

1 AN ACT concerning taxes.

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7 (Section scheduled to be repealed on June 1, 2003)

8 Sec. 212. Earned income tax credit.

9 (a) With respect to the federal earned income tax credit
10 allowed for the taxable year under Section 32 of the federal
11 Internal Revenue Code, 26 U.S.C. 32, each individual taxpayer
12 is entitled to a credit against the tax imposed by
13 subsections (a) and (b) of Section 201 in an amount equal to
14 5% of the federal tax credit for each taxable year beginning
15 on or after January 1, 2000 and ending on or before December
16 31, 2002.

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

20 (b) In no event shall a credit under this Section reduce
21 the taxpayer's liability to less than zero.

22 (b-5) For the taxable year beginning on January 1, 2000,
23 using income tax records received from the Internal Revenue
24 Service, the Department must identify the taxpayers who
25 received the federal earned income tax credit and determine
26 whether those taxpayers claimed a credit under this Section.
27 If the Department determines that a taxpayer is entitled to a
28 credit under this Section but did not claim the credit, the
29 Department must calculate the amount of the taxpayer's
30 credit. The amount calculated by the Department must be
31 certified to the State Treasurer and the State Comptroller,

1 who must refund the certified amount to the taxpayer.

2 (c) This Section is repealed on June 1, 2003.

3 (Source: P.A. 91-700, eff. 5-11-00.)

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.