

# HB0455



## 100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB0455

by Rep. Mary E. Flowers

### SYNOPSIS AS INTRODUCED:

35 ILCS 5/212

Amends the Illinois Income Tax Act. Provides that, for taxable years beginning on or after January 1, 2017, the amount of the earned income tax credit shall be 12.5% (currently, 10%) of the federal tax credit. Effective immediately.

LRB100 04250 HLH 14256 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  
5 changing Section 212 as follows:

6 (35 ILCS 5/212)

7 Sec. 212. Earned income tax credit.

8 (a) With respect to the federal earned income tax credit  
9 allowed for the taxable year under Section 32 of the federal  
10 Internal Revenue Code, 26 U.S.C. 32, each individual taxpayer  
11 is entitled to a credit against the tax imposed by subsections  
12 (a) and (b) of Section 201 in an amount equal to (i) 5% of the  
13 federal tax credit for each taxable year beginning on or after  
14 January 1, 2000 and ending prior to December 31, 2012, (ii)  
15 7.5% of the federal tax credit for each taxable year beginning  
16 on or after January 1, 2012 and ending prior to December 31,  
17 2013, ~~and~~ (iii) 10% of the federal tax credit for each taxable  
18 year beginning on or after January 1, 2013 and beginning prior  
19 to January 1, 2017, and (iv) 12.5% of the federal tax credit  
20 for each taxable year beginning on or after January 1, 2017.

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

1           (b) For taxable years beginning before January 1, 2003, in  
2 no event shall a credit under this Section reduce the  
3 taxpayer's liability to less than zero. For each taxable year  
4 beginning on or after January 1, 2003, if the amount of the  
5 credit exceeds the income tax liability for the applicable tax  
6 year, then the excess credit shall be refunded to the taxpayer.  
7 The amount of a refund shall not be included in the taxpayer's  
8 income or resources for the purposes of determining eligibility  
9 or benefit level in any means-tested benefit program  
10 administered by a governmental entity unless required by  
11 federal law.

12           (c) This Section is exempt from the provisions of Section  
13 250.

14           (Source: P.A. 97-652, eff. 6-1-12.)

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