



Rep. Katie Stuart

Filed: 4/17/2018

10000HB5778ham001

LRB100 17769 HLH 38328 a

1 AMENDMENT TO HOUSE BILL 5778

2 AMENDMENT NO. _____. Amend House Bill 5778 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Income Tax Act is amended by
5 changing Section 217 as follows:

6 (35 ILCS 5/217)

7 Sec. 217. Credit for wages paid to qualified veterans and
8 spouses of qualified veterans.

9 (a) For each taxable year beginning on or after January 1,
10 2007 and ending on or before December 30, 2010, each taxpayer
11 is entitled to a credit against the tax imposed by subsections
12 (a) and (b) of Section 201 of this Act in an amount equal to 5%,
13 but in no event to exceed \$600, of the gross wages paid by the
14 taxpayer to a qualified veteran in the course of that veteran's
15 sustained employment during the taxable year. For each taxable
16 year that begins ~~beginning~~ on or after January 1, 2010 and

1 begins prior to January 1, 2018, each taxpayer is entitled to a
2 credit against the tax imposed by subsections (a) and (b) of
3 Section 201 of this Act in an amount equal to 10%, but in no
4 event to exceed \$1,200, of the gross wages paid by the taxpayer
5 to a qualified veteran in the course of that veteran's
6 sustained employment during the taxable year. For each taxable
7 year that begins on or after January 1, 2018 and begins prior
8 to January 1, 2022, each taxpayer is entitled to a credit
9 against the tax imposed by subsections (a) and (b) of Section
10 201 of this Act in an amount equal to 10%, but in no event to
11 exceed \$1,200, of the gross wages paid by the taxpayer to a
12 qualified veteran or the spouse of a qualified veteran in the
13 course of that veteran's or spouse's sustained employment
14 during the taxable year. For partners, shareholders of
15 Subchapter S corporations, and owners of limited liability
16 companies, if the liability company is treated as a partnership
17 for purposes of federal and State income taxation, there shall
18 be allowed a credit under this Section to be determined in
19 accordance with the determination of income and distributive
20 share of income under Sections 702 and 704 and Subchapter S of
21 the Internal Revenue Code.

22 (b) For purposes of this Section:

23 "Qualified veteran" means an Illinois resident who: (i) was
24 a member of the Armed Forces of the United States, a member of
25 the Illinois National Guard, or a member of any reserve
26 component of the Armed Forces of the United States; (ii) served

1 on active duty in connection with Operation Desert Storm,
2 Operation Enduring Freedom, or Operation Iraqi Freedom; (iii)
3 has provided, to the taxpayer, documentation showing that he or
4 she was honorably discharged; and (iv) was initially hired by
5 the taxpayer on or after January 1, 2007.

6 "Sustained employment" means a period of employment that is
7 not less than 185 days during the taxable year.

8 (c) In no event shall a credit under this Section reduce
9 the taxpayer's liability to less than zero. If the amount of
10 the credit exceeds the tax liability for the year, the excess
11 may be carried forward and applied to the tax liability of the
12 5 taxable years following the excess credit year. The tax
13 credit shall be applied to the earliest year for which there is
14 a tax liability. If there are credits for more than one year
15 that are available to offset a liability, the earlier credit
16 shall be applied first.

17 (d) A taxpayer who claims a credit under this Section for a
18 taxable year with respect to a veteran shall not be allowed a
19 credit under Section 217.1 of this Act with respect to the same
20 veteran for that taxable year.

21 (Source: P.A. 96-101, eff. 1-1-10; 97-767, eff. 7-9-12.)

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