

# HB4607



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

HB4607

by Rep. Mike Bost

#### SYNOPSIS AS INTRODUCED:

35 ILCS 5/217

Amends the Illinois Income Tax Act. Provides that the credit for wages paid to qualified veterans also applies to wages paid to employees who are currently a member of the Illinois National Guard or a member of any reserve component of the Armed Forces of the United States. Effective immediately.

LRB095 17724 BDD 43799 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 217 as follows:

6 (35 ILCS 5/217)

7 Sec. 217. Credit for wages paid to qualified veterans.

8 (a) For each taxable year beginning on or after January 1,  
9 2007, 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 5%, but in no event to exceed \$600, of the  
12 gross wages paid by the taxpayer to a qualified veteran in the  
13 course of that veteran's sustained employment during the  
14 taxable year. For partners, shareholders of Subchapter S  
15 corporations, and owners of limited liability companies, if the  
16 liability company is treated as a partnership for purposes of  
17 federal and State income taxation, there shall be allowed a  
18 credit under this Section to be determined in accordance with  
19 the determination of income and distributive share of income  
20 under Sections 702 and 704 and Subchapter S of the Internal  
21 Revenue Code.

22 (b) For purposes of this Section:

23 "Qualified veteran" means an Illinois resident who was

1 initially hired by the taxpayer on or after January 1, 2007  
2 and:

3 (1) who is currently a member of the Illinois National  
4 Guard or a member of any reserve component of the Armed  
5 Forces of the United States; or

6 (2) who: (i) was a member of the Armed Forces of the  
7 United States, a member of the Illinois National Guard, or  
8 a member of any reserve component of the Armed Forces of  
9 the United States; (ii) served on active duty in connection  
10 with Operation Desert Storm, Operation Enduring Freedom,  
11 or Operation Iraqi Freedom; and (iii) has provided, to the  
12 taxpayer, documentation showing that he or she was  
13 honorably discharged; and (iv) was initially hired by the  
14 taxpayer on or after January 1, 2007.

15 "Sustained employment" means a period of employment that is  
16 not less than 185 days during the taxable year.

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 tax liability for the year, the excess  
20 may be carried forward and applied to the tax liability of the  
21 5 taxable years following the excess credit year. The tax  
22 credit shall be applied to the earliest year for which there is  
23 a tax liability. If there are credits for more than one year  
24 that are available to offset a liability, the earlier credit  
25 shall be applied first.

26 (Source: P.A. 94-1067, eff. 8-1-06.)

1           Section 99. Effective date. This Act takes effect upon  
2           becoming law.