

1 AN ACT relating to taxes.

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
5 adding Section 213 as follows:

6 (35 ILCS 5/213 new)

7 Sec. 213. Child and elderly care expense credit. For
8 taxable years ending on or after December 31, 2002 and ending
9 on or before December 30, 2007, every individual taxpayer
10 whose taxable income is \$75,000 or less is entitled to a tax
11 credit equal to 5% of the amount paid in the taxable year for
12 day care expenses for a dependent child of the taxpayer or an
13 elderly dependent of the taxpayer 65 years old or older. If
14 the amount of the credit exceeds the tax liability for the
15 year, the excess may be carried forward and applied to the
16 tax liability of the 5 taxable years following the excess
17 credit year. The credit shall be applied to the earliest
18 year for which there is a tax liability. If there are
19 credits from more than one tax year that are available to
20 offset a liability, the earlier credit shall be applied
21 first.

22 Section 99. Effective date. This Act takes effect upon
23 becoming law.