



Rep. Jay Hoffman

Filed: 3/19/2013

09800HB2781ham001

LRB098 08915 HLH 42878 a

1 AMENDMENT TO HOUSE BILL 2781

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 2781 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Income Tax Act is amended by  
5 adding Section 224 as follows:

6 (35 ILCS 5/224 new)

7 Sec. 224. Illinois export incentive credit.

8 (a) Subject to the limitations set forth in this Section,  
9 for taxable years beginning on or after January 1, 2014, each  
10 freight forwarder is entitled to a credit against the tax  
11 imposed by subsections (a) and (b) of Section 201 in an amount  
12 equal to (i) \$0.15 per chargeable kilo shipped by that freight  
13 forwarder from an airport in this State during the taxable year  
14 if the freight forwarder ships under 40 tons per week, or (ii)  
15 \$0.20 per chargeable kilo shipped by that freight forwarder  
16 from an airport in this State during the taxable year if the

1 freight forwarder ships 40 or more tons per week.

2 (b) Subject to the limitations set forth in this Section,  
3 for taxable years beginning on or after January 1, 2014, each  
4 air cargo shipper is entitled to a credit against the tax  
5 imposed by subsections (a) and (b) of Section 201 in an amount  
6 equal to \$0.20 per chargeable kilo shipped by that shipper  
7 from an airport in this State during the taxable year.

8 (c) Subject to the limitations set forth in this Section,  
9 for taxable years beginning on or after January 1, 2014, each  
10 airline is entitled to a credit against the tax imposed by  
11 subsections (a) and (b) of Section 201 in an amount equal to  
12 \$0.10 per chargeable kilo shipped by that airline from an  
13 airport in this State during the taxable year.

14 (d) To receive credits under this Section, the freight  
15 forwarder, air cargo shipper, or airline shall file an  
16 application with the Department within 120 calendar days after  
17 the date of shipment. The freight forwarder shall include with  
18 the application the master airway bill for the shipment for  
19 which the freight forwarder, air cargo shipper, or airline is  
20 seeking credit under this Section.

21 (e) Credits awarded under this Section may not reduce the  
22 taxpayer's liability to less than zero. If the amount of the  
23 tax credit exceeds the tax liability for the year, the excess  
24 may be carried forward and applied to the tax liability of the  
25 5 taxable years following the excess credit year. The credit  
26 must be applied to the earliest year for which there is a tax

1 liability. If there are credits from more than one tax year  
2 that are available to offset a liability, then the earlier  
3 credit must be applied first.

4 (f) As used in this Section:

5 "Airline" means a company that owns a system furnishing  
6 air transport.

7 "Air Cargo Shipper" means the owner of any goods who  
8 chooses to ship them by air transport.

9 "Chargeable kilo" means a kilo of freight that is  
10 shipped on a qualifying outbound flight, as measured by the  
11 greater of:

12 (1) actual weight; or

13 (2) dimensional weight, as determined by the  
14 conversion factors promulgated by the International  
15 Air Transport Association.

16 "Direct international aircraft flight" means a single  
17 transoceanic flight that operates to an international  
18 destination in accordance with the operator's bilateral  
19 route authority.

20 "Freight forwarder" means a taxpayer that assumes  
21 responsibility in the ordinary course of its business for  
22 the transportation of cargo from the place of receipt to  
23 the place of destination, including the use of a qualifying  
24 outbound flight.

25 "Qualifying outbound flight" means a direct  
26 international aircraft flight that carries either all

1       cargo or a mix of passengers and cargo from an airport in  
2       this State to an international destination.

3       (g) This Section is exempt from the provisions of Section  
4       250.

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