



Rep. Michael J. Zalewski

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LRB098 03210 HLH 48491 a

1 AMENDMENT TO HOUSE BILL 382

2 AMENDMENT NO. _____. Amend House Bill 382 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Economic Development for a Growing Economy
5 Tax Credit Act is amended by changing Section 5-15 as follows:

6 (35 ILCS 10/5-15)

7 Sec. 5-15. Tax Credit Awards. Subject to the conditions set
8 forth in this Act, a Taxpayer is entitled to a Credit against
9 or, as described in subsection (g) of this Section, a payment
10 towards taxes imposed pursuant to subsections (a) and (b) of
11 Section 201 of the Illinois Income Tax Act that may be imposed
12 on the Taxpayer for a taxable year beginning on or after
13 January 1, 1999, if the Taxpayer is awarded a Credit by the
14 Department under this Act for that taxable year.

15 (a) The Department shall make Credit awards under this Act
16 to foster job creation and retention in Illinois.

1 (b) A person that proposes a project to create new jobs in
2 Illinois must enter into an Agreement with the Department for
3 the Credit under this Act.

4 (c) The Credit shall be claimed for the taxable years
5 specified in the Agreement.

6 (d) The Credit shall not exceed the Incremental Income Tax
7 attributable to the project that is the subject of the
8 Agreement.

9 (e) Nothing herein shall prohibit a Tax Credit Award to an
10 Applicant that uses a PEO if all other award criteria are
11 satisfied.

12 (f) In lieu of the Credit allowed under this Act against
13 the taxes imposed pursuant to subsections (a) and (b) of
14 Section 201 of the Illinois Income Tax Act for any taxable year
15 ending on or after December 31, 2009, the Taxpayer may elect to
16 claim the Credit against its obligation to pay over withholding
17 under Section 704A of the Illinois Income Tax Act.

18 (1) The election under this subsection (f) may be made
19 only by a Taxpayer that (i) is primarily engaged in one of
20 the following business activities: water purification and
21 treatment, motor vehicle metal stamping, automobile
22 manufacturing, automobile and light duty motor vehicle
23 manufacturing, motor vehicle manufacturing, light truck
24 and utility vehicle manufacturing, heavy duty truck
25 manufacturing, motor vehicle body manufacturing, cable
26 television infrastructure design or manufacturing, or

1 wireless telecommunication or computing terminal device
2 design or manufacturing for use on public networks and (ii)
3 meets the following criteria:

4 (A) the Taxpayer (i) had an Illinois net loss or an
5 Illinois net loss deduction under Section 207 of the
6 Illinois Income Tax Act for the taxable year in which
7 the Credit is awarded, (ii) employed a minimum of 1,000
8 full-time employees in this State during the taxable
9 year in which the Credit is awarded, (iii) has an
10 Agreement under this Act on December 14, 2009 (the
11 effective date of Public Act 96-834), and (iv) is in
12 compliance with all provisions of that Agreement;

13 (B) the Taxpayer (i) had an Illinois net loss or an
14 Illinois net loss deduction under Section 207 of the
15 Illinois Income Tax Act for the taxable year in which
16 the Credit is awarded, (ii) employed a minimum of 1,000
17 full-time employees in this State during the taxable
18 year in which the Credit is awarded, and (iii) has
19 applied for an Agreement within 365 days after December
20 14, 2009 (the effective date of Public Act 96-834);

21 (C) the Taxpayer (i) had an Illinois net operating
22 loss carryforward under Section 207 of the Illinois
23 Income Tax Act in a taxable year ending during calendar
24 year 2008, (ii) has applied for an Agreement within 150
25 days after the effective date of this amendatory Act of
26 the 96th General Assembly, (iii) creates at least 400

1 new jobs in Illinois, (iv) retains at least 2,000 jobs
2 in Illinois that would have been at risk of relocation
3 out of Illinois over a 10-year period, and (v) makes a
4 capital investment of at least \$75,000,000;

5 (D) the Taxpayer (i) had an Illinois net operating
6 loss carryforward under Section 207 of the Illinois
7 Income Tax Act in a taxable year ending during calendar
8 year 2009, (ii) has applied for an Agreement within 150
9 days after the effective date of this amendatory Act of
10 the 96th General Assembly, (iii) creates at least 150
11 new jobs, (iv) retains at least 1,000 jobs in Illinois
12 that would have been at risk of relocation out of
13 Illinois over a 10-year period, and (v) makes a capital
14 investment of at least \$57,000,000; or

15 (E) the Taxpayer (i) employed at least 2,500
16 full-time employees in the State during the year in
17 which the Credit is awarded, (ii) commits to make at
18 least \$500,000,000 in combined capital improvements
19 and project costs under the Agreement, (iii) applies
20 for an Agreement between January 1, 2011 and June 30,
21 2011, (iv) executes an Agreement for the Credit during
22 calendar year 2011, and (v) was incorporated no more
23 than 5 years before the filing of an application for an
24 Agreement.

25 (1.5) The election under this subsection (f) may also
26 be made by a Taxpayer for any Credit awarded pursuant to an

1 agreement that was executed between January 1, 2011 and
2 June 30, 2011, if the Taxpayer (i) is primarily engaged in
3 the manufacture of inner tubes or tires, or both, from
4 natural and synthetic rubber, (ii) employs a minimum of
5 2,400 full-time employees in Illinois at the time of
6 application, (iii) creates at least 350 full-time jobs and
7 retains at least 250 full-time jobs in Illinois that would
8 have been at risk of being created or retained outside of
9 Illinois, and (iv) makes a capital investment of at least
10 \$200,000,000 at the project location.

11 (1.6) The election under this subsection (f) may also
12 be made by a Taxpayer for any Credit awarded pursuant to an
13 agreement that was executed within 150 days after the
14 effective date of this amendatory Act of the 97th General
15 Assembly, if the Taxpayer (i) is primarily engaged in the
16 operation of a discount department store, (ii) maintains
17 its corporate headquarters in Illinois, (iii) employs a
18 minimum of 4,250 full-time employees at its corporate
19 headquarters in Illinois at the time of application, (iv)
20 retains at least 4,250 full-time jobs in Illinois that
21 would have been at risk of being relocated outside of
22 Illinois, (v) had a minimum of \$40,000,000,000 in total
23 revenue in 2010, and (vi) makes a capital investment of at
24 least \$300,000,000 at the project location.

25 (1.7) Notwithstanding any other provision of law, the
26 election under this subsection (f) may also be made by a

1 Taxpayer for any Credit awarded pursuant to an agreement
2 that was executed or applied for on or after July 1, 2011
3 and on or before March 31, 2012, if the Taxpayer is
4 primarily engaged in the manufacture of original and
5 aftermarket filtration parts and products for automobiles,
6 motor vehicles, light duty motor vehicles, light trucks and
7 utility vehicles, and heavy duty trucks, (ii) employs a
8 minimum of 1,000 full-time employees in Illinois at the
9 time of application, (iii) creates at least 250 full-time
10 jobs in Illinois, (iv) relocates its corporate
11 headquarters to Illinois from another state, and (v) makes
12 a capital investment of at least \$4,000,000 at the project
13 location.

14 (1.8) Notwithstanding any other provision of law, an
15 election under this subsection (f) may also be made by a
16 Taxpayer that:

17 (A) is primarily engaged in business as a
18 distributor of industrial and specialty chemicals;

19 (B) relocates its corporate headquarters to
20 Illinois from another State; and

21 (C) entered into an Agreement for a Credit prior to
22 the effective date of this amendatory Act of the 98th
23 General Assembly, which required the Taxpayer to (i)
24 make a capital investment of at least \$9,300,000, (ii)
25 retain at least 100 full-time jobs at project locations
26 in Illinois, and (iii) create at least 69 full-time

1 jobs at project locations in Illinois.

2 (2) An election under this subsection shall allow the
3 credit to be taken against payments otherwise due under
4 Section 704A of the Illinois Income Tax Act during the
5 first calendar year beginning after the end of the taxable
6 year in which the credit is awarded under this Act, except
7 that an election under paragraph (1.8) shall allow the
8 credit to be taken against payments otherwise due under
9 Section 704A of the Illinois Income Tax Act during the
10 12-month period beginning with the first month after the
11 Taxpayer relocates its corporate headquarters to Illinois.

12 (3) The election shall be made in the form and manner
13 required by the Illinois Department of Revenue and, once
14 made, shall be irrevocable.

15 (4) If a Taxpayer who meets the requirements of
16 subparagraph (A) of paragraph (1) of this subsection (f)
17 elects to claim the Credit against its withholdings as
18 provided in this subsection (f), then, on and after the
19 date of the election, the terms of the Agreement between
20 the Taxpayer and the Department may not be further amended
21 during the term of the Agreement.

22 (g) A pass-through entity that has been awarded a credit
23 under this Act, its shareholders, or its partners may treat
24 some or all of the credit awarded pursuant to this Act as a tax
25 payment for purposes of the Illinois Income Tax Act. The term
26 "tax payment" means a payment as described in Article 6 or

1 Article 8 of the Illinois Income Tax Act or a composite payment
2 made by a pass-through entity on behalf of any of its
3 shareholders or partners to satisfy such shareholders' or
4 partners' taxes imposed pursuant to subsections (a) and (b) of
5 Section 201 of the Illinois Income Tax Act. In no event shall
6 the amount of the award credited pursuant to this Act exceed
7 the Illinois income tax liability of the pass-through entity or
8 its shareholders or partners for the taxable year.

9 (Source: P.A. 96-834, eff. 12-14-09; 96-836, eff. 12-16-09;
10 96-905, eff. 6-4-10; 96-1000, eff. 7-2-10; 96-1534, eff.
11 3-4-11; 97-2, eff. 5-6-11; 97-636, eff. 6-1-12.)

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