

1 AMENDMENT TO SENATE BILL 4

2 AMENDMENT NO. _____. Amend Senate Bill 4 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 212 as follows:

6 (35 ILCS 5/212)

7 (Section scheduled to be repealed on June 1, 2003)

8 Sec. 212. Earned income tax credit.

9 (a) With respect to the federal earned income tax credit
10 allowed for the taxable year under Section 32 of the federal
11 Internal Revenue Code, 26 U.S.C. 32, each individual taxpayer
12 is entitled to a credit against the tax imposed by
13 subsections (a) and (b) of Section 201 in an amount equal to
14 5% of the federal tax credit for each taxable year beginning
15 on or after January 1, 2000 ~~and ending on or before--December~~
16 ~~31, 2002.~~

17 For a non-resident or part-year resident, the amount of
18 the credit under this Section shall be in proportion to the
19 amount of income attributable to this State.

20 (b) For taxable years beginning before January 1, 2005,
21 in no event shall a credit under this Section reduce the
22 taxpayer's liability to less than zero. For each taxable

1 year beginning on or after January 1, 2005, if the amount of
2 the credit exceeds the income tax liability for the
3 applicable tax year, then the excess credit shall be refunded
4 to the taxpayer. The amount of a refund shall not be
5 included in the taxpayer's income or resources for the
6 purposes of determining eligibility or benefit level in any
7 means-tested benefit program administered by a governmental
8 entity unless required by federal law.

9 (c) This Section is exempt from the provisions of
10 Section 250 repealed-on-June-17-2003.

11 (Source: P.A. 91-700, eff. 5-11-00.)

12 Section 99. Effective date. This Act takes effect upon
13 becoming law."