

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 222 as follows:

6 (35 ILCS 5/222)

7 Sec. 222. Live theater production credit.

8 (a) For tax years beginning on or after January 1, 2012 and
9 beginning prior to January 1, 2027, a taxpayer who has received
10 a tax credit award under the Live Theater Production Tax Credit
11 Act is entitled to a credit against the taxes imposed under
12 subsections (a) and (b) of Section 201 of this Act in an amount
13 determined under that Act by the Department of Commerce and
14 Economic Opportunity.

15 (b) If the taxpayer is a partnership, limited liability
16 partnership, limited liability company, or Subchapter S
17 corporation, the tax credit award is allowed to the partners,
18 unit holders, or shareholders in accordance with the
19 determination of income and distributive share of income under
20 Sections 702 and 704 and Subchapter S of the Internal Revenue
21 Code.

22 (c) A sale, assignment, or transfer of the tax credit award
23 may be made by the taxpayer earning the credit within one year

1 after the credit is awarded in accordance with rules adopted by
2 the Department of Commerce and Economic Opportunity.

3 (d) The Department of Revenue, in cooperation with the
4 Department of Commerce and Economic Opportunity, shall adopt
5 rules to enforce and administer the provisions of this Section.

6 (e) The tax credit award may not be carried back. If the
7 amount of the credit exceeds the tax liability for the year,
8 the excess may be carried forward and applied to the tax
9 liability of the 5 tax years following the excess credit year.
10 The tax credit award shall be applied to the earliest year for
11 which there is a tax liability. If there are credits from more
12 than one tax year that are available to offset liability, the
13 earlier credit shall be applied first. In no event may a credit
14 under this Section reduce the taxpayer's liability to less than
15 zero.

16 (Source: P.A. 97-636, eff. 6-1-12.)

17 Section 10. The Film Production Services Tax Credit Act of
18 2008 is amended by changing Section 42 as follows:

19 (35 ILCS 16/42)

20 Sec. 42. Sunset of credits. The application of credits
21 awarded pursuant to this Act shall be limited by a reasonable
22 and appropriate sunset date. A taxpayer shall not be entitled
23 to take a credit awarded pursuant to this Act for tax years
24 beginning on or after January 1, 2027. ~~10 years after the~~

~~effective date of this amendatory Act of the 97th General Assembly. After the initial 10-year sunset, the General Assembly may extend the sunset date by 5-year intervals.~~

(Source: P.A. 97-2, eff. 5-6-11; 97-3, eff. 5-6-11.)

Section 15. The Live Theater Production Tax Credit Act is amended by changing Section 10-20 as follows:

(35 ILCS 17/10-20)

Sec. 10-20. Tax credit award. Subject to the conditions set forth in this Act, an applicant is entitled to a tax credit award as approved by the Department for qualifying Illinois labor expenditures and Illinois production spending for each tax year in which the applicant is awarded an accredited theater production certificate issued by the Department. The amount of tax credits awarded pursuant to this Act shall not exceed (i) \$2,000,000 in any fiscal year prior to fiscal year 2017 and (ii) \$4,000,000 in fiscal year 2017 and each fiscal year thereafter. Credits shall be awarded on a first-come, first-served basis. Notwithstanding the foregoing, if the amount of credits applied for in any fiscal year exceeds the amount authorized to be awarded under this Section, the excess credit amount shall be awarded in the next fiscal year in which credits remain available for award and shall be treated as having been applied for on the first day of that fiscal year.

(Source: P.A. 97-636, eff. 6-1-12.)