



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB5135

Introduced 1/27/2022, by Rep. Aaron M. Ortiz

SYNOPSIS AS INTRODUCED:

35 ILCS 5/232 new

Amends the Illinois Income Tax Act. Creates a child and dependent care credit equal to a percentage of the child and dependent care credit allowed to the taxpayer for federal income tax purposes under Section 21 of the Internal Revenue Code. Effective immediately.

LRB102 25183 HLH 34447 b

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. Child and dependent care credit.

8 (a) For taxable years beginning on or after January 1,
9 2023, each taxpayer with a federal adjusted gross income of
10 less than \$45,000 is entitled to a credit against the tax
11 imposed under subsections (a) and (b) of Section 201 equal to a
12 percentage of the child and dependent care credit allowed to
13 the taxpayer for federal income tax purposes under Section 21
14 of the Internal Revenue Code. For the following federal
15 adjusted gross income ranges, the taxpayer's credit shall be
16 the percentage of the federal credit allowed to the taxpayer
17 for federal income tax purposes under Section 21 of the
18 Internal Revenue Code indicated:

19 Less than \$10,000, 75%.

20 \$10,000 or more, but less than \$20,000, 65%.

21 \$20,000 or more, but less than \$25,000, 55%.

22 \$25,000 or more, but less than \$35,000, 50%.

23 \$35,000 or more, but less than \$40,000, 40%.

1 \$40,000 or more, but less than \$45,000, 30%.

2 (b) The credit under this Section may not reduce the
3 taxpayer's liability to less than zero. If the amount of the
4 credit or credits exceeds the taxpayer's liability, the excess
5 may be refunded to the taxpayer.

6 (c) This Section is exempt from the provisions of Section
7 250.

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.