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1 AMENDMENT TO SENATE BILL 1279

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1279 as follows:

3 on page 2, by replacing lines 28 through 30 with the following:  
4 "consisting of 8 members of the General Assembly, 2 of whom are  
5 appointed by the Speaker of the House of Representatives, 2 of  
6 whom are appointed by the President of the Senate, 2 of whom  
7 are appointed by the Minority Leader of the House of  
8 Representatives, and 2 of whom are appointed by the Minority  
9 Leader of the Senate."; and

10 on page 3, by replacing lines 24 through 26 with the following:  
11 "consisting of 8 members of the General Assembly, 2 of whom are  
12 appointed by the Speaker of the House of Representatives, 2 of  
13 whom are appointed by the President of the Senate, 2 of whom  
14 are appointed by the Minority Leader of the House of  
15 Representatives, and 2 of whom are appointed by the Minority  
16 Leader of the Senate."; and

17 on page 4, by replacing lines 5 through 28 with the following:  
18 "(a) For each taxable year beginning on or after January 1,  
19 2007, each taxpayer is entitled to a credit against the tax  
20 imposed by subsections (a) and (b) of Section 201 of this Act  
21 in an amount equal to 5% of qualified wages paid by the  
22 taxpayer during the taxable year to one or more Illinois  
23 residents who are qualified ex-offenders. The total credit

1 allowed to a taxpayer with respect to each qualified  
2 ex-offender may not exceed \$600 for all taxable years. For  
3 partners, shareholders of Subchapter S corporations, and  
4 owners of limited liability companies, if the liability company  
5 is treated as a partnership for purposes of federal and State  
6 income taxation, there shall be allowed a credit under this  
7 Section to be determined in accordance with the determination  
8 of income and distributive share of income under Sections 702  
9 and 704 and Subchapter S of the Internal Revenue Code.

10 (b) For purposes of this Section, "qualified wages":

11 (1) includes only wages that are subject to federal  
12 unemployment tax under Section 3306 of the Internal Revenue  
13 Code, without regard to any dollar limitation contained in  
14 that Section;

15 (2) does not include any amounts paid or incurred by an  
16 employer for any period to any qualified ex-offender for  
17 whom the employer receives federally funded payments for  
18 on-the-job training of that qualified ex-offender for that  
19 period; and

20 (3) includes only wages attributable to service  
21 rendered during the one-year period beginning with the day  
22 the qualified ex-offender begins work for the employer.

23 If the taxpayer has received any payment from a program  
24 established under Section 482(e)(1) of the federal Social  
25 Security Act with respect to a qualified ex-offender, then, for  
26 purposes of calculating the credit under this Section, the  
27 amount of the qualified wages paid to that qualified  
28 ex-offender must be reduced by the amount of the payment.

29 (c) For purposes of this Section, "qualified ex-offender"  
30 means any person who:

31 (1) is an eligible offender, as defined under Section  
32 5-5.5-5 of the Unified Code of Corrections;

33 (2) was sentenced to a period of incarceration in an  
34 Illinois adult correctional center; and

1           (3) was hired by the taxpayer within one year after  
2           being released from an Illinois adult correctional center.

3           (d) In no event shall a credit under this Section reduce";  
4           and

5           on page 5, line 11, after "year.", by inserting the following:

6           "For partners, shareholders of Subchapter S corporations, and  
7           owners of limited liability companies, if the liability company  
8           is treated as a partnership for purposes of federal and State  
9           income taxation, there shall be allowed a credit under this  
10           Section to be determined in accordance with the determination  
11           of income and distributive share of income under Sections 702  
12           and 704 and Subchapter S of the Internal Revenue Code."; and

13           on page 5, line 18, after "(iii)", by inserting "has provided,  
14           to the taxpayer, documentation showing that he or she".