

# HB2327



## 103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB2327

Introduced 2/14/2023, by Rep. Edgar Gonzalez, Jr.

### SYNOPSIS AS INTRODUCED:

35 ILCS 5/234 new

Amends the Illinois Income Tax Act. Creates a credit for taxpayers who have at least one eligible dependent and whose income does not exceed certain specified guidelines. Effective immediately.

LRB103 27396 HLH 53768 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 234 as follows:

6 (35 ILCS 5/234 new)

7 Sec. 234. Child care credit.

8 (a) For tax years beginning on or after January 1, 2024,  
9 each qualified taxpayer may apply to the Department of Revenue  
10 for a credit against the taxes imposed by subsections (a) and  
11 (b) of Section 201. The amount of the credit shall be \$1,500  
12 for the first eligible dependent of the taxpayer, plus an  
13 additional \$500 for each additional eligible dependent, but  
14 not to exceed \$2,500 per taxpayer in any taxable year. The  
15 aggregate amount of credits awarded by the Department of  
16 Revenue may not exceed \$100,000,000 in any taxable year.  
17 Credits shall be awarded on a first-come, first-served basis.

18 (b) In no event shall a credit under this Section reduce  
19 the taxpayer's liability to less than zero. If the amount of  
20 the credit exceeds the tax liability for the year, the excess  
21 may be carried forward and applied to the tax liability of the  
22 5 taxable years following the excess credit year. The tax  
23 credit shall be applied to the earliest year for which there is

1 a tax liability. If there are credits for more than one year  
2 that are available to offset a liability, the earlier credit  
3 shall be applied first.

4 (c) As used in this Section:

5 "Eligible dependent" means an individual who is under 17  
6 years of age during the taxable year and is claimed by the  
7 taxpayer as a dependent for federal income tax purposes for  
8 that taxable year.

9 "Qualified taxpayer" means a taxpayer with at least one  
10 eligible dependent whose federal adjusted gross income does  
11 not exceed: (1) \$75,000 for spouses filing a joint return or  
12 (2) \$45,000 for all other taxpayers.

13 (d) This Section is exempt from the provisions of Section  
14 250.

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