

HB3981



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB3981

Introduced 3/4/2021, by Rep. Lance Yednock

SYNOPSIS AS INTRODUCED:

35 ILCS 5/232 new

Amends the Illinois Income Tax Act. Creates an income tax credit for taxpayers who are caregivers of a veteran with a disability. Provides that the credit shall be in an amount equal to 5% of the costs incurred in caring for the veteran, not to exceed \$1,000 in credits in any taxable year. Effective immediately.

LRB102 10035 HLH 15355 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. Caregiver credit.

8 (a) For taxable years ending on or after December 31,
9 2021, each taxpayer who is an eligible caregiver of a veteran
10 with a disability is entitled to a credit against the tax
11 imposed by subsections (a) and (b) of Section 201 in an amount
12 equal to 5% of the costs incurred in caring for the veteran,
13 not to exceed \$1,000 in credits in any taxable year.

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

23 (c) As used in this Section:

1 "Costs incurred" means, but is not limited to:
2 expenditures for respite care; expenditures for counseling or
3 support groups; training related to caring for a veteran with
4 disability; travel costs; technology that assists in providing
5 care; and expenditures for medical and hygiene items used by
6 the veteran.

7 "Eligible caregiver" means a family member or paid worker
8 who provides care for a qualified veteran with a disability
9 and assists with performing the activities of daily life.

10 "Veteran" means an Illinois resident who has served as a
11 member of the United States Armed Forces on active duty or
12 State active duty, a member of the Illinois National Guard, or
13 a member of the United States Reserve Forces who has received
14 an honorable discharge.

15 "Veteran with a disability" means a veteran with a
16 service-connected disability, as certified by the United
17 States Department of Veterans Affairs.

18 (d) This Section is exempt from the provisions of Section
19 250.

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.