

# HB4858



## 103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

**HB4858**

Introduced 2/7/2024, by Rep. Mark L. Walker

### SYNOPSIS AS INTRODUCED:

35 ILCS 5/241 new

Amends the Illinois Income Tax Act. Provides that a qualified taxpayer who has annual student loan repayment expenses is eligible for an income tax credit equal to the taxpayer's student loan repayment expenses for the taxable year, but not to exceed \$3,000 per taxpayer. Effective immediately.

LRB103 35970 HLH 66057 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 Illinois Income Tax Act is amended by  
5 adding Section 241 as follows:

6 (35 ILCS 5/241 new)

7 Sec. 241. Student loan repayment credit.

8 (a) For taxable years beginning on or after January 1,  
9 2024, a qualified taxpayer may apply to the Department for a  
10 credit against the tax imposed by subsections (a) and (b) of  
11 Section 201. The amount of the credit shall be equal to the  
12 taxpayer's student loan repayment expenses for the taxable  
13 year, but not to exceed \$3,000 per taxpayer in any taxable  
14 year.

15 (b) In no event shall a credit under this Section reduce  
16 the taxpayer's liability to less than zero. If the amount of  
17 the credit exceeds the tax liability for the year, the excess  
18 may be carried forward and applied to the tax liability of the  
19 5 taxable years following the excess credit year. The tax  
20 credit shall be applied to the earliest year for which there is  
21 a tax liability. If there are credits for more than one year  
22 that are available to offset a liability, the earlier credit  
23 shall be applied first.

1       (c) As used in this Section, "qualified taxpayer" means a  
2       taxpayer who (i) has an associate degree, a Bachelor's degree,  
3       or a graduate degree from an institution of higher education  
4       accredited by the U.S. Department of Education and (ii) has  
5       annual student loan repayment expenses.

6       Section 99. Effective date. This Act takes effect upon  
7       becoming law.