



## 98TH GENERAL ASSEMBLY

### State of Illinois

#### 2013 and 2014

#### SB2865

Introduced 2/4/2014, by Sen. Jacqueline Y. Collins

#### SYNOPSIS AS INTRODUCED:

35 ILCS 5/212

Amends the Illinois Income Tax Act. Increases the earned income tax credit to (i) 12% of the federal tax credit for each taxable year beginning on or after January 1, 2014 and ending prior to December 31, 2015, (ii) 14% of the federal tax credit for each taxable year beginning on or after January 1, 2015 and ending prior to December 31, 2016, (iii) 16% of the federal tax credit for each taxable year beginning on or after January 1, 2016 and ending prior to December 31, 2017, (iv) 18% of the federal tax credit for each taxable year beginning on or after January 1, 2017 and ending prior to December 31, 2018, and (v) 20% of the federal tax credit for each taxable year beginning on or after January 1, 2018. Effective immediately.

LRB098 19616 HLH 54812 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  
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 (i) 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, 2012, (ii)  
15 7.5% of the federal tax credit for each taxable year beginning  
16 on or after January 1, 2012 and ending prior to December 31,  
17 2013, ~~and~~ (iii) 10% of the federal tax credit for each taxable  
18 year beginning on or after January 1, 2013 and ending prior to  
19 December 31, 2014, (iv) 12% of the federal tax credit for each  
20 taxable year beginning on or after January 1, 2014 and ending  
21 prior to December 31, 2015, (v) 14% of the federal tax credit  
22 for each taxable year beginning on or after January 1, 2015 and  
23 ending prior to December 31, 2016, (vi) 16% of the federal tax

1 credit for each taxable year beginning on or after January 1,  
2 2016 and ending prior to December 31, 2017, (vii) 18% of the  
3 federal tax credit for each taxable year beginning on or after  
4 January 1, 2017 and ending prior to December 31, 2018, and  
5 (viii) 20% of the federal tax credit for each taxable year  
6 beginning on or after January 1, 2018.

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

10 (b) For taxable years beginning before January 1, 2003, in  
11 no event shall a credit under this Section reduce the  
12 taxpayer's liability to less than zero. For each taxable year  
13 beginning on or after January 1, 2003, if the amount of the  
14 credit exceeds the income tax liability for the applicable tax  
15 year, then the excess credit shall be refunded to the taxpayer.  
16 The amount of a refund shall not be included in the taxpayer's  
17 income or resources for the purposes of determining eligibility  
18 or benefit level in any means-tested benefit program  
19 administered by a governmental entity unless required by  
20 federal law.

21 (c) This Section is exempt from the provisions of Section  
22 250.

23 (Source: P.A. 97-652, eff. 6-1-12.)

24 Section 99. Effective date. This Act takes effect upon  
25 becoming law.