

HB4902



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB4902

Introduced 2/18/2020, by Rep. Joyce Mason

SYNOPSIS AS INTRODUCED:

35 ILCS 5/232 new

Amends the Illinois Income Tax Act. Creates an income tax credit in an amount equal to any investment made by the taxpayer during the taxable year for the installation or operation of an anaerobic digester. Effective immediately.

LRB101 17231 HLH 66635 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 adding
5 Section 232 as follows:

6 (35 ILCS 5/232 new)

7 Sec. 232. Anaerobic digester credit.

8 (a) For taxable years ending on or after December 31, 2020,
9 each taxpayer is entitled to a credit against the tax imposed
10 by subsections (a) and (b) of Section 201 in an amount equal to
11 any investment made by the taxpayer during the taxable year for
12 the installation or operation of an anaerobic digester.

13 (b) In no event shall a credit under this Section reduce
14 the taxpayer's liability to less than zero. If the amount of
15 the credit exceeds the tax liability for the year, the excess
16 may be carried forward and applied to the tax liability of the
17 5 taxable years following the excess credit year. The tax
18 credit shall be applied to the earliest year for which there is
19 a tax liability. If there are credits for more than one year
20 that are available to offset a liability, the earlier credit
21 shall be applied first.

22 (c) For partners, shareholders of Subchapter S
23 corporations, and members of limited liability companies, if

1 the liability company is treated as a partnership for purposes
2 of federal and State income taxation, there shall be allowed a
3 credit under this Section to be determined in accordance with
4 the determination of income and distributive share of income
5 under Sections 702 and 704 and Subchapter S of the Internal
6 Revenue Code.

7 (d) As used in this Section an "anaerobic digester" is a
8 sealed environment or facility where organic food waste is
9 broken down to produce methane and carbon dioxide for use as a
10 renewable energy source.

11 (e) This Section is exempt from the provisions of Section
12 250.

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.