

# HB1947



## 97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB1947

by Rep. William Davis

### SYNOPSIS AS INTRODUCED:

35 ILCS 5/212

Amends the Illinois Income Tax Act. Increases the earned income tax credit from 5% of the federal credit to 10% in 2011, 15% in 2012, and 20% in 2013 and thereafter. Effective immediately.

LRB097 08277 HLH 48403 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 212 as follows:

6 (35 ILCS 5/212)

7 Sec. 212. Earned income tax credit.

8 (a) With respect to the federal earned income tax credit  
9 allowed for the taxable year under Section 32 of the federal  
10 Internal Revenue Code, 26 U.S.C. 32, each individual taxpayer  
11 is entitled to a credit against the tax imposed by subsections  
12 (a) and (b) of Section 201 in an amount equal to the following:

13 (1) for each taxable year beginning on or after January  
14 1, 2000 and ending before or during calendar year 2010, the  
15 amount of the credit is 5% of the federal tax credit; ~~for~~  
16 ~~each taxable year beginning on or after January 1, 2000.~~

17 (2) for any taxable year ending during calendar year  
18 2011, the amount of the credit is 10% of the federal tax  
19 credit;

20 (3) for any taxable year ending during calendar year  
21 2012, the amount of the credit is 15% of the federal tax  
22 credit; and

23 (4) for any taxable year ending during calendar year

1       2013 or thereafter, the amount of the credit is 20% of the  
2       federal tax credit.

3       For a non-resident or part-year resident, the amount of the  
4       credit under this Section shall be in proportion to the amount  
5       of income attributable to this State.

6       (b) For taxable years beginning before January 1, 2003, in  
7       no event shall a credit under this Section reduce the  
8       taxpayer's liability to less than zero. For each taxable year  
9       beginning on or after January 1, 2003, if the amount of the  
10      credit exceeds the income tax liability for the applicable tax  
11      year, then the excess credit shall be refunded to the taxpayer.  
12      The amount of a refund shall not be included in the taxpayer's  
13      income or resources for the purposes of determining eligibility  
14      or benefit level in any means-tested benefit program  
15      administered by a governmental entity unless required by  
16      federal law.

17      (c) This Section is exempt from the provisions of Section  
18      250.

19      (Source: P.A. 95-333, eff. 8-21-07.)

20      Section 99. Effective date. This Act takes effect upon  
21      becoming law.