

SB1583



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB1583

Introduced 2/8/2023, by Sen. Tom Bennett

SYNOPSIS AS INTRODUCED:

35 ILCS 5/234 new

Amends the Illinois Income Tax Act. Creates a credit in an amount equal to 10% of the stipend or salary paid by the taxpayer to up to (i) 5 qualified college interns or (ii) 5 qualified high school interns during the taxable year. Provides that no taxpayer may claim more than \$5,000 in total credits under that Section for all taxable years combined. Provides that the credit is exempt from the Act's automatic sunset provision. Effective immediately.

LRB103 27698 HLH 54075 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 234 as follows:

6 (35 ILCS 5/234 new)

7 Sec. 234. Credit for internship employment.

8 (a) For each taxable year ending on or after December 31,
9 2023, each taxpayer is entitled to a credit against the tax
10 imposed by subsections (a) and (b) of Section 201 of this Act
11 in an amount equal to 10% of the stipend or salary paid by the
12 taxpayer to up to (i) 5 qualified college interns or (ii) 5
13 qualified high school interns during the taxable year. No
14 taxpayer may claim more than \$5,000 in total credits under
15 this Section for all taxable years combined. For partners,
16 shareholders of Subchapter S corporations, and owners of
17 limited liability companies, if the liability company is
18 treated as a partnership for purposes of federal and State
19 income taxation, there shall be allowed a credit under this
20 Section to be determined in accordance with the determination
21 of income and distributive share of income under Sections 702
22 and 704 and Subchapter S of the Internal Revenue Code.

23 (b) For purposes of this Section:

1 "Qualified college intern" means a student (i) who is
2 enrolled at an Illinois institution of higher education or a
3 vocational technical education program and is seeking a degree
4 or certification of completion in a major field of study
5 closely related to the work experience performed for the
6 taxpayer, (ii) whose internship is taken for academic credit
7 or counts toward the completion of a vocational technical
8 education program, (iii) who is supervised and evaluated by
9 the taxpayer, and (iv) whose internship position is located in
10 Illinois.

11 "Qualified high school intern" means a student (i) who is
12 enrolled in an Illinois high school, (ii) whose internship is
13 taken for academic credit or counts toward the completion of
14 an education program, (iii) who is supervised and evaluated by
15 the taxpayer, and (iv) whose internship position is located in
16 Illinois.

17 (c) In no event shall a credit under this Section reduce
18 the taxpayer's liability to less than zero. If the amount of
19 the credit exceeds the taxpayer's liability for the taxable
20 year, the excess credit amounts may not be carried forward,
21 carried back, or refunded to the taxpayer.

22 (d) This Section is exempt from the provisions of Section
23 250.

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