

# SB2434



## 101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB2434

Introduced 1/15/2020, by

### SYNOPSIS AS INTRODUCED:

35 ILCS 5/210.5

Amends the Illinois Income Tax Act. Makes a technical change in a Section concerning tax credits for providing child care for employees.

LRB101 15792 HLH 65147 b

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  
5 changing Section 210.5 as follows:

6 (35 ILCS 5/210.5)

7 Sec. 210.5. Tax credit for employee child care.

8 (a) Each corporate taxpayer is entitled to a credit against  
9 ~~the~~ the tax imposed by subsections (a) and (b) of Section 201  
10 in an amount equal to (i) for taxable years ending on or after  
11 December 31, 2000 and on or before December 31, 2004 and for  
12 taxable years ending on or after December 31, 2007, 30% of the  
13 start-up costs expended by the corporate taxpayer to provide a  
14 child care facility for the children of its employees and (ii)  
15 for taxable years ending on or after December 31, 2000, 5% of  
16 the annual amount paid by the corporate taxpayer in providing  
17 the child care facility for the children of its employees. The  
18 provisions of Section 250 do not apply to the credits allowed  
19 under this Section. If the 5% credit authorized under item (ii)  
20 of this subsection is claimed, the 5% credit authorized under  
21 Section 210 cannot also be claimed.

22 To receive the tax credit under this Section a corporate  
23 taxpayer may either independently provide and operate a child

1 care facility for the children of its employees or it may join  
2 in a partnership with one or more other corporations to jointly  
3 provide and operate a child care facility for the children of  
4 employees of the corporations in the partnership.

5 (b) The tax credit may not reduce the taxpayer's liability  
6 to less than zero. If the amount of the tax credit exceeds the  
7 tax liability for the year, the excess may be carried forward  
8 and applied to the tax liability of the 5 taxable years  
9 following the excess credit year. The credit must be applied to  
10 the earliest year for which there is a tax liability. If there  
11 are credits from more than one tax year that are available to  
12 offset a liability, then the earlier credit must be applied  
13 first.

14 (c) As used in this Section, "start-up costs" means  
15 planning, site-preparation, construction, renovation, or  
16 acquisition of a child care facility. As used in this Section,  
17 "child care facility" is limited to a child care facility  
18 located in Illinois.

19 (d) A corporate taxpayer claiming the credit provided by  
20 this Section shall maintain and record such information as the  
21 Department may require by rule regarding the child care  
22 facility for which the credit is claimed.

23 (Source: P.A. 95-648, eff. 10-11-07.)