

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 changing Section 214 as follows:

6 (35 ILCS 5/214)

7 Sec. 214. Tax credit for affordable housing donations.

8 (a) Beginning with taxable years ending on or after
9 December 31, 2001 and until the taxable year ending on
10 December 31, 2026 ~~December 31, 2021~~, a taxpayer who makes a
11 donation under Section 7.28 of the Illinois Housing
12 Development Act is entitled to a credit against the tax
13 imposed by subsections (a) and (b) of Section 201 in an amount
14 equal to 50% of the value of the donation. Partners,
15 shareholders of subchapter S corporations, and owners of
16 limited liability companies (if the limited liability company
17 is treated as a partnership for purposes of federal and State
18 income taxation) are entitled to a credit under this Section
19 to be determined in accordance with the determination of
20 income and distributive share of income under Sections 702 and
21 703 and subchapter S of the Internal Revenue Code. Persons or
22 entities not subject to the tax imposed by subsections (a) and
23 (b) of Section 201 and who make a donation under Section 7.28

1 of the Illinois Housing Development Act are entitled to a
2 credit as described in this subsection and may transfer that
3 credit as described in subsection (c).

4 (b) If the amount of the credit exceeds the tax liability
5 for the year, the excess may be carried forward and applied to
6 the tax liability of the 5 taxable years following the excess
7 credit year. The tax credit shall be applied to the earliest
8 year for which there is a tax liability. If there are credits
9 for more than one year that are available to offset a
10 liability, the earlier credit shall be applied first.

11 (c) The transfer of the tax credit allowed under this
12 Section may be made (i) to the purchaser of land that has been
13 designated solely for affordable housing projects in
14 accordance with the Illinois Housing Development Act or (ii)
15 to another donor who has also made a donation in accordance
16 with Section 7.28 of the Illinois Housing Development Act.

17 (d) A taxpayer claiming the credit provided by this
18 Section must maintain and record any information that the
19 Department may require by regulation regarding the project for
20 which the credit is claimed. When claiming the credit provided
21 by this Section, the taxpayer must provide information
22 regarding the taxpayer's donation to the project under the
23 Illinois Housing Development Act.

24 (Source: P.A. 99-915, eff. 12-20-16.)

25 Section 99. Effective date. This Act takes effect upon
26 becoming law.