



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

**HB4544**

by Rep. David Reis

#### SYNOPSIS AS INTRODUCED:

35 ILCS 5/224 new

Amends the Illinois Income Tax Act. Authorizes a credit to taxpayers for 10% of stipends or salaries paid to qualified college interns. Limits the credit to stipends and salaries paid to 5 interns each year, and limits total credits to \$3,000 for all years combined. Defines a "qualified college intern". Provides that the credit may not reduce the taxpayer's liability to less than zero and may not be carried forward or back. Exempt from the Act's sunset provisions. Effective immediately.

LRB099 16906 HLH 41253 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

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

6 (35 ILCS 5/224 new)

7 Sec. 224. Credit for internship employment.

8 (a) For each taxable year ending on or after December 31,  
9 2016, each taxpayer is entitled to a credit against the tax  
10 imposed by subsections (a) and (b) of Section 201 of this Act  
11 in an amount equal to 10% of the stipend or salary paid by the  
12 taxpayer to up to 5 qualified college interns during the  
13 taxable year, but not to exceed \$3,000 in total credits under  
14 this Section for all taxable years combined. For partners,  
15 shareholders of Subchapter S corporations, and owners of  
16 limited liability companies, if the liability company is  
17 treated as a partnership for purposes of federal and State  
18 income taxation, there shall be allowed a credit under this  
19 Section to be determined in accordance with the determination  
20 of income and distributive share of income under Sections 702  
21 and 704 and Subchapter S of the Internal Revenue Code.

22 (b) For purposes of this Section, "qualified college  
23 intern" means an enrolled student in an institution of higher

1 education or vocational technical education program (i) who is  
2 seeking a degree or certification of completion in a major  
3 field of study closely related to the work experience performed  
4 for the taxpayer, (ii) whose internship is taken for academic  
5 credit or counts toward the completion of a vocational  
6 technical education program, (iii) who is supervised and  
7 evaluated by the taxpayer, and (iv) whose position is located  
8 in Illinois.

9 (c) In no event shall a credit under this Section reduce  
10 the taxpayer's liability to less than zero. If the amount of  
11 the credit exceeds the tax liability for the year, the excess  
12 may not be carried forward or carried back.

13 (d) This Section is exempt from the provisions of Section  
14 250.

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