



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB5028

Introduced 1/25/2010, by Rep. Carol A. Sente - Keith Farnham

#### SYNOPSIS AS INTRODUCED:

35 ILCS 5/219 new

Amends the Illinois Income Tax Act. Creates a green services and products credit. Provides that a taxpayer is entitled to a credit equal to 6 1/2% of the increased income over the prior tax year received by the taxpayer from the provision of green services and the production of green products in this State. Provides that the credit may be carried forward for a period of 5 years.

LRB096 19044 HLH 34435 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 219 as follows:

6 (35 ILCS 5/219 new)

7 Sec. 219. Green services and products credit. For tax  
8 years ending on and after December 31, 2010, each taxpayer  
9 shall be allowed a credit against the tax imposed by  
10 subsections (a) and (b) of Section 201 of this Act for  
11 increasing the provision of green services and the production  
12 of green products in this State. The credit allowed shall be  
13 equal to 6 1/2% of the increased income over the prior tax year  
14 received by the taxpayer from the provision of green services  
15 and the production of green products in this State. For  
16 partners, shareholders of subchapter S corporations, and  
17 owners of limited liability companies, if the liability company  
18 is treated as a partnership for purposes of federal and State  
19 income taxation, there shall be allowed a credit under this  
20 subsection to be determined in accordance with the  
21 determination of income and distributive share of income under  
22 Sections 702 and 704 and subchapter S of the Internal Revenue  
23 Code.

1       The tax credit awarded under this Section may not reduce  
2 the taxpayer's liability to less than zero. If the amount of  
3 the tax credit exceeds the tax liability for the year, the  
4 excess may be carried forward and applied to the tax liability  
5 of the 5 taxable years following the excess credit year. The  
6 credit must be applied to the earliest year for which there is  
7 a tax liability. If there are credits from more than one tax  
8 year that are available to offset a liability, then the  
9 earliest credit must be applied first, except that no credit  
10 may be carried forward under this Section more than 5 years  
11 after the year in which the expense for which the credit is  
12 given was incurred.

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