



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB4608

by Rep. Derrick Smith

#### SYNOPSIS AS INTRODUCED:

35 ILCS 5/224 new

Amends the Illinois Income Tax Act. Creates a credit for taxpayers that operate a Youthbuild program in the State during the taxable year. Sets forth the amount of the credit. Provides that, if the amount of the credit exceeds the taxpayer's income tax liability for the applicable tax year, then the excess credit shall be refunded to the taxpayer. Provides that the credit is exempt from the Act's automatic sunset provision.

LRB098 17868 HLH 52992 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 224 as follows:

6 (35 ILCS 5/224 new)

7 Sec. 224. Youthbuild credit.

8 (a) Each taxpayer that operates a Youthbuild program in the  
9 State during the taxable year is allowed a credit against the  
10 tax imposed by subsections (a) and (b) of Section 201 as  
11 provided in this Section. For each eligible participant hired  
12 by the taxpayer during the taxable year as a full-time  
13 employee, the taxpayer is entitled to a credit of (i) \$500 for  
14 each of the first 6 months during which the eligible  
15 participant is employed by the taxpayer and (ii) an additional  
16 \$1,000 if the eligible participant remains employed by the  
17 taxpayer for a continuous period of at least 6 months after his  
18 or her initial 6 months of employment with the taxpayer. For  
19 each eligible participant hired by the taxpayer during the  
20 taxable year as a part-time employee, the taxpayer is entitled  
21 to a credit of (i) \$250 for each of the first 6 months during  
22 which the eligible participant is employed by the taxpayer and  
23 (ii) an additional \$500 if the eligible participant remains

1 employed by the taxpayer for a continuous period of at least 6  
2 months after his or her initial 6 months of employment with the  
3 taxpayer.

4 (b) If the amount of the credit awarded under this Section  
5 exceeds the taxpayer's income tax liability for the applicable  
6 tax year, then the excess credit shall be refunded to the  
7 taxpayer.

8 (c) For the purposes of this Section:

9 "Eligible participant" has the meaning ascribed to that  
10 term in Section 25 of the Illinois Youthbuild Act.

11 "Full-time employee" means an eligible participant hired  
12 by the taxpayer for 35 hours or more hours per week.

13 "Part-time employee" means an eligible participant hired  
14 by the taxpayer for 20 or more but less than 35 hours per week.

15 "Youthbuild program" has the meaning ascribed to that term  
16 in Section 10 of the Illinois Youthbuild Act.

17 (d) This Section is exempt from the provisions of Section  
18 250.