



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB0675

Introduced 2/8/2021, by Rep. Lance Yednock

SYNOPSIS AS INTRODUCED:

35 ILCS 5/232 new

Amends the Illinois Income Tax Act. Creates an income tax credit in an amount equal to 20%, but in no event to exceed \$2,000, of the gross wages paid by the taxpayer during the taxable year to each creditable employee. Provides that a "creditable employee" is an employee who: (1) was employed by the taxpayer for the first time on or after the effective date of the amendatory Act; (2) completed his or her twenty-fourth consecutive month of employment with the taxpayer during the taxable year; (3) received unemployment benefits in this State for at least 2 months immediately prior to being hired by the taxpayer; and (4) was employed at a location in this State for at least 30 hours per week during the entire 24-month period of his or her employment with the taxpayer. Effective immediately.

LRB102 03905 HLH 13920 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
5 adding Section 232 as follows:

6 (35 ILCS 5/232 new)

7 Sec. 232. Jobs development incentive tax credit.

8 (a) As used in this Section:

9 "Creditable employee" means an employee of the taxpayer
10 who meets all of the following criteria:

11 (1) he or she was employed by the taxpayer for the
12 first time on or after the effective date of this
13 amendatory Act of the 102nd General Assembly;

14 (2) he or she completed his or her twenty-fourth
15 consecutive month of employment with the taxpayer during
16 the taxable year;

17 (3) he or she received unemployment benefits in this
18 State for at least 2 months immediately prior to being
19 hired by the taxpayer; and

20 (4) he or she was employed at a location in this State
21 for at least 30 hours per week during the entire 24-month
22 period of his or her employment with the taxpayer.

23 (b) A taxpayer is entitled to a credit against the taxes

1 imposed by subsections (a) and (b) of Section 201 in an amount
2 equal to 20%, but in no event to exceed \$2,000, of the gross
3 wages paid by the taxpayer during the taxable year to each
4 creditable employee.

5 (c) If the taxpayer is a partnership, subchapter S
6 corporation, or limited liability company with pass-through
7 tax treatment, the credit shall be allowed to the partners,
8 shareholders, or members in accordance with the determination
9 of income and distributive share of income under Sections 702
10 and 704 and subchapter S of the Internal Revenue Code.

11 (d) The credit may not be carried back and may not reduce
12 the taxpayer's liability to less than zero. If the amount of
13 the credit exceeds the tax liability for the year, the excess
14 may be carried forward and applied to the tax liability of the
15 5 taxable years following the excess credit year. The tax
16 credit shall be applied to the earliest year for which there is
17 a tax liability. If there are credits for more than one year
18 that are available to offset the liability, the earlier credit
19 shall be applied first.

20 (e) This Section is exempt from the provisions of Section
21 250.

22 Section 99. Effective date. This Act takes effect upon
23 becoming law.