



Rep. Lou Lang

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LRB100 06360 AXK 26690 a

1 AMENDMENT TO SENATE BILL 652

2 AMENDMENT NO. _____. Amend Senate Bill 652 as follows:

3 on page 1, line 5, after "40,", by inserting "45,"; and

4 on page 2, line 18, after "amended", by inserting "and also
5 meets the Department's targeted industry criteria as
6 established by adopted rule, if any, in effect as of the
7 application date set forth under subsection (g) of Section 25
8 of this Act"; and

9 on page 9, line 16, by replacing "\$20,000,000" with
10 "\$50,000,000 ~~\$20,000,000~~"; and

11 on page 10, immediately below line 18, by inserting the
12 following:

13 "(g) Allocation rounds enabled by this Act shall be applied
14 for according to the following schedule:

1 (1) on September 1, 2017, \$375,000,000 of qualified
2 equity investments;

3 (2) on January 2, 2019, \$125,000,000 of qualified
4 equity investments; and

5 (3) on January 2, 2020, \$125,000,000 of qualified
6 equity investments."; and

7 on page 14, line 10, after "business.", by inserting "This
8 Section is not intended to affect ownership or affiliate
9 interests that arise following the sixth anniversary of the
10 issuance of the qualified equity investment."; and

11 on page 14, immediately below line 10, by inserting the
12 following:

13 "(20 ILCS 663/45)

14 Sec. 45. Examination and Rulemaking.

15 (a) The Department may conduct examinations to verify that
16 the tax credits under this Act have been received and applied
17 according to the requirements of this Act and to verify that no
18 event has occurred that would result in a recapture of tax
19 credits under Section 40.

20 (b) The Department and the Department of Revenue shall have
21 the authority to adopt rules under the Act. The Department and
22 the Department of Revenue, in adopting rules, shall endeavor to
23 make the administration of the Act compatible with the

1 administration of the federal New Markets Tax Credit program.
2 Adopted rules shall only apply to qualified equity investments
3 in effect as of the application date set forth under subsection
4 (g) of Section 25 of this Act for such qualified equity
5 investment. ~~Neither the Department nor the Department of~~
6 ~~Revenue shall have the authority to promulgate rules under the~~
7 ~~Act, but the Department and the Department of Revenue shall~~
8 ~~have the authority to issue advisory letters to individual~~
9 ~~qualified community development entities and their investors~~
10 ~~that are limited to the specific facts outlined in an advisory~~
11 ~~letter request from a qualified community development entity.~~
12 ~~Such rulings cannot be relied upon by any person or entity~~
13 ~~other than the qualified community development entity that~~
14 ~~requested the letter and the taxpayers that are entitled to any~~
15 ~~tax credits generated from investments in such entity. For~~
16 ~~purposes of this subsection, "rules" is given the meaning~~
17 ~~contained in Section 1-70 of the Illinois Administrative~~
18 ~~Procedure Act.~~

19 (c) In rendering advisory letters and making other
20 determinations under this Act, to the extent applicable, the
21 Department and the Department of Revenue shall look for
22 guidance to Section 45D of the Internal Revenue Code of 1986,
23 as amended, and the rules, ~~and~~ regulations, policies, and
24 allocation agreement provisions issued thereunder.

25 (d) The Department may impose an administrative penalty on
26 any qualified community development entity that violates the

1 provisions of this Act or any adopted rule hereunder where
2 recapture of credits is not a remedy. The penalty shall be
3 \$15,000 for each violation. Penalties shall be subject to a
4 notice and cure period of not less than 30 days wherein a
5 qualified community development entity shall be notified in
6 writing of the violation and be given the opportunity to cure
7 the violation. Each week a violation continues or occurs past
8 such 30-day period is a separate violation. A qualified
9 community development entity that has been assessed a penalty
10 may petition the Department for an administrative hearing to
11 contest the basis of the administrative penalty. The
12 Department's final decision imposing an administrative penalty
13 is a final order and subject to the Administrative Review Law.
14 The Department shall not certify any qualified equity
15 investment in a qualified community development entity (or in
16 an affiliate thereof) that has not satisfied an administrative
17 penalty or has been assessed in aggregate \$105,000 or more in
18 administrative penalties within the prior 2 calendar years.

19 (Source: P.A. 95-1024, eff. 12-31-08.)".