



Sen. James F. Clayborne, Jr.

**Filed: 3/12/2010**

09600SB3147sam002

LRB096 20025 HLH 38951 a

1 AMENDMENT TO SENATE BILL 3147

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 3147, AS AMENDED,  
3 by replacing everything after the enacting clause with the  
4 following:

5 "Section 1. Short title. This Act may be cited as the  
6 Efficient and Green Illinois Tax Credit Act.

7 Section 5. Purpose. The General Assembly finds that the  
8 Illinois economy and environment are greatly enhanced by the  
9 installation of energy efficiency measures and by the support  
10 of renewable energy resources. The purpose of this Act is to  
11 expand the adoption of energy efficiency measures in the  
12 private sector, as well as to encourage use of renewable energy  
13 resources. It is the policy of this State to promote and  
14 encourage the adoption of energy efficiency measures as well as  
15 the voluntary use of renewable energy resources.

1 Section 10. Definitions. As used in this Act:

2 "Energy efficiency project" includes any of the following:

3 (A) Solar energy equipment that uses solar  
4 radiation as a substitute for traditional energy for  
5 water heating, active space heating and cooling,  
6 passive heating, day-lighting, generating electricity,  
7 distillation, desalinization, or the production of  
8 industrial or commercial process heat, as well as  
9 related devices necessary for collecting, storing,  
10 exchanging, conditioning, or converting solar energy  
11 to other useful forms of energy.

12 (B) Energy Star certified geothermal heat pump  
13 systems.

14 (C) Lighting retrofit projects. "Lighting retrofit  
15 project" means a lighting retrofit system that employs  
16 dual switching (ability to switch roughly half the  
17 lights off and still have fairly uniform light  
18 distribution), de-lamping, day-lighting, re-lamping,  
19 or other controls or processes that reduce annual  
20 energy and power consumption by 30% compared to the  
21 American Society of Heating, Refrigerating, and Air  
22 Conditioning Engineers 2004 standard (ASHRAE  
23 90.1.2004).

24 (D) Wind equipment required to capture and convert  
25 wind energy into electricity or mechanical power as  
26 well as related devices that may be required for

1           converting, conditioning, and storing the electricity  
2           produced by wind equipment.

3           (E) Green roofs and other environmentally  
4           sustainable landscaping.

5           (F) WaterSense certified products for indoor and  
6           outdoor non-agricultural water use.

7           "Cost" means, in the case of clean energy property owned by  
8           the taxpayer, the aggregate funds actually invested and  
9           expended by the taxpayer to put into service the clean energy  
10          property. For purposes of this Section, all funds so invested  
11          and expended shall be classified as invested and expended in  
12          the taxable year during which the property is put into service.

13          "Credit" means:

14                 (A) For an energy efficiency project approved by  
15                 the Department, the amount equal to 25% of the cost of  
16                 that project.

17                 (B) For renewable energy resources usage approved  
18                 by the Department, an amount equal to 25% of the cost  
19                 paid for the environmental attributes of those  
20                 renewable energy resources during the tax year.

21          "Department" means the Department of Commerce and Economic  
22          Opportunity.

23          "Renewable energy resources" means the same as it does in  
24          Section 1-10 of the Illinois Power Agency Act.

25          Section 15. Powers of the Department. The Department, in

1 addition to those powers granted under the Civil Administrative  
2 Code of Illinois, is granted and has all the powers necessary  
3 or convenient to carry out and effectuate the purposes and  
4 provisions of this Act, including, but not limited to, power  
5 and authority to:

6 (1) Adopt rules deemed necessary and appropriate for  
7 the administration of the tax credit program; establish  
8 forms for applications, notifications, contracts, or any  
9 other agreements; and accept applications at any time  
10 during the year.

11 (2) Assist applicants pursuant to the provisions of  
12 this Act to promote, foster, and support energy efficiency  
13 measures and renewable energy resources and related job  
14 creation or retention within the State.

15 (3) Provide for sufficient personnel to permit  
16 administration, staffing, operation, and related support  
17 required to adequately discharge its duties and  
18 responsibilities described in this Act from funds as may be  
19 appropriated to the Department for the administration of  
20 this Act.

21 (4) Require that an applicant must at all times keep  
22 proper books of record and account in accordance with  
23 generally accepted accounting principles consistently  
24 applied, with the books, records, or papers related to the  
25 accredited production in the custody or control of the  
26 taxpayer open for reasonable Department inspection and

1 audits.

2 Section 20. Tax credit awards. Subject to the conditions  
3 set forth in this Act, for taxable years beginning on or after  
4 January 1, 2010, an applicant is entitled to a credit against  
5 the tax imposed under subsections (a) and (b) of Section 201 of  
6 the Illinois Income Tax Act, in an amount approved by the  
7 Department under Section 40 of this Act.

8 Section 35. Issuance of tax credit certificate.

9 (a) In order to qualify for a tax credit under this Act, an  
10 applicant must file an application, on forms prescribed by the  
11 Department, providing information necessary to calculate the  
12 tax credit, and any additional information as required by the  
13 Department.

14 (b) Upon satisfactory review of the application, the  
15 Department shall issue a tax credit certificate.

16 Section 40. Amount and duration of the credit. The amount  
17 of the credit awarded under this Act is based on the cost of  
18 the qualifying expenditures under this Act. The credit shall be  
19 awarded for the taxable year in which the project is put into  
20 service. The tax credit may not reduce the taxpayer's liability  
21 to less than zero. If the amount of the tax credit exceeds the  
22 taxpayer's Illinois income tax liability for the year, the  
23 excess may be carried forward and applied to the tax liability

1 of the 5 taxable years following the excess credit year. The  
2 credit must be applied to the earliest year for which there is  
3 a tax liability. If there are credits from more than one tax  
4 year that are available to offset a liability, then the earlier  
5 credit must be applied first. The Department may not approve  
6 more than \$40,000,000 in credits under this Act in any one  
7 taxable year. This Act is exempt from the provisions of Section  
8 250 of the Illinois Income Tax Act.

9 Section 80. The Illinois Income Tax Act is amended by  
10 adding Section 219 as follows:

11 (35 ILCS 5/219 new)

12 Sec. 219. Efficient and Green Illinois Tax Credit Act. For  
13 tax years beginning on or after January 1, 2010, a taxpayer who  
14 has been awarded a credit under the Efficient and Green  
15 Illinois Tax Credit Act is entitled to a credit against the  
16 taxes imposed under subsections (a) and (b) of Section 201 of  
17 this Act in an amount to be determined under that Act. If the  
18 taxpayer is a partnership or Subchapter S corporation, the  
19 credit shall be allowed to the partners or shareholders in  
20 accordance with the determination of income and distributive  
21 share of income under Sections 702 and 704 and subchapter S of  
22 the Internal Revenue Code. This Section is exempt from the  
23 provisions of Section 250 of this Act.

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