

HB3474



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB3474

Introduced 2/18/2025, by Rep. Amy Briel

SYNOPSIS AS INTRODUCED:

35 ILCS 5/246 new

Amends the Illinois Income Tax Act. Creates an income tax credit in an amount equal to the cost incurred by the taxpayer in planting cover crops.

LRB104 09965 HLH 20035 b

A BILL FOR

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. Cover crops.

8 (a) For taxable years beginning on or after January 1,
9 2026, each individual taxpayer who plants cover crops at a
10 location in the State is entitled to a credit against the taxes
11 imposed by subsections (a) and (b) of Section 201 in an amount
12 equal to the cost incurred by the taxpayer in planting those
13 cover crops.

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, "cover crop" means a plant

1 that is planted to cover the soil rather than for the purpose
2 of being harvested, including, but not limited to, grasses,
3 legumes, and wheat.