



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB3216

Introduced 2/18/2025, by Rep. Wayne A Rosenthal

SYNOPSIS AS INTRODUCED:

35 ILCS 5/246 new

Amends the Illinois Income Tax Act. Creates an income tax credit for qualified physicians who work in hospitals, health clinics, or independently and who work in underserved areas or in rural counties or rural municipalities. Provides that the credit shall be in the amount of \$5,000. Effective immediately.

LRB104 08922 HLH 18977 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. Physicians in underserved and rural areas
8 credit.

9 (a) For taxable years beginning on or after January 1,
10 2026, an individual taxpayer who is a qualified physician
11 shall be allowed a credit against the tax imposed by
12 subsections (a) and (b) of Section 201 in the amount of \$5,000.

13 (b) The credit or credits may not reduce the taxpayer's
14 liability to less than zero. If the amount of the tax credit
15 exceeds the taxpayer's liability for the year, the excess may
16 not be carried forward or carried back.

17 (c) As used in this Section:

18 "Good standing" means that the Illinois State Medical
19 Board has not taken any adverse disciplinary action against
20 the person at any time and that the person has had no more than
21 3 medical malpractice judgments or settlements in the 4 years
22 immediately preceding the taxable year in which the person is
23 seeking the credit.

1 "Independent physician" means an independent physician, as
2 defined in the Hospital Licensing Act.

3 "Qualified physician" means a person who is licensed to
4 practice medicine in all of its branches under the Medical
5 Practice Act of 1987 and who, during the taxable year:

6 (1) is in good standing;

7 (2) works as a physician at a hospital, health clinic,
8 or as an independent physician and works:

9 (A) in an area classified as an underserved area,
10 as defined in Section 5-5 of the Economic Development
11 for a Growing Economy Tax Credit Act; or

12 (B) in a rural county or a rural municipality; and

13 (3) provides health care services during the taxable
14 year to at least 10 patients.

15 "Rural county" means a county that is defined by the
16 Department of Public Health's Center for Rural Health as a
17 rural county and that is either outside of a metropolitan area
18 or part of a metropolitan area with a population of fewer than
19 60,000 persons.

20 "Rural municipality" means a municipality with a
21 population of 5,000 or less.

22 (d) This Section is exempt from the provisions of Section
23 250.

24 Section 99. Effective date. This Act takes effect upon
25 becoming law.