

1 AN ACT in relation to taxation.

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 adding Sections 213, 214, and 215 as follows:

6 (35 ILCS 5/213 new)

7 Sec. 213. Tax credit for retailers of gasohol. For
8 taxable years 2002 through 2006, each motor fuel retailer is
9 entitled to a credit against the tax imposed by subsections
10 (a) and (b) of Section 201 in the amount of \$0.04 for each
11 gallon of gasohol sold in Illinois during the taxable year by
12 that motor fuel retailer. For purposes of this Section,
13 "gasohol" means that term as defined in Section 3-40 of the
14 Use Tax Act. The tax credit may not reduce the taxpayer's
15 liability to less than zero.

16 (35 ILCS 5/214 new)

17 Sec. 214. Tax credit for purchasing E85 ethanol powered
18 motor vehicles. For taxable years 2002 through 2006, each
19 taxpayer who purchases a new E85 ethanol powered motor
20 vehicle is entitled to a credit against the tax imposed by
21 subsections (a) and (b) of Section 201 in the amount of
22 \$2,000 for each vehicle purchased during the taxable year.
23 For purposes of this Section "E85 ethanol powered motor
24 vehicle" means a motor vehicle that is powered by E85 blend
25 fuel which consists of at least 85% ethanol and no more than
26 15% gasoline. The tax credit may not reduce the taxpayer's
27 liability to less than zero.

28 (35 ILCS 5/215 new)

29 Sec. 215. Tax credit for installing E85 ethanol fuel

1 dispensing pumps. For taxable years 2002 through 2006, each
2 motor fuel retailer who installs one or more new E85 ethanol
3 fuel dispensing pumps at his or her motor fuel retail store
4 in Illinois during the taxable year is entitled to a credit
5 against the tax imposed by subsections (a) and (b) of Section
6 201 in the amount of \$10,000. For purposes of this Section
7 "E85 ethanol fuel dispensing pump" means a fuel dispensing
8 pump that dispenses E85 blend fuel which consists of at least
9 85% ethanol and no more than 15% gasoline. The tax credit
10 may not reduce the taxpayer's liability to less than zero.

11 Section 99. Effective date. This Act takes effect on
12 January 1, 2002.