



Rep. Curtis J. Tarver, II

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10300HB5612ham002

LRB103 37452 HLH 72651 a

1 AMENDMENT TO HOUSE BILL 5612

2 AMENDMENT NO. _____. Amend House Bill 5612 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Income Tax Act is amended by
5 changing Section 213 as follows:

6 (35 ILCS 5/213)

7 Sec. 213. Film production services credit.

8 (a) For tax years beginning on or after January 1, 2004, a
9 taxpayer who has been awarded a tax credit under the Film
10 Production Services Tax Credit Act or under the Film
11 Production Services Tax Credit Act of 2008 is entitled to a
12 credit against the taxes imposed under subsections (a) and (b)
13 of Section 201 of this Act in an amount determined by the
14 Department of Commerce and Economic Opportunity under those
15 Acts. If the taxpayer is a partnership or Subchapter S
16 corporation, the credit is allowed to the partners or

1 shareholders in accordance with the determination of income
2 and distributive share of income under Sections 702 and 704
3 and Subchapter S of the Internal Revenue Code.

4 (b) Beginning July 1, 2024, taxpayers who have been
5 awarded a tax credit under the Film Production Services Tax
6 Credit Act of 2008 shall pay to the Department of Commerce and
7 Economic Opportunity, after determination of the tax credit
8 amount but prior to the issuance of a tax credit certificate
9 pursuant to Section 35 of the Film Production Services Tax
10 Credit Act of 2008, a fee equal to 2.5% of the credit amount
11 awarded to the taxpayer under the Film Production Services Tax
12 Credit Act of 2008 that is attributable to wages paid to
13 nonresidents, as described in Section 10 of the Film
14 Production Services Tax Credit Act of 2008, and an additional
15 fee equal to 0.25% of the amount generated by subtracting the
16 credit amount awarded to the taxpayer under the Film
17 Production Services Tax Credit Act of 2008 that is
18 attributable to wages paid to nonresidents from the total
19 credit amount awarded to the taxpayer under that Act. All fees
20 collected under this subsection shall be deposited into the
21 Illinois Production Workforce Development Fund. No tax credit
22 certificate shall be issued by the Department of Commerce and
23 Economic Opportunity until the total fees owed according to
24 this subsection have been received by the Department of
25 Commerce and Economic Opportunity.

26 (c) A transfer of this credit may be made by the taxpayer

1 earning the credit within one year after the credit is awarded
2 in accordance with rules adopted by the Department of Commerce
3 and Economic Opportunity. Beginning July 1, 2023 and through
4 June 30, 2024, if a credit is transferred under this Section by
5 the taxpayer, then the transferor taxpayer shall pay to the
6 Department of Commerce and Economic Opportunity, upon
7 notification of a transfer, a fee equal to 2.5% of the
8 transferred credit amount eligible for nonresident wages, as
9 described in Section 10 of the Film Production Services Tax
10 Credit Act of 2008, and an additional fee of 0.25% of the total
11 amount of the transferred credit that is not calculated on
12 nonresident wages, which shall be deposited into the Illinois
13 Production Workforce Development Fund.

14 (d) The Department, in cooperation with the Department of
15 Commerce and Economic Opportunity, must prescribe rules to
16 enforce and administer the provisions of this Section. This
17 Section is exempt from the provisions of Section 250 of this
18 Act.

19 (e) The credit may not be carried back. If the amount of
20 the credit exceeds the tax liability for the year, the excess
21 may be carried forward and applied to the tax liability of the
22 5 taxable years following the excess credit year. The credit
23 shall be applied to the earliest year for which there is a tax
24 liability. If there are credits from more than one tax year
25 that are available to offset a liability, the earlier credit
26 shall be applied first. In no event shall a credit under this

1 Section reduce the taxpayer's liability to less than zero.

2 (Source: P.A. 102-700, eff. 4-19-22.)

3 Section 10. The Film Production Services Tax Credit Act of
4 2008 is amended by changing Section 46 as follows:

5 (35 ILCS 16/46)

6 Sec. 46. Illinois Production Workforce Development Fund.

7 (a) The Illinois Production Workforce Development Fund is
8 created as a special fund in the State Treasury. Beginning
9 July 1, 2023 ~~July 1, 2022~~, amounts paid to the Department of
10 Commerce and Economic Opportunity pursuant to Section 213 of
11 the Illinois Income Tax Act shall be deposited into the Fund.
12 The Fund shall be used exclusively to provide grants to
13 community-based organizations, labor organizations, private
14 and public universities, community colleges, and other
15 organizations and institutions that may be deemed appropriate
16 by the Department to administer workforce training programs
17 that support efforts to recruit, hire, promote, retain,
18 develop, and train a diverse and inclusive workforce in the
19 film industry.

20 (b) Pursuant to Section 213 of the Illinois Income Tax
21 Act, taxpayers who have been awarded a tax credit under this
22 Act shall pay to the Department of Commerce and Economic
23 Opportunity, after determination of the tax credit amount but
24 prior to the issuance of a tax credit certificate, a fee equal

1 to 2.5% of the credit amount awarded to the taxpayer under the
2 Film Production Services Tax Credit Act of 2008 that is
3 attributable to wages paid to nonresidents, as described in
4 Section 10 of the Film Production Services Tax Credit Act of
5 2008, and an additional fee equal to 0.25% of the amount
6 generated by subtracting the credit amount awarded to the
7 taxpayer under the Film Production Services Tax Credit Act of
8 2008 that is attributable to wages paid to nonresidents from
9 the total credit amount awarded to the taxpayer under that
10 Act. All fees collected under this subsection shall be
11 deposited into the Illinois Production Workforce Development
12 Fund. No tax credit certificate shall be issued by the
13 Department of Commerce and Economic Opportunity until the
14 total fees owed according to this subsection have been
15 received by the Department of Commerce and Economic
16 Opportunity. ~~the Fund shall receive deposits in amounts not to~~
17 ~~exceed 0.25% of the amount of each credit certificate issued~~
18 ~~that is not calculated on out of state wages and transferred~~
19 ~~or claimed on an Illinois tax return in the quarter such credit~~
20 ~~was transferred or claimed. In addition, such amount shall~~
21 ~~also include 2.5% of the credit amount calculated on wages~~
22 ~~paid to nonresidents that is transferred or claimed on an~~
23 ~~Illinois tax return in the quarter such credit was transferred~~
24 ~~or claimed.~~

25 (c) At the request of the Department, the State
26 Comptroller and the State Treasurer may advance amounts to the

1 Fund on an annual basis not to exceed \$1,000,000 in any fiscal
2 year. The fund from which the moneys are advanced shall be
3 reimbursed in the same fiscal year for any such advance
4 payments as described in this Section. The method of
5 reimbursement shall be set forth in rules.

6 (d) Of the appropriated funds in a given fiscal year, 50%
7 of the appropriated funds shall be reserved for organizations
8 that meet one of the following criteria. The organization is:

9 (1) a minority-owned business, as defined by the Business
10 Enterprise for Minorities, Women, and Persons with
11 Disabilities Act; (2) located in an underserved area, as
12 defined by the Economic Development for a Growing Economy Tax
13 Credit Act; or (3) on an annual basis, training a cohort of
14 program participants where at least 50% of the program
15 participants are either a minority person, as defined by the
16 Business Enterprise for Minorities, Women, and Persons with
17 Disabilities Act, or reside in an underserved area, as defined
18 by the Economic Development for a Growing Economy Tax Credit
19 Act.

20 (e) The Illinois Production Workforce Development Fund
21 shall be administered by the Department. The Department may
22 adopt rules necessary to administer the provisions of this
23 Section.

24 (f) Notwithstanding any other law to the contrary, the
25 Illinois Production Workforce Development Fund is not subject
26 to sweeps, administrative charge-backs, or any other fiscal or

1 budgetary maneuver that would in any way transfer any amounts
2 from the Illinois Production Workforce Development Fund.

3 (g) By June 30 of each fiscal year, the Department must
4 submit to the General Assembly a report that includes the
5 following information: (1) an identification of the
6 organizations and institutions that received funding to
7 administer workforce training programs during the fiscal year;
8 (2) the number of total persons trained and the number of
9 persons trained per workforce training program in the fiscal
10 year; and (3) in the aggregate, per organization, the number
11 of persons identified as a minority person or that reside in an
12 underserved area that received training in the fiscal year.
13 (Source: P.A. 102-700, eff. 4-19-22.)

14 Section 99. Effective date. This Act takes effect July 1,
15 2024."