

HB1257



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB1257

Introduced 1/31/2023, by Rep. Joe C. Sosnowski - Adam M. Niemerg and Travis Weaver

SYNOPSIS AS INTRODUCED:

35 ILCS 40/10

Amends the Invest in Kids Act. Provides that, for taxable years beginning on or after January 1, 2023, the credit shall be equal to 100% (rather than 75%) of the total amount of qualified contributions made by the taxpayer during the taxable year, not to exceed a credit of \$1,000,000 per taxpayer. Effective immediately.

LRB103 05310 SPS 50328 b

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 Invest in Kids Act is amended by changing
5 Section 10 as follows:

6 (35 ILCS 40/10)

7 (Section scheduled to be repealed on January 1, 2025)

8 Sec. 10. Credit awards.

9 (a) The Department shall award credits against the tax
10 imposed under subsections (a) and (b) of Section 201 of the
11 Illinois Income Tax Act to taxpayers who make qualified
12 contributions. For taxable years ending on or before December
13 31, 2022, for ~~For~~ contributions made under this Act, the
14 credit shall be equal to 75% of the total amount of qualified
15 contributions made by the taxpayer during a taxable year, not
16 to exceed a credit of \$1,000,000 per taxpayer. For taxable
17 years beginning on or after January 1, 2023, for contributions
18 made under this Act, the credit shall be equal to 100% of the
19 total amount of qualified contributions made by the taxpayer
20 during a taxable year, not to exceed a credit of \$1,000,000 per
21 taxpayer.

22 (b) The aggregate amount of all credits the Department may
23 award under this Act in any calendar year may not exceed

1 \$75,000,000.

2 (c) Contributions made by corporations (including
3 Subchapter S corporations), partnerships, and trusts under
4 this Act may not be directed to a particular subset of schools,
5 a particular school, a particular group of students, or a
6 particular student. Contributions made by individuals under
7 this Act may be directed to a particular subset of schools or a
8 particular school but may not be directed to a particular
9 group of students or a particular student.

10 (d) No credit shall be taken under this Act for any
11 qualified contribution for which the taxpayer claims a federal
12 income tax deduction.

13 (e) Credits shall be awarded in a manner, as determined by
14 the Department, that is geographically proportionate to
15 enrollment in recognized non-public schools in Illinois. If
16 the cap on the aggregate credits that may be awarded by the
17 Department is not reached by June 1 of a given year, the
18 Department shall award remaining credits on a first-come,
19 first-served basis, without regard to the limitation of this
20 subsection.

21 (f) Credits awarded for donations made to a technical
22 academy shall be awarded without regard to subsection (e), but
23 shall not exceed 15% of the annual statewide program cap. For
24 the purposes of this subsection, "technical academy" means a
25 technical academy that is registered with the Board within 30
26 days after the effective date of this amendatory Act of the

1 102nd General Assembly.

2 (Source: P.A. 102-16, eff. 6-17-21.)

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.