



Rep. Marcus C. Evans, Jr.

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10200HB3107ham002

LRB102 15737 HLH 24165 a

1 AMENDMENT TO HOUSE BILL 3107

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3107, immediately  
3 below the enacting clause, by inserting the following:

4 "Section 3. The Illinois Housing Development Act is  
5 amended by changing Section 7.28 as follows:

6 (20 ILCS 3805/7.28)

7 Sec. 7.28. Tax credit for donation to sponsors. The  
8 Authority may administer and adopt rules for an affordable  
9 housing tax donation credit program to provide tax credits for  
10 donations as set forth in this Section.

11 (a) In this Section:

12 "Administrative housing agency" means either the Authority  
13 or an agency of the City of Chicago.

14 "Affordable housing project" means either:

15 (1) ~~(i)~~ a rental project in which at least 25% of the  
16 units have rents (including tenant-paid heat) that do not

1 exceed, on a monthly basis, maximum gross rent figures, as  
2 published by the Authority, that are:

3 (i) based on data published annually by the U.S.  
4 Department of Housing and Urban Development; ~~τ~~

5 (ii) based on the annual income of households  
6 earning 60% of the area median income; ~~τ~~

7 (iii) computed using a 30% of gross monthly income  
8 standard; and

9 (iv) adjusted for unit size and at least 25% of the  
10 units are occupied by persons and families whose  
11 incomes do not exceed 60% of the median family income  
12 for the geographic area in which the residential unit  
13 is located; or

14 (2) ~~(ii)~~ a unit for sale to homebuyers whose gross  
15 household income is at or below (A) 60% of the area median  
16 income (for taxable years beginning prior to January 1,  
17 2022) or (B) 120% of the area median income (for taxable  
18 years beginning on or after January 1, 2022) and who pay no  
19 more than 30% of their gross household income for mortgage  
20 principal, interest, property taxes, and property  
21 insurance (PITI).

22 "Donation" means money, securities, or real or personal  
23 property that is donated to a not-for-profit sponsor that is  
24 used solely for costs associated with either (i) purchasing,  
25 constructing, or rehabilitating an affordable housing project  
26 in this State, (ii) an employer-assisted housing project in

1 this State, (iii) general operating support, or (iv) technical  
2 assistance as defined by this Section.

3 "Employer-assisted housing project" means either  
4 down-payment assistance, reduced-interest mortgages, mortgage  
5 guarantee programs, rental subsidies, or individual  
6 development account savings plans that are provided by  
7 employers to employees to assist in securing affordable  
8 housing near the work place, that are restricted to housing  
9 near the work place, and that are restricted to employees  
10 whose gross household income is at or below 120% of the area  
11 median income.

12 "General operating support" means any cost incurred by a  
13 sponsor that is a part of its general program costs and is not  
14 limited to costs directly incurred by the affordable housing  
15 project.

16 "Geographical area" means the metropolitan area or county  
17 designated as an area by the federal Department of Housing and  
18 Urban Development under Section 8 of the United States Housing  
19 Act of 1937, as amended, for purposes of determining fair  
20 market rental rates.

21 "Median income" means the incomes that are determined by  
22 the federal Department of Housing and Urban Development  
23 guidelines and adjusted for family size.

24 "Project" means an affordable housing project, an  
25 employer-assisted housing project, general operating support,  
26 or technical assistance.

1 "Sponsor" means a not-for-profit organization that (i) is  
2 organized as a not-for-profit organization under the laws of  
3 this State or another state and (1) for an affordable housing  
4 project, has as one of its purposes the development of  
5 affordable housing; (2) for an employer-assisted housing  
6 project, has as one of its purposes home ownership education;  
7 and (3) for a technical assistance project, has as one of its  
8 purposes either the development of affordable housing or home  
9 ownership education; (ii) is organized for the purpose of  
10 constructing or rehabilitating affordable housing units and  
11 has been issued a ruling from the Internal Revenue Service of  
12 the United States Department of the Treasury that the  
13 organization is exempt from income taxation under provisions  
14 of the Internal Revenue Code; or (iii) is an organization  
15 designated as a community development corporation by the  
16 United States government under Title VII of the Economic  
17 Opportunity Act of 1964.

18 "Tax credit" means a tax credit allowed under Section 214  
19 of the Illinois Income Tax Act.

20 "Technical assistance" means any cost incurred by a  
21 sponsor for project planning, assistance with applying for  
22 financing, or counseling services provided to prospective  
23 homebuyers.

24 (b) A sponsor must apply to an administrative housing  
25 agency for approval of the project. The administrative housing  
26 agency must reserve a specific amount of tax credits for each

1 approved project. Tax credits for general operating support  
2 can only be reserved as part of a reservation of tax credits  
3 for an affordable housing project, an employer-assisted  
4 housing project, or technical assistance. No tax credits shall  
5 be allowed for a project without a reservation of such tax  
6 credits by an administrative housing agency for that project.

7 (c) The Authority must adopt rules establishing criteria  
8 for eligible costs and donations, issuing and verifying tax  
9 credits, and selecting projects that are eligible for a tax  
10 credit.

11 (d) Tax credits for employer-assisted housing projects are  
12 limited to that pool of tax credits that have been set aside  
13 for employer-assisted housing. Tax credits for general  
14 operating support are limited to 10% of the total tax credit  
15 reservation for the related project (other than general  
16 operating support) and are also limited to that pool of tax  
17 credits that have been set aside for general operating  
18 support. Tax credits for technical assistance are limited to  
19 that pool of tax credits that have been set aside for technical  
20 assistance.

21 (e) The amount of tax credits reserved by the  
22 administrative housing agency for an approved project is  
23 limited to \$32,850,352 in State fiscal years 2022 and 2023 ~~\$13~~  
24 ~~million in the initial year~~ and shall increase by 5% each  
25 fiscal year thereafter ~~by 5%~~. The City of Chicago shall  
26 receive 24.5% of total tax credits authorized for each fiscal

1 year. The Authority shall receive the balance of the tax  
2 credits authorized for each fiscal year. The tax credits may  
3 be used anywhere in this State. The tax credits have the  
4 following set-asides:

5 (1) for employer-assisted housing projects, \$2  
6 million; and

7 (2) for general operating support and technical  
8 assistance, \$1 million.

9 The balance of the funds must be used for affordable  
10 housing projects. During the first 9 months of a fiscal year,  
11 if an administrative housing agency is unable to reserve the  
12 tax credits set aside for the purposes described in subsection  
13 (e), the administrative housing agency may reserve the tax  
14 credits for any approved projects.

15 (f) The administrative housing agency that reserves tax  
16 credits for an affordable housing project must record against  
17 the land upon which the affordable housing project is located  
18 an instrument to assure that the property maintains its  
19 affordable housing compliance for a minimum of 10 years. The  
20 Authority has flexibility to assure that the instrument does  
21 not cause undue hardship on homeowners.

22 (Source: P.A. 92-491, eff. 8-23-01; 93-369, eff. 7-24-03.)".