HB2077

LRB09708851HLH48981b

97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB2077

Introduced 2/22/2011, by Rep. Lou Lang

SYNOPSIS AS INTRODUCED:

35 ILCS 5/221 new

Amends the Illinois Income Tax Act. Authorizes a credit to taxpayers who are wind turbine manufacturers equal to 30% of the Illinois income tax attributable to income from the sale of wind turbines. A taxpayer may claim the credit for only one taxable year. Provides that the credit may not reduce the taxpayer's liability to less than zero and may not be carried back, but may be carried forward and applied to the tax liability of the 3 taxable years following the excess credit year. Effective immediately.

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FISCAL NOTE ACT
MAY APPLY

A BILL FOR

AN ACT concerning revenue.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The Illinois Income Tax Act is amended by adding Section 221 as follows:

(35 ILCS 5/221 new)

Sec. 221. Credit for wind turbine manufacturers.

(a) For taxable years ending on or after December 31, 2011 and on or before December 30, 2016, a taxpayer who is a manufacturer of wind turbines is entitled to a credit against the tax imposed by subsections (a) and (b) of Section 201 of this Act equal to 30% of the Illinois income tax attributable to income from the sale of wind turbines. A taxpayer may claim the credit for only one taxable year. For partners, shareholders of Subchapter S corporations, and owners of limited liability companies, if the liability company is treated as a partnership for purposes of federal and State income taxation, there shall be allowed a credit under this Section to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and Subchapter S of the Internal Revenue Code.

(b) In no event shall a credit under this Section reduce the taxpayer's liability to less than zero. If the amount of

<u>the credit exceeds the tax liability for the year, the excess may not be carried carried back, but may be carried forward and applied to the tax liability of the 3 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a tax liability. If there are credits for more than one year that are available to offset a liability, the earlier credit shall be applied first.</u>

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