

**HB0556**



**95TH GENERAL ASSEMBLY**

**State of Illinois**

**2007 and 2008**

**HB0556**

Introduced 2/5/2007, by Rep. Barbara Flynn Currie

**SYNOPSIS AS INTRODUCED:**

35 ILCS 5/212

Amends the Illinois Income Tax Act. Deletes the provision that refunds with respect to the earned income tax credit are subject to the availability of funds from the federal Temporary Assistance for Needy Families Block Grant and the State's ability to meet its required Maintenance of Effort. Effective immediately.

LRB095 06362 BDD 26458 b

FISCAL NOTE ACT  
MAY APPLY

**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 changing Section 212 as follows:

6 (35 ILCS 5/212)

7 Sec. 212. Earned income tax credit.

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

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

18 (b) For taxable years beginning before January 1, 2003, in  
19 no event shall a credit under this Section reduce the  
20 taxpayer's liability to less than zero. For each taxable year  
21 beginning on or after January 1, 2003, if the amount of the  
22 credit exceeds the income tax liability for the applicable tax  
23 year, then the excess credit shall be refunded to the taxpayer.

1 The amount of a refund shall not be included in the taxpayer's  
2 income or resources for the purposes of determining eligibility  
3 or benefit level in any means-tested benefit program  
4 administered by a governmental entity unless required by  
5 federal law.

6 ~~(b 5) Refunds authorized by subsection (b) are subject to~~  
7 ~~the availability of funds from the federal Temporary Assistance~~  
8 ~~for Needy Families Block Grant and the State's ability to meet~~  
9 ~~its required Maintenance of Effort.~~

10 (c) This Section is exempt from the provisions of Section  
11 250.

12 (Source: P.A. 93-534, eff. 8-18-03; 93-653, eff. 1-8-04.)

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