

AN ACT concerning revenue.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Illinois Income Tax Act is amended by changing Section 212 as follows:

(35 ILCS 5/212)

Sec. 212. Earned income tax credit.

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

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

(b) For taxable years beginning before January 1, 2003, in no event shall a credit under this Section reduce the taxpayer's liability to less than zero. For each taxable year beginning on or after January 1, 2003, if the amount of the credit exceeds the income tax liability for the applicable tax year, then the excess credit shall be refunded to the taxpayer.

The amount of a refund shall not be included in the taxpayer's income or resources for the purposes of determining eligibility or benefit level in any means-tested benefit program administered by a governmental entity unless required by federal law.

~~(b 5) Refunds authorized by subsection (b) are subject to the availability of funds from the federal Temporary Assistance for Needy Families Block Grant and the State's ability to meet its required Maintenance of Effort.~~

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

(Source: P.A. 93-534, eff. 8-18-03; 93-653, eff. 1-8-04.)

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