

# SB2883



## 103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB2883

Introduced 1/24/2024, by Sen. Julie A. Morrison

### SYNOPSIS AS INTRODUCED:

35 ILCS 5/241 new

Amends the Illinois Income Tax Act. Creates an income tax credit for qualified businesses that install solar canopies or permeable surfaces in their parking areas during the taxable year. Effective immediately.

LRB103 38023 HLH 68155 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. Green parking tax credit.

8 (a) For taxable years beginning on or after January 1,  
9 2024 and beginning before January 1, 2029, each taxpayer that  
10 is a qualified business and that installs (i) solar canopies  
11 or (ii) a permeable surface of more than 100 square feet in its  
12 parking areas during the taxable year may apply to the  
13 Department for a credit against the taxes imposed by  
14 subsections (a) and (b) of Section 201 as provided in this  
15 Section. Only one credit may be awarded for any single  
16 contiguous parking area in any taxable year. If the taxpayer  
17 installs a permeable surface parking area, the amount of the  
18 credit shall be \$10 per square foot of parking surface area but  
19 not to exceed \$10,000 per taxpayer in any one taxable year. If  
20 the taxpayer installs solar canopies in a parking area, the  
21 amount of the credit shall be \$10 per kilowatt hour of energy  
22 produced by the solar canopies during the taxable year but not  
23 to exceed \$10,000 per taxpayer in any one taxable year. The

1 total amount of credits that may be awarded by the Department  
2 in any given taxable year shall not exceed \$10,000,000.

3 (b) In no event shall a credit under this Section reduce  
4 the taxpayer's liability to less than zero. If the amount of  
5 the credit exceeds the tax liability for the year, the excess  
6 may be carried forward and applied to the tax liability of the  
7 5 taxable years following the excess credit year. The tax  
8 credit shall be applied to the earliest year for which there is  
9 a tax liability. If there are credits for more than one year  
10 that are available to offset a liability, the earlier credit  
11 shall be applied first.

12 (c) Credits awarded under this Section to a partner or to a  
13 shareholder of a subchapter S corporation shall be calculated  
14 as provided in Section 251.

15 (d) In order to qualify for a tax credit award under this  
16 Act, the taxpayer must file an application, on forms  
17 prescribed by the Department, for each contiguous parking area  
18 for which the taxpayer seeks a tax credit under this Act. The  
19 application must provide information necessary to calculate  
20 the tax credit award and any additional information as  
21 reasonably required by the Department.

22 (e) Upon satisfactory review of the application, the  
23 Department shall issue a tax credit award certificate to the  
24 applicant stating the amount of the tax credit award to which  
25 the applicant is entitled for that tax year. The certificate  
26 must accompany the taxpayer's tax return for which the tax

1 credit is awarded in the manner required by the Department.

2 (f) As used in this Section,

3 "Apartment complex" means premises that consist of (i) at  
4 least one building that contains one or more residential  
5 apartments and (ii) an area that is connected to or is  
6 contiguous to the apartments and is used by occupants of the  
7 apartments or their guests as a means of access to and egress  
8 from the apartments or for the parking of motor vehicles of the  
9 occupants or their guests.

10 "Condominium complex" means the units, common elements,  
11 and limited common elements that are located on the parcel, as  
12 those terms are defined in Section 2 of the Condominium  
13 Property Act.

14 "Commercial or industrial facility" means premises  
15 containing at least one commercial or industrial facility in  
16 connection with which there is provided, on privately owned  
17 property near or contiguous to the premises, one or more areas  
18 of land that are used by the public as a means of access to and  
19 egress from the commercial or industrial facility and for the  
20 parking of motor vehicles of customers, patrons, and employees  
21 of the commercial or industrial facility.

22 "Parking area" means an one or more areas of land near or  
23 contiguous to a school, church, or hospital building; shopping  
24 center; apartment complex; or condominium complex. "Parking  
25 area" does not include public highways or alleys used by the  
26 public as the means of access to and egress from those

1 buildings and for the parking of motor vehicles.

2 "Qualified business" means a corporation, partnership,  
3 sole proprietorship, or limited liability company that owns or  
4 operates a commercial or industrial facility, including, but  
5 not limited to, a shopping center, hospital, church, or  
6 school, that has parking areas with more than 200 parking  
7 spaces. "Qualified business" also includes a corporation,  
8 partnership, sole proprietorship, or limited liability company  
9 that owns or operates multifamily housing, including, but not  
10 limited to, an apartment complex or condominium complex, that  
11 includes a parking area with over 50 parking spaces.

12 "Shopping center" means premises having one or more stores  
13 or business establishments in connection with which there is a  
14 parking area.

15 "Solar canopy" means a ground-mounted or roof-mounted  
16 steel structure topped with solar panels that are able to  
17 produce over 10 kilowatt hours of energy per day on average.

18 Section 99. Effective date. This Act takes effect upon  
19 becoming law.