

**SB1883**



**101ST GENERAL ASSEMBLY**

**State of Illinois**

**2019 and 2020**

**SB1883**

Introduced 2/15/2019, by Sen. Rachelle Crowe

**SYNOPSIS AS INTRODUCED:**

35 ILCS 5/229 new

Amends the Illinois Income Tax Act. Creates an income tax credit for an Illinois business that increases its average full-time employee head count in the State for the taxable year by more than 20% over its average full-time employee head count in the State for the immediately preceding taxable year. Provides that the amount of the credit is 20% of its tax liability under this Act (other than its withholding tax liability) for the taxable year. Provides that the credit is exempt from the Act's automatic sunset provision. Effective immediately.

LRB101 10840 HLH 55975 b

FISCAL NOTE ACT  
MAY APPLY

**A BILL FOR**

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 adding  
5 Section 229 as follows:

6 (35 ILCS 5/229 new)

7 Sec. 229. Credit for increasing employee head count.

8 (a) For taxable years ending on or after December 31, 2019,  
9 if an Illinois business increases its average full-time  
10 employee head count in the State for the taxable year by more  
11 than 20% over its average full-time employee head count in the  
12 State for the immediately preceding taxable year, then that  
13 business is entitled to a credit against the taxes imposed by  
14 subsections (a) and (b) of Section 201 in an amount equal to  
15 20% of its tax liability under this Act (other than its  
16 liability under Article 7 of this Act) for the taxable year.

17 (b) Partners, shareholders of subchapter S corporations,  
18 and owners of limited liability companies (if the limited  
19 liability company is treated as a partnership for purposes of  
20 federal and State income taxation) are entitled to a credit  
21 under this Section to be determined in accordance with the  
22 determination of income and distributive share of income under  
23 Sections 702 and 703 and subchapter S of the Internal Revenue

1 Code.

2 (c) As used in this Act, a person is considered a full-time  
3 employee if the person is employed for consideration for at  
4 least 35 hours each week or renders any other standard of  
5 service generally accepted by industry custom or practice as  
6 full-time employment.

7 (d) This Section is exempt from the provisions of Section  
8 250.

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