SB3390

LRB097 19871 HLH 65154 b

97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB3390

Introduced 2/7/2012, by Sen. Carole Pankau

SYNOPSIS AS INTRODUCED:

35 ILCS 5/223 new

Amends the Illinois Income Tax Act. Creates a credit in an amount equal to: (i) 100% of the cost of unemployment insurance and worker's compensation paid during the taxable year for each employee hired by the taxpayer during the taxable year and (ii) 50% of the cost of unemployment insurance and worker's compensation paid during the taxable year for each employee hired by the taxpayer during the previous taxable 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 223 as follows:

(35 ILCS 5/223 new)

Sec. 223. Credit for unemployment and worker's compensation.

(a) For taxable years ending on or after December 31, 2012, each taxpayer is entitled to a credit against the taxes imposed under subsections (a) and (b) of Section 201 of this Act in an amount equal to 100% of the cost of unemployment insurance and worker's compensation paid during the taxable year for each employee hired by the taxpayer during the taxable year. In addition, for taxable years ending on or after December 31, 2012, each taxpayer is entitled to a credit against the taxes imposed under subsections (a) and (b) of Section 201 of this Act in an amount equal to 50% of the cost of unemployment insurance and worker's compensation paid during the taxable year for each employee hired by the taxpayer during the previous taxable year.

(b) The tax credit may not reduce the taxpayer's liability to less than zero. If the amount of the tax credit exceeds the tax liability for the year, the excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit must be applied to the earliest year for which there is a tax liability. If there are credits from more than one tax year that are available to offset a liability, then the earlier credit must be applied first.

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