



Sen. James F. Clayborne, Jr.

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09700SB2168sam001

LRB097 09058 HLH 53240 a

1 AMENDMENT TO SENATE BILL 2168

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2168 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The State Finance Act is amended by adding  
5 Section 5.786 as follows:

6 (30 ILCS 105/5.786 new)

7 Sec. 5.786. The Historic Property Administrative Fund.

8 Section 10. The Illinois Income Tax Act is amended by  
9 adding Section 221 as follows:

10 (35 ILCS 5/221 new)

11 Sec. 221. Rehabilitation costs; qualified historic  
12 properties; River Edge Redevelopment Zone.

13 (a) For taxable years beginning on or after January 1,  
14 2012, there shall be allowed a tax credit against the tax

1 imposed by subsections (a) and (b) of Section 201 in an amount  
2 equal to 25% of qualified expenditures incurred by a qualified  
3 taxpayer during the taxable year in the restoration and  
4 preservation of a qualified historic structure located in a  
5 River Edge Redevelopment Zone that exists on the effective date  
6 of this amendatory Act of the 97th General Assembly pursuant to  
7 a qualified rehabilitation plan, provided that the total amount  
8 of such expenditures (i) must equal \$5,000 or more and (ii)  
9 must exceed 50% of the purchase price of the property.

10 (b) To obtain a tax credit pursuant to this Section, the  
11 taxpayer must apply with the Department of Commerce and  
12 Economic Opportunity no later than 6 months after the effective  
13 date of this amendatory Act of the 97th General Assembly. The  
14 Department of Commerce and Economic Opportunity, in  
15 consultation with the Historic Preservation Agency, shall  
16 determine the amount of eligible rehabilitation costs and  
17 expenses. The Historic Preservation Agency shall determine  
18 whether the rehabilitation is consistent with the standards of  
19 the Secretary of the United States Department of the Interior  
20 for rehabilitation. Upon completion and review of the project,  
21 the Department of Commerce and Economic Opportunity shall issue  
22 a certificate in the amount of the eligible credits. At the  
23 time the certificate is issued, an issuance fee up to the  
24 maximum amount of 2% of the amount of the credits issued by the  
25 certificate may be collected from the applicant to administer  
26 the provisions of this Section. If collected, this issuance fee

1 shall be deposited into the Historic Property Administrative  
2 Fund, a special fund created in the State treasury. Subject to  
3 appropriation, moneys in the Historic Property Administrative  
4 Fund shall be evenly divided between the Department of Commerce  
5 and Economic Opportunity and the Historic Preservation Agency  
6 to reimburse the Department of Commerce and Economic  
7 Opportunity and the Historic Preservation Agency for the costs  
8 associated with administering this Section. The taxpayer must  
9 attach the certificate to the tax return on which the credits  
10 are to be claimed.

11 (c) The tax credit under this Section may not reduce the  
12 taxpayer's liability to less than zero. If the amount of any  
13 tax credit awarded under this Section exceeds the qualified  
14 taxpayer's income tax liability for the year in which the  
15 qualified rehabilitation plan was placed in service, the excess  
16 amount may be carried forward for deduction from the taxpayer's  
17 income tax liability in the next succeeding year or years until  
18 the total amount of the credit has been used, except that a  
19 credit may not be carried forward for deduction after the tenth  
20 taxable year after the taxable year in which the qualified  
21 rehabilitation plan was placed in service.

22 (d) As used in this Section, the following terms have the  
23 following meanings.

24 "Qualified expenditure" means all the costs and expenses  
25 defined as qualified rehabilitation expenditures under Section  
26 47 of the federal Internal Revenue Code that were incurred in

1 connection with a qualified historic structure.

2 "Qualified historic structure" means a certified historic  
3 structure as defined under Section 47 (c) (3) of the federal  
4 Internal Revenue Code.

5 "Qualified rehabilitation plan" means a project that is  
6 approved by the Historic Preservation Agency as being  
7 consistent with the standards in effect on the effective date  
8 of this amendatory Act of the 97th General Assembly for  
9 rehabilitation as adopted by the federal Secretary of the  
10 Interior.

11 "Qualified taxpayer" means the owner of the qualified  
12 historic structure or any other person who qualifies for the  
13 federal rehabilitation credit allowed by Section 47 of the  
14 federal Internal Revenue Code with respect to that qualified  
15 historic structure. If the taxpayer is (i) a corporation having  
16 an election in effect under Subchapter S of the federal  
17 Internal Revenue Code, (ii) a partnership, or (iii) a limited  
18 liability company, the credit provided under this Act may be  
19 claimed by the shareholders of the corporation, the partners of  
20 the partnership, or the members of the limited liability  
21 company in the same manner as those shareholders, partners, or  
22 members account for their proportionate shares of the income or  
23 losses of the corporation, partnership, or limited liability  
24 company, or as provided in the by-laws or other executed  
25 agreement of the corporation, partnership, or limited  
26 liability company. Credits granted to a partnership, a limited

1 liability company taxed as a partnership, or other multiple  
2 owners of property shall be passed through to the partners,  
3 members, or owners respectively on a pro rata basis or pursuant  
4 to an executed agreement among the partners, members, or owners  
5 documenting any alternate distribution method.

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