

1 AN ACT to create a commission to study tax expenditures  
2 in Illinois.

3 WHEREAS, The State of Illinois currently is experiencing  
4 a significant budget deficit; and

5 WHEREAS, In fiscal year 2001, tax expenditures totaled  
6 \$5,500,000,000, according to the Comptroller; and

7 WHEREAS, Certain tax expenditures may be ineffective,  
8 outdated, unnecessary, or improper given the current fiscal  
9 and economic climate; and

10 WHEREAS, It would be beneficial for the Governor and  
11 General Assembly to have a comprehensive study of tax  
12 expenditures so that it can be determined which of these tax  
13 expenditures should be preserved, modified, or eliminated;  
14 therefore

15 Be it enacted by the People of the State of Illinois,  
16 represented in the General Assembly:

17 Section 1. Short title. This Act may be cited as the Tax  
18 Expenditures Commission Act.

19 Section 5. Definitions. In this Act:

20 "Tax expenditures" means any exemption, exclusion,  
21 deduction, allowance, credit, preferential tax rate,  
22 abatement, or other device that reduces the tax revenue that  
23 would otherwise accrue to the State.

24 Section 10. Tax Expenditures Commission. There is hereby  
25 created the Tax Expenditures Commission. The Tax Expenditures  
26 Commission shall be composed of the following individuals:  
27 the Director of the Bureau of the Budget or his or her  
28 designee; the Director of Revenue or his or her designee; 2

1 members of the House of Representatives to be appointed one  
2 each by the Speaker of the House of Representatives and the  
3 Minority Leader of the House of Representatives; 2 members of  
4 the Senate to be appointed one each by the President of the  
5 Senate and the Minority Leader of the Senate; and one person  
6 appointed by the Governor, who shall serve as Chairman. The  
7 Tax Expenditures Commission shall also include 2 non-voting  
8 members as follows: (i) the Treasurer, or his or her  
9 designee; and (ii) the Executive Director of the Illinois  
10 Economic and Fiscal Commission, or his or her designee. Any  
11 vacancy shall be filled by the original appointing authority.  
12 The Tax Expenditures Commission shall consider existing tax  
13 expenditures in Illinois and make recommendations designed to  
14 reduce revenue loss or promote economic development or both.  
15 The Tax Expenditures Commission shall report its findings to  
16 the General Assembly and the Governor no later than December  
17 31, 2003, and is abolished on July 1, 2004.

18 The Tax Expenditures Commission shall hold such public  
19 hearings as it deems advisable. The first meeting of the Tax  
20 Expenditures Commission shall be called by the Chairman  
21 within 60 days after the effective date of this Act.

22 Section 15. Act repealed. This Act is repealed on July  
23 1, 2004.

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