

SB2776



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2776

Introduced 1/13/2026, by Sen. Patrick J. Joyce

SYNOPSIS AS INTRODUCED:

35 ILCS 5/246 new

Amends the Illinois Income Tax Act. Provides that each taxpayer that makes a donation to an educational improvement organization for aviation during the taxable year may apply to the Department of Commerce and Economic Opportunity for an income tax credit in an amount not to exceed the amount of the taxpayer's donation that is used to provide scholarships for prospective pilots, airline and aerospace mechanics, and other aviation and aerospace professionals as part of a program that operates in this State. Requires educational improvement organizations for aviation to apply to the Department of Commerce and Economic Opportunity to be eligible to accept donations that qualify for the credit. Provides that the Department of Commerce and Economic Opportunity may award no more than \$5,000,000 in credits under the program in any calendar year. Effective immediately.

LRB104 16444 HLH 29836 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. Credit for donations to educational improvement
8 organizations for aviation.

9 (a) For taxable years beginning on or after January 1,
10 2027, each taxpayer that makes a donation to an educational
11 improvement organization for aviation during the taxable year
12 may apply to the Department of Commerce and Economic
13 Opportunity for a credit against the taxes imposed by
14 subsections (a) and (b) of Section 201 in an amount not to
15 exceed the amount of the taxpayer's donation that is used to
16 provide scholarships for prospective pilots, airline and
17 aerospace mechanics, and other aviation and aerospace
18 professionals as part of a program that operates in this
19 State. The Department of Commerce and Economic Opportunity may
20 award no more than \$5,000,000 in credits under this Section in
21 any calendar year.

22 (b) An educational improvement organization for aviation
23 must apply to the Department of Commerce and Economic

1 Opportunity to be eligible to accept donations that qualify
2 for a credit under this Section. An application submitted by
3 an educational improvement organization for aviation must
4 describe its educational program or programs in a form
5 prescribed by the Department of Commerce and Economic
6 Opportunity by rule. The Department of Commerce and Economic
7 Opportunity shall review and approve or disapprove the
8 application.

9 (c) In no event shall a credit under this Section reduce
10 the taxpayer's liability to less than zero. If the amount of
11 the credit exceeds the taxpayer's tax liability for the year,
12 the excess may be carried forward and applied to the tax
13 liability of the 10 taxable years following the excess credit
14 year. The tax credit shall be applied to the earliest year for
15 which there is a tax liability. If there are credits for more
16 than one year that are available to offset a liability, the
17 earlier credit shall be applied first.

18 (d) The Department of Commerce and Economic Opportunity,
19 in cooperation with the Department of Revenue, shall adopt
20 rules to implement and administer this Section.

21 (e) This Section is exempt from the provisions of Section
22 250.

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