



Sen. Steve Stadelman

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LRB100 10546 HLH 25000 a

1 AMENDMENT TO SENATE BILL 1783

2 AMENDMENT NO. _____. Amend Senate Bill 1783 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Income Tax Act is amended by
5 changing Section 221 as follows:

6 (35 ILCS 5/221)

7 Sec. 221. Rehabilitation costs; qualified historic
8 properties; River Edge Redevelopment Zone.

9 (a) For taxable years beginning on or after January 1, 2012
10 and ending prior to January 1, 2022 ~~January 1, 2018~~, there
11 shall be allowed a tax credit against the tax imposed by
12 subsections (a) and (b) of Section 201 in an amount equal to
13 25% of qualified expenditures incurred by a qualified taxpayer
14 during the taxable year in the restoration and preservation of
15 a qualified historic structure located in a River Edge
16 Redevelopment Zone pursuant to a qualified rehabilitation

1 plan, provided that the total amount of such expenditures (i)
2 must equal \$5,000 or more and (ii) must exceed 50% of the
3 purchase price of the property.

4 (b) To obtain a tax credit pursuant to this Section, the
5 taxpayer must apply with the Department of Commerce and
6 Economic Opportunity. The Department of Commerce and Economic
7 Opportunity, in consultation with the Historic Preservation
8 Agency, shall determine the amount of eligible rehabilitation
9 costs and expenses. The Historic Preservation Agency shall
10 determine whether the rehabilitation is consistent with the
11 standards of the Secretary of the United States Department of
12 the Interior for rehabilitation. Upon completion and review of
13 the project, the Department of Commerce and Economic
14 Opportunity shall issue a certificate in the amount of the
15 eligible credits. At the time the certificate is issued, an
16 issuance fee up to the maximum amount of 2% of the amount of
17 the credits issued by the certificate may be collected from the
18 applicant to administer the provisions of this Section. If
19 collected, this issuance fee shall be deposited into the
20 Historic Property Administrative Fund, a special fund created
21 in the State treasury. Subject to appropriation, moneys in the
22 Historic Property Administrative Fund shall be evenly divided
23 between the Department of Commerce and Economic Opportunity and
24 the Historic Preservation Agency to reimburse the Department of
25 Commerce and Economic Opportunity and the Historic
26 Preservation Agency for the costs associated with

1 administering this Section. The taxpayer must attach the
2 certificate to the tax return on which the credits are to be
3 claimed. The Department of Commerce and Economic Opportunity
4 may adopt rules to implement this Section.

5 (c) The tax credit under this Section may not reduce the
6 taxpayer's liability to less than zero.

7 (d) As used in this Section, the following terms have the
8 following meanings.

9 "Qualified expenditure" means all the costs and expenses
10 defined as qualified rehabilitation expenditures under Section
11 47 of the federal Internal Revenue Code that were incurred in
12 connection with a qualified historic structure.

13 "Qualified historic structure" means a certified historic
14 structure as defined under Section 47 (c) (3) of the federal
15 Internal Revenue Code.

16 "Qualified rehabilitation plan" means a project that is
17 approved by the Historic Preservation Agency as being
18 consistent with the standards in effect on the effective date
19 of this amendatory Act of the 97th General Assembly for
20 rehabilitation as adopted by the federal Secretary of the
21 Interior.

22 "Qualified taxpayer" means the owner of the qualified
23 historic structure or any other person who qualifies for the
24 federal rehabilitation credit allowed by Section 47 of the
25 federal Internal Revenue Code with respect to that qualified
26 historic structure. Partners, shareholders of subchapter S

1 corporations, and owners of limited liability companies (if the
2 limited liability company is treated as a partnership for
3 purposes of federal and State income taxation) are entitled to
4 a credit under this Section to be determined in accordance with
5 the determination of income and distributive share of income
6 under Sections 702 and 703 and subchapter S of the Internal
7 Revenue Code, provided that credits granted to a partnership, a
8 limited liability company taxed as a partnership, or other
9 multiple owners of property shall be passed through to the
10 partners, members, or owners respectively on a pro rata basis
11 or pursuant to an executed agreement among the partners,
12 members, or owners documenting any alternate distribution
13 method.

14 (Source: P.A. 99-914, eff. 12-20-16.)

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