**Section 522.20 Definitions**

The following definitions are applicable to this Part.

*"Act" or "Illinois Income Tax Act"* [35 ILCS 5/101 et seq.]

*"Certificate" means the tax credit certificate issued by the Department under Section 229(c) of the Act as amended by P.A. 101-207.*

*"Department" or "DCEO" means the Department of Commerce and Economic Opportunity.* [20 ILCS 605/605-5 and P.A. 101-0207; 35 ILCS 5/229]

*"Employer" means an Illinois* income *taxpayer who is the employer of the qualifying apprentice.* [P.A. 101-0207; 35 ILCS 5/229(a)]

*"Qualifying apprentice" means an individual who:*

*is a resident of the State of Illinois;*

*is at least 16 years old at the close of the school year for which a credit is sought;*

*during the school year for which a credit is sought, was a full-time apprentice enrolled in an apprenticeship program which is registered with the United States Department of Labor, Office of Apprenticeship; and*

*is employed in Illinois by the taxpayer who is the employer.* [P.A. 101-0207; 35 ILCS 5/229(a)]

*"Qualified education expense" means the amount incurred on behalf of a qualifying apprentice not to exceed $3,500,* or $5,000 for taxpayers qualifying for the underserved area increase(Section 522.80(c)) *for tuition, book fees, and lab fees at the school or community college in which the apprentice is enrolled during the regular school year.* [P.A. 101-0207; 35 ILCS 5/229(a)] Any amount paid for the purchase or rental cost of items that would be considered qualified education expenses but for the fact that the items are not substantially consumed during the school year and will remain the tangible personal property of a qualifying pupil or a custodian at the conclusion of the school year, or for items that are not required as part of the Program, shall not be considered qualified education expenses. Examples of expenses that are excluded include, but not limited to, computers, tablets, and tools. For purposes of this Section, an item is substantially consumed when, during the school year, the item is used to the extent that its fair market value has been reduced to a de minimis amount. Expenses that are paid, reimbursed, credited, or otherwise subsidized by other public or private sources are not qualified education expenses.

Tuition is the amount paid to a school as a condition of enrollment for a quarter, semester or year term in the program the qualifying apprentice is enrolled.

Book fees are amounts paid for the use of books (print or digital) that are essential to a qualifying apprentice's participation in the education program of the school. A book is essential when the school or instructor of the school requires its use by the qualifying pupil in order to participate in and complete a course of the education program.

Lab fees are amounts paid for the use of supplies, equipment, materials or instruments that are essential to a qualifying pupil's participation in a lab course of the school's education program. Supplies, equipment, materials or instruments are essential when the school or instructor of the school requires their use by the qualifying apprentice in order to participate in and complete a lab course of the education program. Lab courses include those courses that, in addition to classroom instruction by a teacher, provide an environment of organized activity involving observation, experimentation or practice in a course of study. Lab courses of study include those courses with a scientific, musical, artistic, technical or language skill content. Lab fees may be in the nature of a rental fee for supplies, equipment, materials or instruments that are used in the lab course. Fees incurred for the purchase of supplies, equipment, materials or instruments used in a lab course and which are substantially consumed by the assignments and activities of the lab are also considered qualifying lab fees.

*"School" means any public or nonpublic secondary or post-secondary school in Illinois that is:*

*an institution of higher education that provides a program that leads to an industry-recognized postsecondary credential or degree;*

*an entity that carries out programs registered under the federal National Apprenticeship Act; or*

*another public or private provider of a program of training services, which may include a joint labor-management organization* that provides an apprenticeship school curriculum and courses*.* [P.A. 101-0207; 35 ILCS 5/229(a)]

*"School Year" shall mean the customary annual schedule of courses at a school during which students, including qualifying apprentice(s) attend school as distinguished from the calendar year.*

*"Underserved area" shall have the same meaning as provided in the Economic Development for a Growing Economy Tax Credit (35 ILCS 10/5-5), as amended.*