

HB0686



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB0686

Introduced 2/8/2021, 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.

LRB102 04122 HLH 14139 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. Anaerobic digester credit.

8 (a) For taxable years ending on or after December 31,
9 2021, each taxpayer is entitled to a credit against the tax
10 imposed by subsections (a) and (b) of Section 201 in an amount
11 equal to any investment made by the taxpayer during the
12 taxable year for the installation or operation of an anaerobic
13 digester.

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

23 (c) For partners, shareholders of Subchapter S

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

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

12 (e) This Section is exempt from the provisions of Section
13 250.

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