

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 601 as follows:

6 (35 ILCS 5/601) (from Ch. 120, par. 6-601)

7 Sec. 601. Payment on Due Date of Return.

8 (a) In general. Every taxpayer required to file a return  
9 under this Act shall, without assessment, notice or demand, pay  
10 any tax due thereon to the Department, at the place fixed for  
11 filing, on or before the date fixed for filing such return  
12 (determined without regard to any extension of time for filing  
13 the return) pursuant to regulations prescribed by the  
14 Department. If, however, the due date for payment of a  
15 taxpayer's federal income tax liability for a tax year (as  
16 provided in the Internal Revenue Code or by Treasury  
17 regulation, or as extended by the Internal Revenue Service) is  
18 later than the date fixed for filing the taxpayer's Illinois  
19 income tax return for that tax year, the Department may, by  
20 rule, prescribe a due date for payment that is not later than  
21 the due date for payment of the taxpayer's federal income tax  
22 liability. For purposes of the Illinois Administrative  
23 Procedure Act, the adoption of rules to prescribe a later due

1 date for payment shall be deemed an emergency and necessary for  
2 the public interest, safety, and welfare.

3 (b) Amount payable. In making payment as provided in this  
4 section there shall remain payable only the balance of such tax  
5 remaining due after giving effect to the following:

6 (1) Withheld tax. Any amount withheld during any  
7 calendar year pursuant to Article 7 from compensation paid  
8 to a taxpayer shall be deemed to have been paid on account  
9 of any tax imposed by subsections 201(a) and (b) of this  
10 Act on such taxpayer for his taxable year beginning in such  
11 calendar year. If more than one taxable year begins in a  
12 calendar year, such amount shall be deemed to have been  
13 paid on account of such tax for the last taxable year so  
14 beginning.

15 (2) Estimated and tentative tax payments. Any amount of  
16 estimated tax paid by a taxpayer pursuant to Article 8 for  
17 a taxable year shall be deemed to have been paid on account  
18 of the tax imposed by this Act for such taxable year.

19 (3) Foreign tax. The aggregate amount of tax which is  
20 imposed upon or measured by income and which is paid by a  
21 resident for a taxable year to another state or states on  
22 income which is also subject to the tax imposed by  
23 subsections 201(a) and (b) of this Act shall be credited  
24 against the tax imposed by subsections 201(a) and (b)  
25 otherwise due under this Act for such taxable year. For  
26 taxable years ending prior to December 31, 2008, the ~~The~~

1 aggregate credit provided under this paragraph shall not  
2 exceed that amount which bears the same ratio to the tax  
3 imposed by subsections 201(a) and (b) otherwise due under  
4 this Act as the amount of the taxpayer's base income  
5 subject to tax both by such other state or states and by  
6 this State bears to his total base income subject to tax by  
7 this State for the taxable year. For taxable years ending  
8 on or after December 31, 2008, the credit provided under  
9 this paragraph for tax paid to other states shall not  
10 exceed that amount which bears the same ratio to the tax  
11 imposed by subsections 201(a) and (b) otherwise due under  
12 this Act as the amount of the taxpayer's base income that  
13 would be allocated or apportioned to other states if all  
14 other states had adopted the provisions in Article 3 of  
15 this Act bears to the taxpayer's total base income subject  
16 to tax by this State for the taxable year. The credit  
17 provided by this paragraph shall not be allowed if any  
18 creditable tax was deducted in determining base income for  
19 the taxable year. Any person claiming such credit shall  
20 attach a statement in support thereof and shall notify the  
21 Director of any refund or reductions in the amount of tax  
22 claimed as a credit hereunder all in such manner and at  
23 such time as the Department shall by regulations prescribe.

24 (4) Accumulation and capital gain distributions. If  
25 the net income of a taxpayer includes amounts included in  
26 his base income by reason of Section 668 or 669 of the

1 Internal Revenue Code (relating to accumulation and  
2 capital gain distributions by a trust, respectively), the  
3 tax imposed on such taxpayer by this Act shall be credited  
4 with his pro rata portion of the taxes imposed by this Act  
5 on such trust for preceding taxable years which would not  
6 have been payable for such preceding years if the trust had  
7 in fact made distributions to its beneficiaries at the  
8 times and in the amounts specified in Sections 666 and 669  
9 of the Internal Revenue Code. The credit provided by this  
10 paragraph shall not reduce the tax otherwise due from the  
11 taxpayer to an amount less than that which would be due if  
12 the amounts included by reason of Sections 668 and 669 of  
13 the Internal Revenue Code were excluded from his base  
14 income.

15 (c) Cross reference. For application against tax due of  
16 overpayments of tax for a prior year, see Section 909.

17 (Source: P.A. 94-247, eff. 1-1-06.)

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