

SB0216



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB0216

Introduced 1/31/2019, by Sen. Jennifer Bertino-Tarrant

SYNOPSIS AS INTRODUCED:

35 ILCS 5/229 new

Amends the Illinois Income Tax Act. Creates an income tax credit for qualified education expenses incurred by employers on behalf of qualifying apprentices. Effective immediately.

LRB101 07017 HLH 52051 b

FISCAL NOTE ACT
MAY APPLY

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 adding
5 Section 229 as follows:

6 (35 ILCS 5/229 new)

7 Sec. 229. Apprenticeship education expense credit.

8 (a) For tax years ending on or after December 31, 2019, a
9 taxpayer who is the employer of one or more qualifying
10 apprentices shall be allowed a credit against the tax imposed
11 by subsections (a) and (b) of Section 201 for qualified
12 education expenses incurred on behalf of a qualifying
13 apprentice. The credit shall be equal to 100% of qualified
14 education expenses, but in no event may the total credit amount
15 awarded to a single taxpayer in a single taxable year exceed
16 \$3,500. In no event shall a credit under this Section reduce
17 the taxpayer's liability under this Act to less than zero.

18 If the taxpayer is a partnership or Subchapter S
19 corporation, the credit shall be allowed to the partners or
20 shareholders in accordance with the determination of income and
21 distributive share of income under Sections 702 and 704 and
22 Subchapter S of the Internal Revenue Code.

23 (b) This Section is exempt from the provisions of Section

1 250 of this Act.

2 (c) The taxpayer shall provide the Department such
3 information as the Department may require, including but not
4 limited to: (i) the name, age, and taxpayer identification
5 number of each qualifying apprentice employed by the taxpayer
6 during the taxable year; (ii) the amount of qualified education
7 expenses incurred with respect to each qualifying apprentice;
8 and (iii) the name of the school at which the qualifying
9 apprentice is enrolled and the qualified education expenses are
10 incurred.

11 (d) For purposes of this Section:

12 "Employer" means an Illinois taxpayer who is the employer
13 of the qualifying apprentice.

14 "Qualifying apprentices" means individuals who (i) are
15 residents of the State of Illinois, (ii) are between the ages
16 of 16 and 30 years old at the close of the school year for which
17 a credit is sought, (iii) during the school year for which a
18 credit is sought were full-time apprentices enrolled in an
19 apprenticeship program which is registered with the United
20 States Department of Labor, Office of Apprenticeship, and (iv)
21 are employed in Illinois by the taxpayer who is the employer.

22 "Qualified education expense" means the amount incurred on
23 behalf of a qualifying apprentice not to exceed \$3,500 for
24 tuition, book fees, and lab fees at the school or community
25 college in which the apprentice is enrolled during the regular
26 school year.

1 "School" means any public or nonpublic secondary school in
2 Illinois that is: (i) an institution of higher education that
3 provides a program that leads to an industry-recognized
4 postsecondary credential or degree; (ii) an entity that carries
5 out programs registered under the federal National
6 Apprenticeship Act; or (iii) another public or private provider
7 of a program of training services, which may include a joint
8 labor-management organization.

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