

SB2382



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2382

Introduced 2/7/2025, by Sen. John F. Curran

SYNOPSIS AS INTRODUCED:

35 ILCS 5/246 new

Amends the Illinois Income Tax Act. Creates an income tax credit for a taxpayer that makes a qualified donation of real property during the taxable year to an employer that will use the property for the purpose of providing onsite child care to its employees. Provides that the credit shall be in an amount equal to the fair market value of the property, as determined by the Department of Revenue by rule.

LRB104 11106 HLH 21188 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. Donations of real property for employee child
8 care.

9 (a) For taxable years beginning on or after January 1,
10 2026, a taxpayer that makes a qualified donation of real
11 property during the taxable year to an employer that will use
12 the property for the purpose of providing onsite child care to
13 its employees is entitled to a credit against the tax imposed
14 by subsections (a) and (b) of Section 201 in an amount equal to
15 the fair market value of the property. A taxpayer is not
16 entitled to a credit under this Section if the donation of real
17 property is made to a related member of the taxpayer. Fair
18 market value shall be determined in accordance with rules
19 adopted by the Department.

20 (b) In no event shall a credit under this Section reduce
21 the taxpayer's liability to less than zero. If the amount of
22 the credit exceeds the tax liability for the year, the excess
23 may be carried forward and applied to the tax liability of the

1 10 taxable years following the excess credit year. The tax
2 credit shall be applied to the earliest year for which there is
3 a tax liability. If there are credits for more than one year
4 that are available to offset a liability, the earlier credit
5 shall be applied first.

6 For partners and shareholders of Subchapter S
7 corporations, the provisions of Section 251 shall apply with
8 respect to the credit under this Section.

9 (c) As used in this Section:

10 "Related member" means a person that, with respect to the
11 taxpayer at the time the donation is made, is any one of the
12 following:

13 (1) An individual stockholder, if the stockholder and
14 the members of the stockholder's family (as defined in
15 Section 318 of the Internal Revenue Code) own directly,
16 indirectly, beneficially, or constructively, in the
17 aggregate, at least 50% of the value of the taxpayer's
18 outstanding stock.

19 (2) A partnership, estate, or trust and any partner or
20 beneficiary, if the partnership, estate, or trust, and its
21 partners or beneficiaries own directly, indirectly,
22 beneficially, or constructively, in the aggregate, at
23 least 50% of the profits, capital, stock, or value of the
24 taxpayer.

25 (3) A corporation, and any party related to the
26 corporation in a manner that would require an attribution

1 of stock from the corporation to the party or from the
2 party to the corporation under the attribution rules of
3 Section 318 of the Internal Revenue Code, if the taxpayer
4 owns directly, indirectly, beneficially, or constructively
5 at least 50% of the value of the corporation's outstanding
6 stock.

7 (4) A corporation and any party related to that
8 corporation in a manner that would require an attribution
9 of stock from the corporation to the party or from the
10 party to the corporation under the attribution rules of
11 Section 318 of the Internal Revenue Code, if the
12 corporation and all such related parties own in the
13 aggregate at least 50% of the profits, capital, stock, or
14 value of the taxpayer.

15 (5) A person to or from whom there is attribution of
16 stock ownership in accordance with Section 1563(e) of the
17 Internal Revenue Code, except, for purposes of determining
18 whether a person is a related member under this paragraph,
19 20% shall be substituted for 5% wherever 5% appears in
20 Section 1563(e) of the Internal Revenue Code.