



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB4370

Introduced 1/16/2024, by Rep. Dave Severin

SYNOPSIS AS INTRODUCED:

35 ILCS 5/241 new

Amends the Illinois Income Tax Act. Creates a credit for individual taxpayers in an amount equal to 100% of the eligible recycling costs incurred by the taxpayer during the taxable year, not to exceed \$1,000 per taxpayer. Provides that "eligible recycling costs" means costs associated with the collection, separation, conversion, or treatment of recyclable solid waste materials, including, but not limited to, paper, glass, and plastic.

LRB103 35316 HLH 65364 b

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 241 as follows:

6 (35 ILCS 5/241 new)

7 Sec. 241. Solid waste recycling credit.

8 (a) For taxable years ending on or after December 31,
9 2024, each individual taxpayer is entitled to a credit against
10 the taxes imposed by subsections (a) and (b) of Section 201 in
11 an amount equal to 100% of the eligible recycling costs
12 incurred by the taxpayer during the taxable year, not to
13 exceed \$1,000 per taxpayer.

14 (b) In no event shall a credit under this Section reduce
15 the taxpayer's liability to less than zero. If the amount of
16 the credit exceeds the tax liability for the year, the excess
17 may be carried forward and applied to the tax liability of the
18 5 taxable years following the excess credit year. The tax
19 credit shall be applied to the earliest year for which there is
20 a tax liability. If there are credits for more than one year
21 that are available to offset a liability, the earlier credit
22 shall be applied first.

23 (c) As used in this Section:

1 "Eligible recycling costs" means costs associated with the
2 collection, separation, conversion, or treatment of recyclable
3 solid waste materials, including, but not limited to, paper,
4 glass, and plastic. "Eligible recycling costs" includes
5 service costs incurred by the taxpayer for the collection and
6 removal of recyclable solid waste materials and costs
7 associated with the purchase of equipment used exclusively for
8 collecting, treating, separating, converting, or treating
9 recyclable solid waste materials.

10 (d) This Section is exempt from the provisions of Section
11 250.