



Sen. David Koehler

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09500SB0005sam003

LRB095 08883 DRJ 36948 a

1 AMENDMENT TO SENATE BILL 5

2 AMENDMENT NO. _____. Amend Senate Bill 5, AS AMENDED, with
3 reference to page and line numbers of Senate Amendment No. 1,
4 by replacing line 24 on page 136, all of pages 137 through 143,
5 and lines 1 through 21 on page 144 with the following:

6 "ARTICLE 50. ILLINOIS COVERED ASSESSMENT ACT

7 PART 1. SHORT TITLE AND CONSTRUCTION

8 Section 50-101. Short title. This Act may be cited as the
9 Illinois Covered Assessment Act. All references in this Article
10 to "this Act" mean this Article.

11 Section 50-102. Construction. Except as otherwise
12 expressly provided or clearly appearing from the context, any
13 term used in this Act shall have the same meaning as when used
14 in a comparable context in the Illinois Income Tax Act as in

1 effect for the taxable year.

2 PART 2. TAX IMPOSED

3 Section 50-201. Tax imposed.

4 (a) A tax is hereby imposed on each employer for the
5 privilege of hiring employees in this State at the rate of 3%
6 of the wages paid to Illinois employees by the employer during
7 the taxable year, provided that the tax on wages paid by the
8 employer to any single employee shall not exceed \$7,500 for the
9 taxable year.

10 (b) The tax imposed under this Act shall apply to wages
11 paid on or after July 1, 2008.

12 (c) The tax imposed under this Act is a tax on the
13 employer, and shall not be withheld from wages paid to
14 employees or otherwise be collected from employees or reduce
15 the compensation paid to employees.

16 Section 50-202. Credits.

17 (a) For each taxable year, an employer whose total
18 expenditures for health care for Illinois employees exceed 4%
19 of the wages paid to Illinois employees for that taxable year
20 shall be entitled to a credit equal to 3% of the wages paid to
21 Illinois employees for that taxable year.

22 (b) If the tax otherwise due under subsection (a) of
23 Section 50-201 of this Act with respect to the wages of any

1 employee of the employer is \$7,500, the credit allowed in
2 subsection (a) of this Section shall be computed without taking
3 into account any wages paid to that employee or any
4 expenditures for health care incurred with respect to that
5 employee, and, in addition to the credit so computed, the
6 employer shall be allowed a credit of \$7,500 with respect to
7 that employee if the expenditures for health care incurred with
8 respect to that employee exceed \$10,000.

9 (c) For purposes of determining whether total expenditures
10 for health care for Illinois employees exceed 4% of the wages
11 paid to Illinois employees for a taxable year, the wages paid
12 to and expenditures for health care for any Illinois employee
13 with health care coverage provided by another employer of that
14 employee, or with health care coverage as a dependent through
15 another employer, are disregarded.".