



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB0469

Introduced 2/4/2009, by Rep. Jay C. Hoffman

#### SYNOPSIS AS INTRODUCED:

35 ILCS 5/218 new

Amends the Illinois Income Tax Act. Creates a tax credit, for taxable years ending on or after December 31, 2009, for taxpayers who make an eligible expenditure during the taxable year for the rehabilitation of a qualified historic building. Sets the credit at an amount equal to 25% of the total expenditures made during the taxable year for the rehabilitation. Defines "eligible expenditure" as an expenditure equal to at least 50% of the total basis in the property. Defines "qualified historic building" as a structure listed individually on the National Register of Historic Places, a contributing structure in a National Register historic district, or be located in a local historic district that is certified by the United States Department of the Interior. Provides that the credit may be carried back for 3 years or carried forward for 5 years. Exempts the credit from the Act's sunset provisions. Effective immediately.

LRB096 06923 RCE 17009 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 adding  
5 Section 218 as follows:

6 (35 ILCS 5/218 new)

7 Sec. 218. Historic preservation credit.

8 (a) For taxable years ending on or after December 31, 2009,  
9 each taxpayer who makes an eligible expenditure during the  
10 taxable year for the rehabilitation of a qualified historic  
11 building is entitled to a credit against the tax imposed under  
12 subsections (a) and (b) of Section 201 in an amount equal to  
13 25% of the total expenditures made during the taxable year for  
14 the rehabilitation that meets the standards consistent with  
15 those of the Secretary of the United States Department of the  
16 Interior for rehabilitation, as determined by the Historic  
17 Preservation Agency.

18 (b) For the purpose of this Section:

19 "Eligible expenditure" means an expenditure equal to at  
20 least 50% of the total basis in the property.

21 "Qualified historic building" means a structure listed  
22 individually on the National Register of Historic Places, a  
23 contributing structure in a National Register historic

1 district, or be located in a local historic district that is  
2 certified by the United States Department of the Interior.

3 (c) For partners, shareholders of Subchapter S  
4 corporations, and owners of limited liability companies, if the  
5 liability company is treated as a partnership for purposes of  
6 federal and State income taxation, there is allowed a credit  
7 under this Section to be determined in accordance with the  
8 determination of income and distributive share of income under  
9 Sections 702 and 704 and Subchapter S of the Internal Revenue  
10 Code.

11 (d) The credit under this Act may not reduce the taxpayer's  
12 liability to less than zero. If the amount of the credit  
13 exceeds the tax liability for the year, the excess may be (i)  
14 carried back and applied to the tax liability of the 3 taxable  
15 years preceding the excess credit year or (ii) carried forward  
16 and applied to the tax liability of the 5 taxable years  
17 following the excess credit year. The tax credit shall be  
18 applied to the earliest year for which there is a tax  
19 liability. If there are credits for more than one year that are  
20 available to offset a liability, the earlier credit shall be  
21 applied first.

22 (e) This Section is exempt from the provisions of Section  
23 250.

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