



Rep. Katie Stuart

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10200HB4223ham001

LRB102 21304 HLH 35627 a

1 AMENDMENT TO HOUSE BILL 4223

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 4223 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Income Tax Act is amended by  
5 adding Section 217.2 as follows:

6 (35 ILCS 5/217.2 new)

7 Sec. 217.2. Credit for wages paid to qualified veterans  
8 and spouses of qualified veterans.

9 (a) For each taxable year that begins on or after January  
10 1, 2023 and begins prior to January 1, 2028, each taxpayer is  
11 entitled to a credit against the tax imposed by subsections  
12 (a) and (b) of Section 201 of this Act in an amount equal to  
13 10%, but in no event to exceed \$1,200, of the gross wages paid  
14 by the taxpayer to a qualified veteran or the spouse of a  
15 qualified veteran in the course of that veteran's or spouse's  
16 sustained employment during the taxable year. For partners,

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

8 (b) For purposes of this Section:

9 "Active duty member of the United States Armed Forces"  
10 means a member of the Armed Services or Reserve Forces of the  
11 United States or a member of the Illinois National Guard who is  
12 called to active duty pursuant to an executive order of the  
13 President of the United States, an act of the Congress of the  
14 United States, or an order of the Governor.

15 "Qualified veteran" means an Illinois resident who is an  
16 active duty member of the United States Armed Forces or who  
17 meets the following criteria: (i) the person was a member of  
18 the Armed Forces of the United States, a member of the Illinois  
19 National Guard, or a member of any reserve component of the  
20 Armed Forces of the United States; (ii) the person served on  
21 active duty in connection with Operation Desert Storm,  
22 Operation Enduring Freedom, or Operation Iraqi Freedom; (iii)  
23 the person has provided, to the taxpayer, documentation  
24 showing that he or she was honorably discharged; and (iv) the  
25 person was initially hired by the taxpayer on or after January  
26 1, 2023.

1       "Sustained employment" means a period of employment that  
2       is not less than 185 days during the taxable year.

3       (c) In no event shall a credit under this Section reduce  
4       the taxpayer's liability to less than zero. If the amount of  
5       the credit exceeds the tax liability for the year, the excess  
6       may be carried forward and applied to the tax liability of the  
7       5 taxable years following the excess credit year. The tax  
8       credit shall be applied to the earliest year for which there is  
9       a tax liability. If there are credits for more than one year  
10       that are available to offset a liability, the earlier credit  
11       shall be applied first.

12       (d) A taxpayer who claims a credit under this Section for a  
13       taxable year with respect to a veteran shall not be allowed a  
14       credit under Section 217.1 of this Act with respect to the same  
15       veteran for that taxable year.

16       (35 ILCS 5/217 rep.)

17       Section 10. The Illinois Income Tax Act is amended by  
18       repealing Section 217.

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