



Sen. Laura M. Murphy

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10200SB1145sam002

LRB102 04961 HLH 37464 a

1 AMENDMENT TO SENATE BILL 1145

2 AMENDMENT NO. _____. Amend Senate Bill 1145, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois Income Tax Act is amended by
6 adding Section 232 as follows:

7 (35 ILCS 5/232 new)

8 Sec. 232. College tuition expense credit.

9 (a) For taxable years that begin on or after January 1,
10 2023 and begin prior to January 1, 2028, a taxpayer who may
11 claim one or more qualifying students as a dependent, or a
12 taxpayer who is a qualifying student and is not claimed as a
13 dependent by any other taxpayer, shall be allowed a credit
14 against the tax imposed by subsections (a) and (b) of Section
15 201 in an amount equal to the lesser of: (1) the qualified
16 tuition and fee expenses paid by the taxpayer during the

1 taxable year on behalf of the qualifying student or students;
2 or (2) the maximum credit amount. Qualified taxpayers may
3 apply to the Board of Higher Education for a credit under this
4 Section in the form and manner required by the Board of Higher
5 Education by rule. If the application is approved, the Board
6 of Higher Education shall award the credit by issuance of a
7 certificate of tax credit to the taxpayer. The taxpayer shall
8 present the certificate of tax credit to the Department of
9 Revenue by attaching the certificate to the taxpayer's
10 Illinois income tax return.

11 (b) The maximum credit amount under this Section is:

12 (1) \$1,000 if the taxpayer's federal adjusted gross
13 income is more than 6 times the federal poverty level but
14 not more than 7 times the federal poverty level;

15 (2) \$750 if the taxpayer's federal adjusted gross
16 income is more than 7 times the federal poverty level but
17 not more than 9 times the federal poverty level; and

18 (3) \$500 if the taxpayer's federal adjusted gross
19 income is more than 9 times the federal poverty level but
20 not more than 11 times the federal poverty level.

21 (c) In no event shall a credit under this Section reduce a
22 taxpayer's liability to less than zero.

23 (d) For the purpose of this Section:

24 "Federal poverty level" means the federal poverty
25 guidelines updated periodically in the Federal Register by the
26 United States Department of Health and Human Services,

1 reported as of the last day of the taxable year for which the
2 credit under this Section is claimed.

3 "Qualifying university" means any public university that
4 is physically located in the State and is eligible to
5 participate in a student loan program administered by the
6 United States Department of Education.

7 "Qualifying student" means an individual who (i) is a
8 resident of the State, (ii) is under the age of 24 at the close
9 of the tax year for which a credit is sought, and (iii) during
10 the tax year for which a credit is sought, is a full-time
11 student enrolled in a program at a qualifying university at
12 which the student is enrolled.

13 "Qualified tuition and fee expense" means the amount
14 incurred on behalf of a qualifying student for tuition, book
15 fees, and lab fees at the qualifying university at which the
16 student is enrolled.

17 (e) Notwithstanding any other provision of law, no
18 taxpayer may claim a credit under this Section if the
19 taxpayer's federal adjusted gross income for the taxable year
20 is less than or equal to 6 times the federal poverty level or
21 more than 11 times the federal poverty level.

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