

1 AN ACT concerning unemployment insurance.

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

4 Section 5. The Unemployment Insurance Act is amended by
5 adding Section 232.2 as follows:

6 (820 ILCS 405/232.2 new)

7 Sec. 232.2. Officer of Subchapter S Corporation. The
8 term "employment" does not include services performed by an
9 officer of a corporation organized as a Subchapter S
10 corporation if the only stockholders and employees of the
11 corporation are officers of the corporation. Subchapter S
12 corporation. As used in this Section, "Subchapter S
13 corporation" means a corporation for which there is in effect
14 an election under Section 1362 of the Internal Revenue
15 Code, or for which there is a federal election to opt out of
16 the provisions of the Subchapter S Revision Act of 1982 and
17 have applied instead the prior federal Subchapter S rules as
18 in effect on July 1, 1982.