

HB3283



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB3283

Introduced 2/17/2023, by Rep. Abdelnasser Rashid

SYNOPSIS AS INTRODUCED:

35 ILCS 5/212

Amends the Illinois Income Tax Act. Makes a technical change in a Section concerning the earned income tax credit.

LRB103 30423 HLH 56853 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 changing Section 212 as follows:

6 (35 ILCS 5/212)

7 Sec. 212. Earned income tax credit.

8 (a) With respect to the ~~the~~ federal earned income tax
9 credit allowed for the taxable year under Section 32 of the
10 federal Internal Revenue Code, 26 U.S.C. 32, each individual
11 taxpayer is entitled to a credit against the tax imposed by
12 subsections (a) and (b) of Section 201 in an amount equal to
13 (i) 5% of the federal tax credit for each taxable year
14 beginning on or after January 1, 2000 and ending prior to
15 December 31, 2012, (ii) 7.5% of the federal tax credit for each
16 taxable year beginning on or after January 1, 2012 and ending
17 prior to December 31, 2013, (iii) 10% of the federal tax credit
18 for each taxable year beginning on or after January 1, 2013 and
19 beginning prior to January 1, 2017, (iv) 14% of the federal tax
20 credit for each taxable year beginning on or after January 1,
21 2017 and beginning prior to January 1, 2018, (v) 18% of the
22 federal tax credit for each taxable year beginning on or after
23 January 1, 2018 and beginning prior to January 1, 2023, and

1 (vi) 20% of the federal tax credit for each taxable year
2 beginning on or after January 1, 2023.

3 For a non-resident or part-year resident, the amount of
4 the credit under this Section shall be in proportion to the
5 amount of income attributable to this State.

6 (b) For taxable years beginning before January 1, 2003, in
7 no event shall a credit under this Section reduce the
8 taxpayer's liability to less than zero. For each taxable year
9 beginning on or after January 1, 2003, if the amount of the
10 credit exceeds the income tax liability for the applicable tax
11 year, then the excess credit shall be refunded to the
12 taxpayer. The amount of a refund shall not be included in the
13 taxpayer's income or resources for the purposes of determining
14 eligibility or benefit level in any means-tested benefit
15 program administered by a governmental entity unless required
16 by federal law.

17 (b-5) For taxable years beginning on or after January 1,
18 2023, each individual taxpayer who has attained the age of 18
19 during the taxable year but has not yet attained the age of 25
20 is entitled to the credit under paragraph (a) based on the
21 federal tax credit for which the taxpayer would have been
22 eligible without regard to any age requirements that would
23 otherwise apply to individuals without a qualifying child in
24 Section 32(c)(1)(A)(ii) of the federal Internal Revenue Code.

25 (b-10) For taxable years beginning on or after January 1,
26 2023, each individual taxpayer who has attained the age of 65

1 or older during the taxable year is entitled to the credit
2 under paragraph (a) based on the federal tax credit for which
3 the taxpayer would have been eligible without regard to any
4 age requirements that would otherwise apply to individuals
5 without a qualifying child in Section 32(c)(1)(A)(ii) of the
6 federal Internal Revenue Code.

7 (b-15) For taxable years beginning on or after January 1,
8 2023, each individual taxpayer filing a return using an
9 individual taxpayer identification number (ITIN) as prescribed
10 under Section 6109 of the Internal Revenue Code, other than a
11 Social Security number issued pursuant to Section 205(c)(2)(A)
12 of the Social Security Act, is entitled to the credit under
13 paragraph (a) based on the federal tax credit for which they
14 would have been eligible without applying the restrictions
15 regarding social security numbers in Section 32(m) of the
16 federal Internal Revenue Code.

17 (c) This Section is exempt from the provisions of Section
18 250.

19 (Source: P.A. 102-700, eff. 4-19-22.)