



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB1202

Introduced 1/9/2025, by Rep. Dave Severin

#### SYNOPSIS AS INTRODUCED:

35 ILCS 5/246 new

Amends the Illinois Income Tax Act. Creates a credit for individual taxpayers in an amount equal to 100% of the eligible recycling costs incurred by the taxpayer during the taxable year, not to exceed \$1,000 per taxpayer. Provides that "eligible recycling costs" means costs associated with the collection, separation, conversion, or treatment of recyclable solid waste materials, including, but not limited to, paper, glass, and plastic.

LRB104 03348 HLH 13370 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 adding Section 246 as follows:

6 (35 ILCS 5/246 new)

7 Sec. 246. Solid waste recycling credit.

8 (a) For taxable years ending on or after December 31,  
9 2025, each individual taxpayer is entitled to a credit against  
10 the taxes imposed by subsections (a) and (b) of Section 201 in  
11 an amount equal to 100% of the eligible recycling costs  
12 incurred by the taxpayer during the taxable year, not to  
13 exceed \$1,000 per taxpayer.

14 (b) In no event shall a credit under this Section reduce  
15 the taxpayer's liability to less than zero. If the amount of  
16 the credit exceeds the tax liability for the year, the excess  
17 may be carried forward and applied to the tax liability of the  
18 5 taxable years following the excess credit year. The tax  
19 credit shall be applied to the earliest year for which there is  
20 a tax liability. If there are credits for more than one year  
21 that are available to offset a liability, the earlier credit  
22 shall be applied first.

23 (c) As used in this Section:

1       "Eligible recycling costs" means costs associated with the  
2 collection, separation, conversion, or treatment of recyclable  
3 solid waste materials, including, but not limited to, paper,  
4 glass, and plastic. "Eligible recycling costs" includes  
5 service costs incurred by the taxpayer for the collection and  
6 removal of recyclable solid waste materials and costs  
7 associated with the purchase of equipment used exclusively for  
8 collecting, treating, separating, converting, or treating  
9 recyclable solid waste materials.

10       (d) This Section is exempt from the provisions of Section  
11 250.