



Rep. Linda Chapa LaVia

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LRB099 08763 HLH 51767 a

1 AMENDMENT TO SENATE BILL 1488

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1488, AS AMENDED,  
3 by replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Illinois Income Tax Act is amended by  
6 changing Section 221 as follows:

7 (35 ILCS 5/221)

8 Sec. 221. Rehabilitation costs; qualified historic  
9 properties; River Edge Redevelopment Zone.

10 (a) For taxable years beginning on or after January 1, 2012  
11 and ending prior to January 1, 2018 ~~January 1, 2017~~, there  
12 shall be allowed a tax credit against the tax imposed by  
13 subsections (a) and (b) of Section 201 in an amount equal to  
14 25% of qualified expenditures incurred by a qualified taxpayer  
15 during the taxable year in the restoration and preservation of  
16 a qualified historic structure located in a River Edge

1 Redevelopment Zone pursuant to a qualified rehabilitation  
2 plan, provided that the total amount of such expenditures (i)  
3 must equal \$5,000 or more and (ii) must exceed 50% of the  
4 purchase price of the property.

5 (b) To obtain a tax credit pursuant to this Section, the  
6 taxpayer must apply with the Department of Commerce and  
7 Economic Opportunity. The Department of Commerce and Economic  
8 Opportunity, in consultation with the Historic Preservation  
9 Agency, shall determine the amount of eligible rehabilitation  
10 costs and expenses. The Historic Preservation Agency shall  
11 determine whether the rehabilitation is consistent with the  
12 standards of the Secretary of the United States Department of  
13 the Interior for rehabilitation. Upon completion and review of  
14 the project, the Department of Commerce and Economic  
15 Opportunity shall issue a certificate in the amount of the  
16 eligible credits. At the time the certificate is issued, an  
17 issuance fee up to the maximum amount of 2% of the amount of  
18 the credits issued by the certificate may be collected from the  
19 applicant to administer the provisions of this Section. If  
20 collected, this issuance fee shall be deposited into the  
21 Historic Property Administrative Fund, a special fund created  
22 in the State treasury. Subject to appropriation, moneys in the  
23 Historic Property Administrative Fund shall be evenly divided  
24 between the Department of Commerce and Economic Opportunity and  
25 the Historic Preservation Agency to reimburse the Department of  
26 Commerce and Economic Opportunity and the Historic

1 Preservation Agency for the costs associated with  
2 administering this Section. The taxpayer must attach the  
3 certificate to the tax return on which the credits are to be  
4 claimed. The Department of Commerce and Economic Opportunity  
5 may adopt rules to implement this Section.

6 (c) The tax credit under this Section may not reduce the  
7 taxpayer's liability to less than zero.

8 (d) As used in this Section, the following terms have the  
9 following meanings.

10 "Qualified expenditure" means all the costs and expenses  
11 defined as qualified rehabilitation expenditures under Section  
12 47 of the federal Internal Revenue Code that were incurred in  
13 connection with a qualified historic structure.

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

17 "Qualified rehabilitation plan" means a project that is  
18 approved by the Historic Preservation Agency as being  
19 consistent with the standards in effect on the effective date  
20 of this amendatory Act of the 97th General Assembly for  
21 rehabilitation as adopted by the federal Secretary of the  
22 Interior.

23 "Qualified taxpayer" means the owner of the qualified  
24 historic structure or any other person who qualifies for the  
25 federal rehabilitation credit allowed by Section 47 of the  
26 federal Internal Revenue Code with respect to that qualified

1 historic structure. Partners, shareholders of subchapter S  
2 corporations, and owners of limited liability companies (if the  
3 limited liability company is treated as a partnership for  
4 purposes of federal and State income taxation) are entitled to  
5 a credit under this Section to be determined in accordance with  
6 the determination of income and distributive share of income  
7 under Sections 702 and 703 and subchapter S of the Internal  
8 Revenue Code, provided that credits granted to a partnership, a  
9 limited liability company taxed as a partnership, or other  
10 multiple owners of property shall be passed through to the  
11 partners, members, or owners respectively on a pro rata basis  
12 or pursuant to an executed agreement among the partners,  
13 members, or owners documenting any alternate distribution  
14 method.

15 (Source: P.A. 97-203, eff. 7-28-11.)

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