

SB1245



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB1245

Introduced 2/2/2023, by Sen. Jil Tracy

SYNOPSIS AS INTRODUCED:

35 ILCS 5/224
35 ILCS 40/65

Amends the Illinois Income Tax Act and the Invest in Kids Act. Provides that the Invest in Kids credit applies permanently (currently, the credit applies for taxable years ending before January 1, 2024). Effective immediately.

LRB103 25121 HLH 55856 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 224 as follows:

6 (35 ILCS 5/224)

7 Sec. 224. Invest in Kids credit.

8 (a) For taxable years beginning on or after January 1,
9 2018 ~~and ending before January 1, 2024~~, each taxpayer for whom
10 a tax credit has been awarded by the Department under the
11 Invest in Kids Act is entitled to a credit against the tax
12 imposed under subsections (a) and (b) of Section 201 of this
13 Act in an amount equal to the amount awarded under the Invest
14 in Kids Act.

15 (b) For partners, shareholders of subchapter S
16 corporations, and owners of limited liability companies, if
17 the liability company is treated as a partnership for purposes
18 of federal and State income taxation, the credit under this
19 Section shall be determined in accordance with the
20 determination of income and distributive share of income under
21 Sections 702 and 704 and subchapter S of the Internal Revenue
22 Code.

23 (c) The credit may not be carried back and may not reduce

1 the taxpayer's liability to less than zero. If the amount of
2 the credit exceeds the tax liability for the year, the excess
3 may be carried forward and applied to the tax liability of the
4 5 taxable years following the excess credit year. The tax
5 credit shall be applied to the earliest year for which there is
6 a tax liability. If there are credits for more than one year
7 that are available to offset the liability, the earlier credit
8 shall be applied first.

9 (d) A tax credit awarded by the Department under the
10 Invest in Kids Act may not be claimed for any qualified
11 contribution for which the taxpayer claims a federal income
12 tax deduction.

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

15 (Source: P.A. 102-699, eff. 4-19-22.)

16 Section 10. The Invest in Kids Act is amended by changing
17 Section 65 as follows:

18 (35 ILCS 40/65)

19 (Section scheduled to be repealed on January 1, 2025)

20 Sec. 65. Credit period; repeal.

21 (a) A taxpayer may take a credit under this Act for tax
22 years beginning on or after January 1, 2018 ~~and ending before~~
23 ~~January 1, 2024. A taxpayer may not take a credit pursuant to~~
24 ~~this Act for tax years beginning on or after January 1, 2024.~~

1 (b) This Act is exempt from the provisions of Section 250
2 of the Illinois Income Tax Act ~~repealed on January 1, 2025.~~

3 (Source: P.A. 102-16, eff. 6-17-21.)

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.