



## 94TH GENERAL ASSEMBLY

### State of Illinois

2005 and 2006

HB0910

Introduced 2/2/2005, by Rep. Marlow H. Colvin

#### SYNOPSIS AS INTRODUCED:

35 ILCS 5/216 new

Amends the Illinois Income Tax Act. Establishes an income tax credit for taxpayers who make cash donations to school districts. Provides that the amount of the credit is the amount of the donations made during the taxable year. Provides that, to receive a credit, the taxpayer must present to the Department of Revenue a certification from the school district receiving the donation. Provides that to qualify for the credit, the amount of the donation must be \$150 or more in the case of an individual, trust, estate, or partnership or \$1,500 or more in the case of a corporation. Provides that the credit may not be carried forward or back. Provides that, in no event, may the credit reduce the taxpayer's liability to less than zero. Requires the Department of Revenue, in cooperation with the State Board of Education, to adopt rules concerning the credit. Effective immediately.

LRB094 07699 BDD 37875 b

FISCAL NOTE ACT  
MAY APPLY

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 adding  
5 Section 216 as follows:

6 (35 ILCS 5/216 new)

7 Sec. 216. School district donation credit.

8 (a) For tax years ending on or after December 31, 2005,  
9 each taxpayer who makes a cash donation to a school district is  
10 entitled to a credit against the tax imposed by subsections (a)  
11 and (b) of Section 201 in an amount equal to the amount of the  
12 donation.

13 (b) To receive a credit under this Section, the taxpayer  
14 must present to the Department a certification from the school  
15 district receiving the donation. The certification must state  
16 the amount of the donation. To qualify for a credit under the  
17 Section, the amount of the donation must be \$150 or more in the  
18 case of an individual, trust, estate, or partnership or \$1,500  
19 or more in the case of a corporation.

20 (c) If the taxpayer is a partnership or Subchapter S  
21 corporation, the credit is allowed to the partners or  
22 shareholders in accordance with the determination of income and  
23 distributive share of income under Sections 702 and 704 and  
24 Subchapter S of the Internal Revenue Code.

25 The Department, in cooperation with the State Board of  
26 Education, must adopt rules to enforce and administer the  
27 provisions of this Section.

28 The credit may not be carried forward or back. In no event  
29 shall a credit under this Section reduce the taxpayer's  
30 liability to less than zero.