



Sen. Toi W. Hutchinson

Filed: 3/21/2019

10100SB1515sam003

LRB101 08648 HLH 58048 a

1 AMENDMENT TO SENATE BILL 1515

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1515, AS AMENDED,  
3 by replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Illinois Income Tax Act is amended by  
6 changing Section 205 as follows:

7 (35 ILCS 5/205) (from Ch. 120, par. 2-205)

8 Sec. 205. Exempt organizations.

9 (a) Charitable, etc. organizations. For tax years  
10 beginning before January 1, 2019, the ~~The~~ base income of an  
11 organization which is exempt from the federal income tax by  
12 reason of the Internal Revenue Code shall not be determined  
13 under section 203 of this Act, but shall be its unrelated  
14 business taxable income as determined under section 512 of the  
15 Internal Revenue Code, without any deduction for the tax  
16 imposed by this Act. The standard exemption provided by section

1 204 of this Act shall not be allowed in determining the net  
2 income of an organization to which this subsection applies.

3 For tax years beginning on or after January 1, 2019, the  
4 base income of an organization which is exempt from the federal  
5 income tax by reason of the Internal Revenue Code shall not be  
6 determined under Section 203 of this Act, but shall be its  
7 unrelated business taxable income as determined under Section  
8 512 of the Internal Revenue Code, without regard to Section  
9 512(a)(7) of the Internal Revenue Code and without any  
10 deduction for the tax imposed by this Act. The standard  
11 exemption provided by Section 204 of this Act shall not be  
12 allowed in determining the net income of an organization to  
13 which this subsection applies. This exclusion is exempt from  
14 the provisions of Section 250.

15 (b) Partnerships. A partnership as such shall not be  
16 subject to the tax imposed by subsection 201 (a) and (b) of  
17 this Act, but shall be subject to the replacement tax imposed  
18 by subsection 201 (c) and (d) of this Act and shall compute its  
19 base income as described in subsection (d) of Section 203 of  
20 this Act. For taxable years ending on or after December 31,  
21 2004, an investment partnership, as defined in Section  
22 1501(a)(11.5) of this Act, shall not be subject to the tax  
23 imposed by subsections (c) and (d) of Section 201 of this Act.  
24 A partnership shall file such returns and other information at  
25 such time and in such manner as may be required under Article 5  
26 of this Act. The partners in a partnership shall be liable for

1 the replacement tax imposed by subsection 201 (c) and (d) of  
2 this Act on such partnership, to the extent such tax is not  
3 paid by the partnership, as provided under the laws of Illinois  
4 governing the liability of partners for the obligations of a  
5 partnership. Persons carrying on business as partners shall be  
6 liable for the tax imposed by subsection 201 (a) and (b) of  
7 this Act only in their separate or individual capacities.

8 (c) Subchapter S corporations. A Subchapter S corporation  
9 shall not be subject to the tax imposed by subsection 201 (a)  
10 and (b) of this Act but shall be subject to the replacement tax  
11 imposed by subsection 201 (c) and (d) of this Act and shall  
12 file such returns and other information at such time and in  
13 such manner as may be required under Article 5 of this Act.

14 (d) Combat zone, terrorist attack, and certain other  
15 deaths. An individual relieved from the federal income tax for  
16 any taxable year by reason of section 692 of the Internal  
17 Revenue Code shall not be subject to the tax imposed by this  
18 Act for such taxable year.

19 (e) Certain trusts. A common trust fund described in  
20 Section 584 of the Internal Revenue Code, and any other trust  
21 to the extent that the grantor is treated as the owner thereof  
22 under sections 671 through 678 of the Internal Revenue Code  
23 shall not be subject to the tax imposed by this Act.

24 (f) Certain business activities. A person not otherwise  
25 subject to the tax imposed by this Act shall not become subject  
26 to the tax imposed by this Act by reason of:

1           (1) that person's ownership of tangible personal  
2 property located at the premises of a printer in this State  
3 with which the person has contracted for printing, or

4           (2) activities of the person's employees or agents  
5 located solely at the premises of a printer and related to  
6 quality control, distribution, or printing services  
7 performed by a printer in the State with which the person  
8 has contracted for printing.

9           (g) A nonprofit risk organization that holds a certificate  
10 of authority under Article VIID of the Illinois Insurance Code  
11 is exempt from the tax imposed under this Act with respect to  
12 its activities or operations in furtherance of the powers  
13 conferred upon it under that Article VIID of the Illinois  
14 Insurance Code.

15           (Source: P.A. 97-507, eff. 8-23-11.)

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