



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2458

Introduced 2/7/2025, by Sen. Mark L. Walker

SYNOPSIS AS INTRODUCED:

20 ILCS 605/605-1118 new
35 ILCS 5/246 new

Amends the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois. Provides that the Department of Commerce and Economic Opportunity shall award income tax credits in an amount equal to 13% of the qualifying quantum information science expenditures made by the taxpayer during the taxable year. Amends the Illinois Income Tax Act to make conforming changes. Effective immediately.

LRB104 07194 HLH 17231 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 Department of Commerce and Economic
5 Opportunity Law of the Civil Administrative Code of Illinois
6 is amended by adding Section 605-1118 as follows:

7 (20 ILCS 605/605-1118 new)

8 Sec. 605-1118. Quantum information science research and
9 development.

10 (a) In order to advance and increase quantum information
11 science investment and research in the State of Illinois, and
12 to make the State of Illinois a leader in the area of quantum
13 information science, quantum computing, and other applications
14 of quantum science in technology, there is hereby created the
15 Quantum Information Science Research and Development Tax
16 Credit Program.

17 (b) For taxable years ending on or after December 31,
18 2026, the Department shall issue a tax credit certificate
19 against the taxes imposed under subsections (a) and (b) of
20 Section 201 of the Illinois Income Tax Act in an amount equal
21 to 13% of the qualifying quantum information science
22 expenditures made by the taxpayer during the taxable year.

23 (c) Taxpayers seeking a credit certificate for qualifying

1 quantum information science expenditures shall apply to the
2 Department in the form and manner specified by the Department.

3 (d) The total aggregate amount of the credits awarded
4 under this Section shall not exceed \$25,000,000 in any
5 calendar year.

6 (e) The Department, in consultation with the Department of
7 Revenue, shall adopt rules to implement and administer this
8 Section.

9 (f) This Section is exempt from the provisions of Section
10 250 of the Illinois Income Tax Act.

11 (g) As used in this Section:

12 "Qualifying quantum information science expenditures"
13 means expenditures specifically related to advancing quantum
14 information science research and development in the State of
15 Illinois that would otherwise be qualifying expenditures as
16 defined for the federal credit for increasing research
17 activities that are allowable under Section 41 of the Internal
18 Revenue Code and that are conducted in this State.

19 "Quantum information science" has the meaning given to
20 that term in Section 2 of the federal National Quantum
21 Initiative Act.

22 Section 10. The Illinois Income Tax Act is amended by
23 adding Section 246 as follows:

24 (35 ILCS 5/246 new)

1 Sec. 246. Quantum information science research and
2 development tax credit.

3 (a) For tax years ending on or after December 31, 2026, a
4 taxpayer who qualifies for a quantum information science
5 research and development tax credit pursuant to Section
6 605-1115 of the Department of Commerce and Economic
7 Opportunity Law of the Civil Administrative Code of Illinois,
8 is entitled to a credit against the tax imposed by subsections
9 (a) and (b) of Section 201 of this Act as provided in that
10 Section.

11 (b) For partners and shareholders of subchapter S
12 corporations, the credit under this Section shall be
13 determined in accordance with Section 251.

14 (c) In no event shall a taxpayer be allowed both a credit
15 under this Section for qualifying quantum information science
16 expenditures and the research and development credit provided
17 under subsection (k) of Section 201 for the same expenditures.

18 (d) Any credit awarded under this Section in excess of the
19 taxpayer's tax liability for the taxable year may be carried
20 forward. A taxpayer may elect to have the unused credit shown
21 on its final completed return carried over as a credit against
22 the tax liability for the following 5 taxable years or until
23 the credit has been fully used, whichever occurs first. If a
24 tax liability for the given year still remains, the credit
25 from the next earliest year will then be applied, and so on,
26 until all credits have been used or no tax liability for the

1 given year remains. Any remaining unused credit or credits
2 then will be carried forward to the next following year in
3 which a tax liability is incurred, except that no credit can be
4 carried forward to a year which is more than 5 years after the
5 year in which the expense for which the credit is given was
6 incurred.

7 (e) This Section is exempt from the provisions of Section
8 250 of this Act.

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.