

# HB5238



## 102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB5238

Introduced 1/31/2022, by Rep. Daniel Swanson

### SYNOPSIS AS INTRODUCED:

35 ILCS 5/217.2 new

Amends the Illinois Income Tax Act. Creates an income tax credit for each employer taxpayer in an amount equal to \$5,000 for each military spouse hired by the taxpayer during the taxable year. Effective immediately.

LRB102 24237 HLH 33468 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 217.2 as follows:

6 (35 ILCS 5/217.2 new)

7 Sec. 217.2. Credit for wages paid to a military spouse.

8 (a) For taxable years ending on or after December 31,  
9 2022, each taxpayer that is an employer is entitled to a credit  
10 against the tax imposed by subsections (a) and (b) of Section  
11 201 of this Act in an amount equal to \$5,000 for each military  
12 spouse hired by the taxpayer during the taxable year.

13 (b) For partners, shareholders of Subchapter S  
14 corporations, and owners of limited liability companies, if  
15 the liability company is treated as a partnership for the  
16 purposes of federal and State income taxation, there shall be  
17 allowed a credit under this Section to be determined in  
18 accordance with the determination of income and distributive  
19 share of income under Sections 702 and 704 and Subchapter S of  
20 the Internal Revenue Code.

21 (c) In no event shall a credit under this Section reduce  
22 the taxpayer's liability to less than zero. If the amount of  
23 the credit exceeds the tax liability for the year, the excess

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

7 (d) As used in this Section:

8 "Military spouse" means the spouse of an active duty  
9 member of the Armed Forces of the United States, a member of  
10 the Illinois National Guard, or a member of any reserve  
11 component of the Armed Forces of the United States.

12 (e) This Section is exempt from the provisions of Section  
13 250.

14 Section 99. Effective date. This Act takes effect upon  
15 becoming law.