

HB5248



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB5248

Introduced 2/9/2024, by Rep. Edgar Gonzalez, Jr.

SYNOPSIS AS INTRODUCED:

35 ILCS 5/241 new

Amends the Illinois Income Tax Act. Provides that a qualified business is entitled to a credit in an amount equal to 75% of the amount expended by the qualified business during the taxable year on menstrual hygiene products that are provided for use by the public at no cost at a business location of the qualified business. Effective immediately.

LRB103 39003 HLH 69140 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 241 as follows:

6 (35 ILCS 5/241 new)

7 Sec. 241. Menstrual hygiene product tax credit.

8 (a) For tax years beginning on or after January 1, 2025, a
9 qualified business is entitled to a credit against the tax
10 imposed by subsections (a) and (b) of Section 201 in an amount
11 equal to 75% of the amount expended by the qualified business
12 during the taxable year on menstrual hygiene products that are
13 provided for use by the public at no cost at a business
14 location of the qualified business. In no event shall a
15 taxpayer be allowed to claim a tax credit under this Section in
16 excess of \$50,000 per taxable year.

17 (b) In no event shall a credit under this Section reduce
18 the taxpayer's liability to less than zero. If the amount of
19 the credit exceeds the tax liability for the year, the excess
20 may be carried forward and applied to the tax liability of the
21 next immediately succeeding taxable year. If there are credits
22 for more than one year that are available to offset a
23 liability, the earlier credit shall be applied first. Tax

1 credits issued under this Section shall not be assigned,
2 transferred, or sold.

3 (c) Except for any excess credit which is carried over
4 pursuant to subsection (b) of this Section, a taxpayer shall
5 not be allowed to claim a tax credit unless the total amount of
6 the taxpayer's expenditure on qualifying menstrual products is
7 at least \$100 during the taxable year.

8 (d) As used in this Section:

9 "Full-time employee" means an individual who is employed
10 for consideration for at least 35 hours each week or who
11 renders any other standard of service generally accepted by
12 industry custom or practice as full-time employment.

13 "Menstrual hygiene product" means tampons and sanitary
14 napkins for use in connection with the menstrual cycle.

15 "Qualified business" means a business, including, but not
16 limited to, a business that is an S corporation or a limited
17 liability company, that employs fewer than 100 full-time
18 employees.

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.