

# SB0118



## 97TH GENERAL ASSEMBLY

### State of Illinois

2011 and 2012

SB0118

Introduced 1/27/2011, by Sen. Martin A. Sandoval

#### SYNOPSIS AS INTRODUCED:

35 ILCS 5/212

Amends the Illinois Income Tax Act. Provides that, for taxable years beginning on or after January 1, 2011, the Earned Income Tax Credit shall be in an amount equal to 20% (instead of 5%) of the federal tax credit. Effective immediately.

LRB097 06242 HLH 46317 b

FISCAL NOTE ACT  
MAY APPLY

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 212 as follows:

6 (35 ILCS 5/212)

7 Sec. 212. Earned income tax credit.

8 (a) With respect to the federal earned income tax credit  
9 allowed for the taxable year under Section 32 of the federal  
10 Internal Revenue Code, 26 U.S.C. 32, each individual taxpayer  
11 is entitled to a credit against the tax imposed by subsections  
12 (a) and (b) of Section 201 in an amount equal to 5% of the  
13 federal tax credit for each taxable year beginning on or after  
14 January 1, 2000 and ending prior to December 31, 2011. For each  
15 taxable year beginning on or after January 1, 2011, each  
16 individual taxpayer is entitled to a credit against the tax  
17 imposed by subsections (a) and (b) of Section 201 in an amount  
18 equal to 20% of the federal tax credit.

19 For a non-resident or part-year resident, the amount of the  
20 credit under this Section shall be in proportion to the amount  
21 of income attributable to this State.

22 (b) For taxable years beginning before January 1, 2003, in  
23 no event shall a credit under this Section reduce the

1 taxpayer's liability to less than zero. For each taxable year  
2 beginning on or after January 1, 2003, if the amount of the  
3 credit exceeds the income tax liability for the applicable tax  
4 year, then the excess credit shall be refunded to the taxpayer.  
5 The amount of a refund shall not be included in the taxpayer's  
6 income or resources for the purposes of determining eligibility  
7 or benefit level in any means-tested benefit program  
8 administered by a governmental entity unless required by  
9 federal law.

10 (c) This Section is exempt from the provisions of Section  
11 250.

12 (Source: P.A. 95-333, eff. 8-21-07.)

13 Section 99. Effective date. This Act takes effect upon  
14 becoming law.