers who otherwise would
22 be eligible for the rebate under this Section but who did not
23 have an obligation to file a 2021 Illinois income tax return

1 because their exemption allowance exceeded their Illinois base
2 income.

3 (b) On the effective date of this amendatory Act of the
4 102nd General Assembly, or as soon thereafter as practical,
5 but no later than June 30, 2022, the State Comptroller shall
6 direct and the State Treasurer shall transfer the sum of
7 \$470,000,000 from the General Revenue Fund to the Income Tax
8 Refund Fund.

9 (c) On July 1, 2022, or as soon thereafter as practical,
10 the State Comptroller shall direct and the State Treasurer
11 shall transfer the sum of \$50,000,000 from the General Revenue
12 Fund to the Income Tax Refund Fund.

13 (d) In addition to any other transfers that may be
14 provided for by law, beginning on the effective date of this
15 amendatory Act of the 102nd General Assembly and until June
16 30, 2023, the Director may certify additional transfer amounts
17 needed beyond the amounts specified in subsections (b) and
18 (c). The State Comptroller shall direct and the State
19 Treasurer shall transfer the amounts certified by the Director
20 from the General Revenue Fund to the Income Tax Refund Fund.

21 (e) The one-time rebate payments provided under this
22 Section shall be paid from the Income Tax Refund Fund.

23 (f) Beginning on July 5, 2022, the Department shall
24 certify to the Comptroller the names of the taxpayers who are
25 eligible for a one-time rebate under this Section, the amounts
26 of those rebates, and any other information that the

1 Comptroller requires to direct the payment of the rebates
2 provided under this Section to taxpayers.

3 (g) The amount of a rebate under this Section shall not be
4 included in the taxpayer's income or resources for the
5 purposes of determining eligibility or benefit level in any
6 means-tested benefit program administered by a governmental
7 entity unless required by federal law.

8 (h) Notwithstanding any other law to the contrary, the
9 rebates shall not be subject to offset by the Comptroller
10 against any liability owed either to the State or to any unit
11 of local government.

12 (h-5) The Department shall, by rule, establish a 60-day
13 reapplication period during calendar year 2023 to allow
14 qualified taxpayers to file an original or amended return for
15 tax year 2021 for the purpose of receiving a rebate under this
16 Section. The Department shall publish notice of the
17 reapplication period in a newspaper of general circulation in
18 the State and shall post the notice on the Department's
19 website. In addition, the Department on Aging shall distribute
20 notices of the reapplication period to senior citizen activity
21 centers in the various geographic regions of the State. As
22 used in this subsection (h-5), "qualified taxpayer" means a
23 person who (i) was 65 years of age or older during calendar
24 year 2022, (ii) would have been eligible for the rebate under
25 this Section if he or she had filed the appropriate individual
26 income tax return under this Act for tax year 2021, and (iii)

1 did not receive a rebate under this Section.

2 (i) This Section is repealed on January 1, 2025 ~~January 1,~~
3 ~~2024.~~

4 (Source: P.A. 102-700, eff. 4-19-22.)

5 Section 10. The Illinois Administrative Procedure Act is
6 amended by adding Section 5-45.35 as follows:

7 (5 ILCS 100/5-45.35 new)

8 Sec. 5-45.35. Emergency rulemaking. To provide for the
9 expeditious and timely implementation of this amendatory Act
10 of the 103rd General Assembly, emergency rules implementing
11 this amendatory Act of the 103rd General Assembly may be
12 adopted in accordance with Section 5-45 by the Department of
13 Revenue. The adoption of emergency rules authorized by Section
14 5-45 and this Section is deemed to be necessary for the public
15 interest, safety, and welfare.

16 This Section is repealed one year after the effective date
17 of this amendatory Act of the 103rd General Assembly.

18 Section 99. Effective date. This Act takes effect upon
19 becoming law.