



Rep. Jehan Gordon-Booth

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LRB100 20468 HLH 40922 a

1 AMENDMENT TO SENATE BILL 3527

2 AMENDMENT NO. _____. Amend Senate Bill 3527, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 1. Short title. This Act may be cited as the
6 Historic Preservation Tax Credit Act.

7 Section 5. Definitions. As used in this Act, unless the
8 context clearly indicates otherwise:

9 "Division" means the Department of Natural Resources
10 Historic Preservation Division.

11 "Placed in service" means that the appropriate work has
12 been completed which would allow for occupancy of either the
13 entire building or some identifiable portion of the building.

14 "Prevailing wage" means the hourly cash wages plus fringe
15 benefits for training and apprenticeship programs approved by
16 the U.S. Department of Labor, Bureau of Apprenticeship and

1 Training, health and welfare, insurance, vacations, and
2 pensions paid generally in the locality in which the work is
3 being performed to employees engaged in work of a similar
4 character on public works.

5 "Qualified expenditures" means all the costs and expenses
6 defined as qualified rehabilitation expenditures under Section
7 47 of the federal Internal Revenue Code that were incurred in
8 connection with a qualified historic structure.

9 "Qualified historic structure" means any structure that is
10 located in Illinois and is defined as a certified historic
11 structure under Section 47 (c) (3) of the federal Internal
12 Revenue Code.

13 "Qualified rehabilitation plan" means a project that is
14 approved by the Division and the National Park Service as being
15 consistent with the standards in effect on the effective date
16 of this Act as adopted by the federal Secretary of the
17 Interior.

18 "Qualified taxpayer" means the owner of the qualified
19 historic structure or any other person who may qualify for the
20 federal rehabilitation credit allowed by Section 47 of the
21 federal Internal Revenue Code.

22 "Recapture event" means that, during any taxable year
23 within the recapture period, the qualified historic structure
24 is sold or ceases to be business-use property. For
25 partnerships, a recapture event shall occur when a partner
26 sells or disposes of all or a part of her or his partnership

1 interest in the qualified historic structure. If a partner's
2 interest in the partnership is reduced to less than two-thirds
3 of what it was when the property for which the Historic
4 Preservation Tax Credit is claimed was placed in service, then
5 the reduction is treated as a proportional disposition of the
6 property.

7 The following dispositions of a qualified historic
8 structure are not a recapture event for purposes of this
9 Section:

10 (1) a transfer by reason of death;

11 (2) a transfer between spouses incident to divorce;

12 (3) a sale by and leaseback to an entity that, when the
13 rehabilitated portions of the qualified historic structure
14 are placed in service, will be a lessee of the qualified
15 historic structure, but only for so long as the entity
16 continues to be a lessee; and

17 (4) a mere change in the form of conducting the trade
18 or business by the owner (or, if applicable, the lessee) of
19 the qualified historic structure, so long as the property
20 interest in such qualified historic structure is retained
21 in such a trade or business and the owner or lessee retains
22 a substantial interest in such a trade or business.

23 "Recapture period" means the 5-year period beginning on the
24 date that the qualified historic structure or rehabilitated
25 portions of the qualified historic structure are placed in
26 service.

1 "Substantial rehabilitation" means that the qualified
2 rehabilitation expenditures during the 24-month period
3 selected by the taxpayer at the time and in the manner
4 prescribed by rule and ending with or within the taxable year
5 exceed the greater of (i) the adjusted basis of the building
6 and its structural components or (ii) \$5,000. The adjusted
7 basis of the building and its structural components shall be
8 determined as of the beginning of the first day of such
9 24-month period or as of the beginning of the first day of the
10 holding period of the building, whichever is later. For
11 purposes of determining the adjusted basis, the determination
12 of the beginning of the holding period shall be made without
13 regard to any reconstruction by the taxpayer in connection with
14 the rehabilitation. In the case of any rehabilitation which may
15 reasonably be expected to be completed in phases set forth in
16 architectural plans and specifications completed before the
17 rehabilitation begins, this definition shall be applied by
18 substituting "60-month period" for "24-month period" wherever
19 that term occurs in the definition.

20 Section 10. Allowable credit.

21 (a) To the extent authorized by this Act, for taxable years
22 beginning on or after January 1, 2019 and ending on or before
23 December 31, 2023, there shall be allowed a tax credit against
24 the tax imposed by subsections (a) and (b) of Section 201 of
25 the Illinois Income Tax Act in an aggregate amount equal to 25%

1 of qualified expenditures incurred by a qualified taxpayer
2 undertaking a qualified rehabilitation plan of a qualified
3 historic structure, provided that the total amount of such
4 expenditures must (i) equal \$5,000 or more or (ii) exceed the
5 adjusted basis of the qualified historic structure on the first
6 day the qualified rehabilitation plan commenced. If the
7 qualified rehabilitation plan spans multiple years, the
8 aggregate credit for the entire project shall be allowed in the
9 last taxable year. The qualified taxpayer must pay a prevailing
10 wage to employees who are engaged in construction, as
11 "construction" is defined in the Prevailing Wage Act, pursuant
12 to a qualified rehabilitation plan.

13 (b) To obtain a tax credit pursuant to this Section, the
14 taxpayer must apply with the Division. The Division shall
15 determine the amount of eligible rehabilitation expenditures
16 within 45 days after receipt of a complete application. The
17 taxpayer must provide to the Division a third-party cost
18 certification conducted by a certified public accountant
19 verifying (i) the qualified and non-qualified rehabilitation
20 expenses and (ii) that the qualified expenditures exceed the
21 adjusted basis of the qualified historic structure on the first
22 day the qualified rehabilitation plan commenced. The
23 accountant shall provide for appropriate review and testing of
24 invoices. The Division is authorized, but not required, to
25 accept this third-party cost certification to determine the
26 amount of qualified expenditures. The Division and the National

1 Park Service shall determine whether the rehabilitation is
2 consistent with the Standards of the Secretary of the United
3 States Department of the Interior.

4 (c) If the amount of any tax credit awarded under this Act
5 exceeds the qualified taxpayer's income tax liability for the
6 year in which the qualified rehabilitation plan was placed in
7 service, the excess amount may be carried forward for deduction
8 from the taxpayer's income tax liability in the next succeeding
9 year or years until the total amount of the credit has been
10 used, except that a credit may not be carried forward for
11 deduction after the twentieth taxable year after the taxable
12 year in which the qualified rehabilitation plan was placed in
13 service. Upon completion and review of the project, the
14 Division shall issue a single certificate in the amount of the
15 eligible credits equal to 25% of the qualified expenditures
16 incurred during the eligible taxable years. At the time the
17 certificate is issued, an issuance fee up to the maximum amount
18 of 2% of the amount of the credits issued by the certificate
19 may be collected from the applicant to administer the Act. If
20 collected, this issuance fee shall be directed to the Division
21 Historic Property Administrative Fund or other such fund as
22 appropriate for the administration of the Historic
23 Preservation Tax Credit Program. The taxpayer must attach the
24 certificate or legal documentation of her or his proportional
25 share of the certificate to the tax return on which the credits
26 are to be claimed. The tax credit under this Section may not

1 reduce the taxpayer's liability to less than zero. If the
2 amount of the credit exceeds the tax liability for the year,
3 the excess credit may be carried forward and applied to the tax
4 liability of the 20 taxable years following the excess credit
5 year.

6 (d) If the taxpayer is (i) a corporation having an election
7 in effect under Subchapter S of the federal Internal Revenue
8 Code, (ii) a partnership, or (iii) a limited liability company,
9 the credit provided under this Act may be claimed by the
10 shareholders of the corporation, the partners of the
11 partnership, or the members of the limited liability company in
12 the same manner as those shareholders, partners, or members
13 account for their proportionate shares of the income or losses
14 of the corporation, partnership, or limited liability company,
15 or as provided in the by-laws or other executed agreement of
16 the corporation, partnership, or limited liability company.
17 Credits granted to a partnership, a limited liability company
18 taxed as a partnership, or other multiple owners of property
19 shall be passed through to the partners, members, or owners
20 respectively on a pro rata basis or pursuant to an executed
21 agreement among the partners, members, or owners documenting
22 any alternate distribution method.

23 (e) If a recapture event occurs during the recapture period
24 with respect to a qualified historic structure, then for any
25 taxable year in which the credits are allowed as specified in
26 this Act, the tax under the applicable section of this Act

1 shall be increased by applying the recapture percentage set
2 forth below to the tax decrease resulting from the application
3 of credits allowed under this Act to the taxable year in
4 question.

5 For the purposes of this subsection, the recapture
6 percentage shall be determined as follows:

7 (1) if the recapture event occurs within the first year
8 after commencement of the recapture period, then the
9 recapture percentage is 100%;

10 (2) if the recapture event occurs within the second
11 year after commencement of the recapture period, then the
12 recapture percentage is 80%;

13 (3) if the recapture event occurs within the third year
14 after commencement of the recapture period, then the
15 recapture percentage is 60%;

16 (4) if the recapture event occurs within the fourth
17 year after commencement of the recapture period, then the
18 recapture percentage is 40%; and

19 (5) if the recapture event occurs within the fifth year
20 after commencement of the recapture period, then the
21 recapture percentage is 20%.

22 In the case of any recapture event, the carryforwards under
23 this Act shall be adjusted by reason of such event.

24 (d) The Division may adopt rules to implement this Section
25 in addition to the rules expressly authorized herein.

1 Section 20. Limitations, reporting, and monitoring.

2 (a) The Division shall award not more than an aggregate of
3 \$15,000,000 in total annual tax credits pursuant to qualified
4 rehabilitation plans for qualified historic structures. The
5 Division shall award not more than \$3,000,000 in tax credits
6 with regard to a single qualified rehabilitation plan. In
7 awarding tax credits under this Act, the Division must
8 prioritize projects that meet one or more of the following:

9 (1) the qualified historic structure is located in a
10 county that borders a State with a historic property
11 rehabilitation credit;

12 (2) the qualified historic structure was previously
13 owned by a federal, State, or local governmental entity;

14 (3) the qualified historic structure is located in a
15 census tract that has a median family income at or below
16 the State median family income; data from the most recent
17 5-year estimate from the American Community Survey (ACS),
18 published by the U.S. Census Bureau, shall be used to
19 determine eligibility;

20 (4) the qualified rehabilitation plan includes in the
21 development partnership a Community Development Entity or
22 a low-profit (B Corporation) or not-for-profit
23 organization, as defined by Section 501(c)(3) of the
24 Internal Revenue Code; or

25 (5) the qualified historic structure is located in an
26 area declared under an Emergency Declaration or Major

1 Disaster Declaration under the federal Robert T. Stafford
2 Disaster Relief and Emergency Assistance Act.

3 (b) The annual aggregate program allocation of \$15,000,000
4 set forth in subsection (a) shall be allocated by the Division,
5 in such proportion as determined by the Department, on a per
6 calendar basis twice in each year that the program is in
7 effect, provided that: (i) the amount initially allocated by
8 the Division for any one calendar application period shall not
9 exceed 65% of the total allowable amount and (ii) any portion
10 of the allocated allowable amount remaining unused as of the
11 end of any of the second calendar application period of a given
12 calendar year shall be rolled into and added to the total
13 allocated amount for the next available calendar year. The
14 qualified rehabilitation plan must meet a readiness test, as
15 defined in the rules created by the Division, in order for the
16 Applicant to qualify. Applicants that qualify under this Act
17 will be placed in a queue based on the date and time the
18 application is received until such time as the application
19 period total allowable amount is reached. Applicants must
20 reapply for each application period.

21 (c) On or before December 31, 2019, and on or before
22 December 31 of each year thereafter through 2023, subject to
23 appropriation and prior to equal disbursement to the Division,
24 moneys in the Historic Property Administrative Fund shall be
25 used, on an annual basis beginning at the end of the first
26 fiscal year after the effective date of this Act, to hire a

1 qualified third party to prepare an annual report to assess the
2 overall effectiveness of this Act from the qualified
3 rehabilitation projects under this Act completed in that year
4 and in previous years. Baseline data of the metrics in the
5 report shall be collected at the initiation of a qualified
6 rehabilitation project. The overall economic impact shall
7 include at least:

8 (1) the number of applications, project locations, and
9 proposed use of qualified historic structures;

10 (2) the amount of credits awarded and the number and
11 location of projects receiving credit allocations;

12 (3) the status of ongoing projects and projected
13 qualifying expenditures for ongoing projects;

14 (4) for completed projects, the total amount of
15 qualifying rehabilitation expenditures and non-qualifying
16 expenditures, the number of housing units created and the
17 number of housing units that qualify as affordable, and the
18 total square footage rehabilitated and developed;

19 (5) direct, indirect, and induced economic impacts;

20 (6) temporary, permanent, and construction jobs
21 created; and

22 (7) sales, income, and property tax generation before
23 construction, during construction, and after completion.

24 The report to the General Assembly shall be filed with the
25 Clerk of the House of Representatives and the Secretary of the
26 Senate in electronic form only, in the manner that the Clerk

1 and the Secretary shall direct.

2 (d) Any time prior to issuance of a tax credit certificate,
3 the Director of the Division, the State Historic Preservation
4 Officer, or staff of the Division may, upon reasonable notice
5 to the project owner of not less than 3 business days, conduct
6 a site visit to the project to inspect and evaluate the
7 project.

8 (e) Any time prior to the issuance of a tax credit
9 certificate and for a period of 4 years following the effective
10 date of a project tax credit certificate, the Director may,
11 upon reasonable notice of not less than 30 calendar days,
12 request a status report from the Applicant consisting of
13 information and updates relevant to the status of the project.
14 Status reports shall not be requested more than twice yearly.

15 (f) In order to demonstrate sufficient evidence of
16 reviewable progress within 12 months after the date the
17 Applicant received notification of approval from the Division,
18 the Applicant shall provide all of the following:

19 (1) a viable financial plan which demonstrates by way
20 of an executed agreement that all financing has been
21 secured for the project; such financing shall include, but
22 not be limited to, equity investment as demonstrated by
23 letters of commitment from the owner of the property,
24 investment partners, and equity investors;

25 (2) final construction drawings or approved building
26 permits that demonstrate the complete rehabilitation of

1 the full scope of the application; and

2 (3) all historic approvals, including all federal and
3 State rehabilitation documents required by the Division.

4 The Director shall review the submitted evidence and may
5 request additional documentation from the Applicant if
6 necessary. The Applicant will have 30 calendar days to provide
7 the information requested, otherwise the approval may be
8 rescinded at the discretion of the Director.

9 (g) In order to demonstrate sufficient evidence of
10 reviewable progress within 18 months after the date the
11 application received notification of approval from the
12 Division, the Applicant is required to provide detailed
13 evidence that the Applicant has secured and closed on financing
14 for the complete scope of rehabilitation for the project. To
15 demonstrate evidence that the Applicant has secured and closed
16 on financing, the Applicant will need to provide signed and
17 processed loan agreements, bank financing documents or other
18 legal and contractual evidence to demonstrate that adequate
19 financing is available to complete the project. The Director
20 shall review the submitted evidence and may request additional
21 documentation from the Applicant if necessary. The Applicant
22 will have 30 calendar days to provide the information
23 requested, otherwise the approval may be rescinded at the
24 discretion of the Director.

25 If the Applicant fails to document reviewable progress
26 within 18 months of approval, the Director may notify the

1 Applicant that the application is rescinded. However, should
2 financing and construction be imminent, the Director may elect
3 to grant the Applicant no more than 5 months to close on
4 financing and commence construction. If the Applicant fails to
5 meet these conditions in the required timeframe, the Director
6 shall notify the Applicant that the application is rescinded.
7 Any such rescinded allocation shall be added to the aggregate
8 amount of credits available for allocation for the year in
9 which the forfeiture occurred.

10 The amount of the qualified expenditures identified in the
11 Applicant's certification of completion and reflected on the
12 Historic Preservation Tax Credit certificate issued by the
13 Director is subject to inspection, examination, and audit by
14 the Department of Revenue.

15 The Applicant shall establish and maintain for a period of
16 4 years following the effective date on a project tax credit
17 certificate such records as required by the Director. Such
18 records include, but are not limited to, records documenting
19 project expenditures and compliance with the U.S. Secretary of
20 the Interior's Standards. The Applicant shall make such records
21 available for review and verification by the Director, the
22 State Historic Preservation Officer, the Department of
23 Revenue, or appropriate staff, as well as other appropriate
24 State agencies. In the event the Director determines an
25 Applicant has submitted an annual report containing erroneous
26 information or data not supported by records established and

1 maintained under this Act, the Director may, after providing
2 notice, require the Applicant to resubmit corrected reports.

3 Section 25. Powers. The Division shall adopt rules for the
4 administration of this Act.

5 Section 900. The Illinois Income Tax Act is amended by
6 changing Section 221 and by adding Section 227 as follows:

7 (35 ILCS 5/221)

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

10 (a) For taxable years that begin ~~beginning~~ on or after
11 January 1, 2012 and begin ~~ending~~ prior to January 1, 2018
12 ~~January 1, 2022~~, there shall be allowed a tax credit against
13 the tax imposed by subsections (a) and (b) of Section 201 of
14 this Act in an amount equal to 25% of qualified expenditures
15 incurred by a qualified taxpayer during the taxable year in the
16 restoration and preservation of a qualified historic structure
17 located in a River Edge Redevelopment Zone pursuant to a
18 qualified rehabilitation plan, provided that the total amount
19 of such expenditures (i) must equal \$5,000 or more and (ii)
20 must exceed 50% of the purchase price of the property.

21 (a-1) For taxable years that begin on or after January 1,
22 2018 and end prior to January 1, 2022, there shall be allowed a
23 tax credit against the tax imposed by subsections (a) and (b)

1 of Section 201 of this Act in an aggregate amount equal to 25%
2 of qualified expenditures incurred by a qualified taxpayer in
3 the restoration and preservation of a qualified historic
4 structure located in a River Edge Redevelopment Zone pursuant
5 to a qualified rehabilitation plan, provided that the total
6 amount of such expenditures must (i) equal \$5,000 or more and
7 (ii) exceed the adjusted basis of the qualified historic
8 structure on the first day the qualified rehabilitation plan
9 begins. For any rehabilitation project, regardless of duration
10 or number of phases, the project's compliance with the
11 foregoing provisions (i) and (ii) shall be determined based on
12 the aggregate amount of qualified expenditures for the entire
13 project and may include expenditures incurred under subsection
14 (a), this subsection, or both subsection (a) and this
15 subsection. If the qualified rehabilitation plan spans
16 multiple years, the aggregate credit for the entire project
17 shall be allowed in the last taxable year, except for phased
18 rehabilitation projects, which may receive credits upon
19 completion of each phase. Before obtaining the first phased
20 credit: (A) the total amount of such expenditures must meet the
21 requirements of provisions (i) and (ii) of this subsection; (B)
22 the rehabilitated portion of the qualified historic structure
23 must be placed in service; and (C) the requirements of
24 subsection (b) must be met.

25 (b) To obtain a tax credit pursuant to this Section, the
26 taxpayer must apply with the Department of Natural Resources

1 ~~Commerce and Economic Opportunity~~. The Department of Natural
2 Resources ~~Commerce and Economic Opportunity, in consultation~~
3 ~~with the Historic Preservation Agency,~~ shall determine the
4 amount of eligible rehabilitation costs and expenses within 45
5 days of receipt of a complete application. The taxpayer must
6 submit a certification of costs prepared by an independent
7 certified public accountant that certifies (i) the project
8 expenses, (ii) whether those expenses are qualified
9 expenditures, and (iii) that the qualified expenditures exceed
10 the adjusted basis of the qualified historic structure on the
11 first day the qualified rehabilitation plan commenced. The
12 Department of Natural Resources is authorized, but not
13 required, to accept this certification of costs to determine
14 the amount of qualified expenditures and the amount of the
15 credit. The Department of Natural Resources shall provide
16 guidance as to the minimum standards to be followed in the
17 preparation of such certification. The Department of Natural
18 Resources and the National Park Service ~~Historic Preservation~~
19 ~~Agency~~ shall determine whether the rehabilitation is
20 consistent with the United States Secretary of the Interior's
21 Standards for Rehabilitation ~~the standards of the Secretary of~~
22 ~~the United States Department of the Interior for~~
23 ~~rehabilitation.~~

24 (b-1) Upon completion and review of the project and
25 approval of the complete application, the Department of Natural
26 Resources ~~Commerce and Economic Opportunity~~ shall issue a

1 single certificate in the amount of the eligible credits equal
2 to 25% of qualified expenditures incurred during the eligible
3 taxable years, as defined in subsections (a) and (a-1),
4 excepting any credits awarded under subsection (a) prior to the
5 effective date of this amendatory Act of the 100th General
6 Assembly and any phased credits issued prior to the eligible
7 taxable year under subsection (a-1). At the time the
8 certificate is issued, an issuance fee up to the maximum amount
9 of 2% of the amount of the credits issued by the certificate
10 may be collected from the applicant to administer the
11 provisions of this Section. If collected, this issuance fee
12 shall be deposited into the Historic Property Administrative
13 Fund, a special fund created in the State treasury. Subject to
14 appropriation, moneys in the Historic Property Administrative
15 Fund shall be provided to the Department of Natural Resources
16 as reimbursement ~~evenly divided between the Department of~~
17 ~~Commerce and Economic Opportunity and the Historic~~
18 ~~Preservation Agency to reimburse the Department of Commerce and~~
19 ~~Economic Opportunity and the Historic Preservation Agency for~~
20 the costs associated with administering this Section. ~~The~~
21 ~~taxpayer must attach the certificate to the tax return on which~~
22 ~~the credits are to be claimed. The Department of Commerce and~~
23 ~~Economic Opportunity may adopt rules to implement this Section.~~

24 (c) The taxpayer must attach the certificate to the tax
25 return on which the credits are to be claimed. The tax credit
26 under this Section may not reduce the taxpayer's liability to

1 less than zero. If the amount of the credit exceeds the tax
2 liability for the year, the excess credit may be carried
3 forward and applied to the tax liability of the 5 taxable years
4 following the excess credit year.

5 (c-1) Subject to appropriation, moneys in the Historic
6 Property Administrative Fund shall be used, on a biennial basis
7 beginning at the end of the second fiscal year after the
8 effective date of this amendatory Act of the 100th General
9 Assembly, to hire a qualified third party to prepare a biennial
10 report to assess the overall economic impact to the State from
11 the qualified rehabilitation projects under this Section
12 completed in that year and in previous years. The overall
13 economic impact shall include at least: (1) the direct and
14 indirect or induced economic impacts of completed projects; (2)
15 temporary, permanent, and construction jobs created; (3)
16 sales, income, and property tax generation before, during
17 construction, and after completion; and (4) indirect
18 neighborhood impact after completion. The report shall be
19 submitted to Governor and the General Assembly. The report to
20 the General Assembly shall be filed with the Clerk of the House
21 of Representatives and the Secretary of the Senate in
22 electronic form only, in the manner that the Clerk and the
23 Secretary shall direct.

24 (c-2) The Department of Natural Resources may adopt rules
25 to implement this Section in addition to the rules expressly
26 authorized in this Section.

1 (d) As used in this Section, the following terms have the
2 following meanings.

3 "Phased rehabilitation" means a project that is completed
4 in phases as defined under Section 47 of the federal Internal
5 Revenue Code and pursuant to National Park Service regulations
6 at 36 C.F.R. 67.

7 "Placed in service" means the date when the property is
8 placed in a condition or state of readiness and availability
9 for a specifically assigned function as defined under Section
10 47 of the federal Internal Revenue Code and federal Treasury
11 Regulation Sections 1.46 and 1.48.

12 "Qualified expenditure" means all the costs and expenses
13 defined as qualified rehabilitation expenditures under Section
14 47 of the federal Internal Revenue Code that were incurred in
15 connection with a qualified historic structure.

16 "Qualified historic structure" means a certified historic
17 structure as defined under Section 47(c)(3) of the federal
18 Internal Revenue Code.

19 "Qualified rehabilitation plan" means a project that is
20 approved by the Department of Natural Resources and the
21 National Park Service ~~Historic Preservation Agency~~ as being
22 consistent with the United States Secretary of the Interior's
23 Standards for Rehabilitation ~~standards in effect on the~~
24 ~~effective date of this amendatory Act of the 97th General~~
25 ~~Assembly for rehabilitation as adopted by the federal Secretary~~
26 ~~of the Interior.~~

1 "Qualified taxpayer" means the owner of the qualified
2 historic structure or any other person who qualifies for the
3 federal rehabilitation credit allowed by Section 47 of the
4 federal Internal Revenue Code with respect to that qualified
5 historic structure. Partners, shareholders of subchapter S
6 corporations, and owners of limited liability companies (if the
7 limited liability company is treated as a partnership for
8 purposes of federal and State income taxation) are entitled to
9 a credit under this Section to be determined in accordance with
10 the determination of income and distributive share of income
11 under Sections 702 and 703 and subchapter S of the Internal
12 Revenue Code, provided that credits granted to a partnership, a
13 limited liability company taxed as a partnership, or other
14 multiple owners of property shall be passed through to the
15 partners, members, or owners respectively on a pro rata basis
16 or pursuant to an executed agreement among the partners,
17 members, or owners documenting any alternate distribution
18 method.

19 (Source: P.A. 99-914, eff. 12-20-16; 100-236, eff. 8-18-17.)

20 (35 ILCS 5/227 new)

21 Sec. 227. Historic preservation credit. For tax years
22 beginning on or after January 1, 2019 and ending on or before
23 December 31, 2023, a taxpayer who qualifies for a credit under
24 the Historic Preservation Tax Credit Act is entitled to a
25 credit against the taxes imposed under subsections (a) and (b)

1 of Section 201 of this Act as provided in that Act. If the
2 taxpayer is a partnership or Subchapter S corporation, the
3 credit shall be allowed to the partners or shareholders in
4 accordance with the determination of income and distributive
5 share of income under Sections 702 and 704 and Subchapter S of
6 the Internal Revenue Code. If the amount of any tax credit
7 awarded under this Section exceeds the qualified taxpayer's
8 income tax liability for the year in which the qualified
9 rehabilitation plan was placed in service, the excess amount
10 may be carried forward as provided in the Historic Preservation
11 Tax Credit Act.

12 Section 905. The Prevailing Wage Act is amended by changing
13 Section 2 as follows:

14 (820 ILCS 130/2) (from Ch. 48, par. 39s-2)

15 Sec. 2. This Act applies to the wages of laborers,
16 mechanics and other workers employed in any public works, as
17 hereinafter defined, by any public body and to anyone under
18 contracts for public works. This includes any maintenance,
19 repair, assembly, or disassembly work performed on equipment
20 whether owned, leased, or rented.

21 As used in this Act, unless the context indicates
22 otherwise:

23 "Public works" means all fixed works constructed or
24 demolished by any public body, or paid for wholly or in part

1 out of public funds. "Public works" as defined herein includes
2 all projects financed in whole or in part with bonds, grants,
3 loans, or other funds made available by or through the State or
4 any of its political subdivisions, including but not limited
5 to: bonds issued under the Industrial Project Revenue Bond Act
6 (Article 11, Division 74 of the Illinois Municipal Code), the
7 Industrial Building Revenue Bond Act, the Illinois Finance
8 Authority Act, the Illinois Sports Facilities Authority Act, or
9 the Build Illinois Bond Act; loans or other funds made
10 available pursuant to the Build Illinois Act; loans or other
11 funds made available pursuant to the Riverfront Development
12 Fund under Section 10-15 of the River Edge Redevelopment Zone
13 Act; or funds from the Fund for Illinois' Future under Section
14 6z-47 of the State Finance Act, funds for school construction
15 under Section 5 of the General Obligation Bond Act, funds
16 authorized under Section 3 of the School Construction Bond Act,
17 funds for school infrastructure under Section 6z-45 of the
18 State Finance Act, and funds for transportation purposes under
19 Section 4 of the General Obligation Bond Act. "Public works"
20 also includes (i) all projects financed in whole or in part
21 with funds from the Department of Commerce and Economic
22 Opportunity under the Illinois Renewable Fuels Development
23 Program Act for which there is no project labor agreement; (ii)
24 all work performed pursuant to a public private agreement under
25 the Public Private Agreements for the Illiana Expressway Act or
26 the Public-Private Agreements for the South Suburban Airport

1 Act; and (iii) all projects undertaken under a public-private
2 agreement under the Public-Private Partnerships for
3 Transportation Act. "Public works" also includes all projects
4 at leased facility property used for airport purposes under
5 Section 35 of the Local Government Facility Lease Act. "Public
6 works" also includes the construction of a new wind power
7 facility by a business designated as a High Impact Business
8 under Section 5.5(a)(3)(E) of the Illinois Enterprise Zone Act.
9 "Public works" also includes projects for which a tax credit
10 has been awarded under the Historic Preservation Tax Credit
11 Act. "Public works" does not include work done directly by any
12 public utility company, whether or not done under public
13 supervision or direction, or paid for wholly or in part out of
14 public funds. "Public works" also includes any corrective
15 action performed pursuant to Title XVI of the Environmental
16 Protection Act for which payment from the Underground Storage
17 Tank Fund is requested. "Public works" does not include
18 projects undertaken by the owner at an owner-occupied
19 single-family residence or at an owner-occupied unit of a
20 multi-family residence. "Public works" does not include work
21 performed for soil and water conservation purposes on
22 agricultural lands, whether or not done under public
23 supervision or paid for wholly or in part out of public funds,
24 done directly by an owner or person who has legal control of
25 those lands.

26 "Construction" means all work on public works involving

1 laborers, workers or mechanics. This includes any maintenance,
2 repair, assembly, or disassembly work performed on equipment
3 whether owned, leased, or rented.

4 "Locality" means the county where the physical work upon
5 public works is performed, except (1) that if there is not
6 available in the county a sufficient number of competent
7 skilled laborers, workers and mechanics to construct the public
8 works efficiently and properly, "locality" includes any other
9 county nearest the one in which the work or construction is to
10 be performed and from which such persons may be obtained in
11 sufficient numbers to perform the work and (2) that, with
12 respect to contracts for highway work with the Department of
13 Transportation of this State, "locality" may at the discretion
14 of the Secretary of the Department of Transportation be
15 construed to include two or more adjacent counties from which
16 workers may be accessible for work on such construction.

17 "Public body" means the State or any officer, board or
18 commission of the State or any political subdivision or
19 department thereof, or any institution supported in whole or in
20 part by public funds, and includes every county, city, town,
21 village, township, school district, irrigation, utility,
22 reclamation improvement or other district and every other
23 political subdivision, district or municipality of the state
24 whether such political subdivision, municipality or district
25 operates under a special charter or not.

26 The terms "general prevailing rate of hourly wages",

1 "general prevailing rate of wages" or "prevailing rate of
2 wages" when used in this Act mean the hourly cash wages plus
3 annualized fringe benefits for training and apprenticeship
4 programs approved by the U.S. Department of Labor, Bureau of
5 Apprenticeship and Training, health and welfare, insurance,
6 vacations and pensions paid generally, in the locality in which
7 the work is being performed, to employees engaged in work of a
8 similar character on public works.

9 (Source: P.A. 97-502, eff. 8-23-11; 98-109, eff. 7-25-13;
10 98-482, eff. 1-1-14; 98-740, eff. 7-16-14; 98-756, eff.
11 7-16-14.)".