

SB1906



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB1906

Introduced 2/15/2019, by Sen. Cristina Castro

SYNOPSIS AS INTRODUCED:

35 ILCS 5/229 new

Amends the Illinois Income Tax Act. Creates a credit in an amount equal to 20% of the gross wages paid by the taxpayer to a qualified youth in care in the course of that youth's sustained employment during the taxable year. Provides that the credit may not exceed \$5,000. Provides that the credit is exempt from the Act's automatic sunset provisions. Defines "qualified youth in care". Effective immediately.

LRB101 09334 HLH 54430 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 adding
5 Section 229 as follows:

6 (35 ILCS 5/229 new)

7 Sec. 229. Credit for wages paid to youth in care.

8 (a) For each taxable year ending on or after December 31,
9 2019 each taxpayer is entitled to a credit against the tax
10 imposed by subsections (a) and (b) of Section 201 in an amount
11 equal to 20%, but in no event to exceed \$5,000, of the gross
12 wages paid by the taxpayer to a qualified youth in care in the
13 course of that youth's sustained employment during the taxable
14 year. For partners, shareholders of Subchapter S corporations,
15 and owners of limited liability companies, if the liability
16 company is treated as a partnership for the purposes of federal
17 and State income taxation, there shall be allowed a credit
18 under this Section to be determined in accordance with the
19 determination of income and distributive share of income under
20 Sections 702 and 704 and Subchapter S of the Internal Revenue
21 Code.

22 (b) In no event shall a credit under this Section reduce a
23 taxpayer's liability to less than zero. If the amount of credit

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

8 (c) Taxpayers seeking a credit under this Section may
9 request information about whether an applicant or employee is a
10 qualified youth in care, but whether or not to disclose that
11 status is entirely voluntary on the part of the applicant or
12 employee. Any request made by the taxpayer for the applicant or
13 employee's status as a qualified youth in care must clearly
14 state that providing the information is voluntary and there can
15 be no negative consequence for refusal to disclose youth in
16 care status.

17 (d) For the purposes of this Section:

18 "Qualified youth in care" means an Illinois resident
19 who: (1) meets the definition of "youth in care" under
20 Section 4d of the Children and Family Services Act; or (2)
21 at any time previously, met the definition of "youth in
22 care" under Section 4d of the Children and Family Services
23 Act and has not yet attained the age of 27.

24 "Sustained employment" means (i) a period of
25 employment that is not less than 185 days following the
26 date of hire or (ii) in the case of a qualified youth in

1 care who was unemployed for an aggregate period of 6 months
2 or more during the one-year period ending on the date the
3 qualified youth in care was hired by the taxpayer, a period
4 of employment that is more than 30 days following the date
5 of hire. The period of sustained employment may be
6 completed after the end of the taxable year in which the
7 qualified youth in care is hired.

8 (e) This Section is exempt from the provisions of Section
9 250.

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