



## 102ND GENERAL ASSEMBLY

### State of Illinois

2021 and 2022

HB4214

Introduced 1/5/2022, by Rep. Dave Vella

#### SYNOPSIS AS INTRODUCED:

35 ILCS 5/232 new

Amends the Illinois Income Tax Act. Creates an income tax credit for hospitality employers, for taxable years that begin on or after January 1, 2022 and begin prior to January 1, 2023, in an amount equal to 100% of the amount paid by the taxpayer to provide vision and dental benefits, life insurance, and short term disability coverage for its employees during the taxable year. Effective immediately.

LRB102 20716 HLH 30415 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. Credit for vision and dental benefits.

8 (a) For taxable years that begin on or after January 1,  
9 2022 and begin prior to January 1, 2023, each taxpayer that is  
10 a hospitality employer is entitled to a credit against the tax  
11 imposed by subsections (a) and (b) of Section 201 in an amount  
12 equal to 100% of the amount paid by the taxpayer to provide  
13 vision and dental benefits, life insurance, and short term  
14 disability coverage for its employees during the taxable year.

15 (b) For partners, shareholders of Subchapter S  
16 corporations, and owners of limited liability companies, if  
17 the limited liability company is treated as a partnership for  
18 the purposes of federal and State income taxation, there shall  
19 be allowed a credit under this Section to be determined in  
20 accordance with the determination of income and distributive  
21 share of income under Sections 702 and 704 and Subchapter S of  
22 the Internal Revenue Code.

23 (d) In no event shall a credit under this Section reduce

1 the taxpayer's liability to less than zero. If the amount of  
2 the credit exceeds the tax liability for the year, the excess  
3 may be carried forward and applied to the tax liability of the  
4 5 taxable years following the excess credit year. The tax  
5 credit shall be applied to the earliest year for which there is  
6 a tax liability. If there are credits for more than one year  
7 that are available to offset a liability, the earlier credit  
8 shall be applied first.

9 (e) As used in this Section, "hospitality employer" means  
10 a business with a North American Industry Classification  
11 System (NAICS) Code 71 or 72 (leisure and hospitality).

12 Section 99. Effective date. This Act takes effect upon  
13 becoming law.