



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB5569

Introduced 1/31/2022, by Rep. Maurice A. West, II

SYNOPSIS AS INTRODUCED:

35 ILCS 5/232 new

Amends the Illinois Income Tax Act. Creates a credit for taxpayers that make an eligible donation to a certified home improvement provider in an amount equal to 75% of the amount donated to that certified home improvement provider. Provides that a certified home improvement provider is a local agency, community organization, or community development corporation that (i) specializes in the area of housing improvement, (ii) targets underserved communities that meet the definition of a qualified census tract under Section 42 of the Internal Revenue Code, and (iii) has been approved to issue certificates of receipt for credits by the Illinois Housing Development Authority. Effective immediately.

LRB102 22294 HLH 31427 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. Donations to certified home improvement
8 providers.

9 (a) For taxable years beginning on or after January 1,
10 2023, each taxpayer that makes an eligible donation to a
11 certified home improvement provider is entitled to a credit
12 against the tax imposed by subsections (a) and (b) of Section
13 201 in an amount equal to 75% of the amount donated to that
14 certified home improvement provider. Certified home
15 improvement providers are not eligible to make donations under
16 this Section to themselves or to any other certified home
17 improvement providers.

18 (b) Each prospective certified home improvement provider
19 shall submit an application to the Authority for approval to
20 issue certificates of receipt for credits under this Section
21 in the form and manner prescribed by the Authority. The
22 Authority shall review and either approve or deny each
23 application to issue certificates of receipt pursuant to this

1 Section. Approval or denial of an application shall be made on
2 a periodic basis. Applicants shall be notified of the
3 Authority's determination within 30 business days after the
4 application is received.

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

14 (d) As used in this Section:

15 "Authority" means the Illinois Housing Development
16 Authority.

17 "Certified home improvement provider" means a local
18 agency, community organization, or community development
19 corporation that (i) specializes in the area of housing
20 improvement, (ii) targets underserved communities that meet
21 the definition of a qualified census tract under Section 42 of
22 the Internal Revenue Code, and (iii) has been approved to
23 issue certificates of receipt for credits under this Section
24 by the Illinois Housing Development Authority.

25 (e) This Section is exempt from the provisions of Section
26 250.

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.