HB3682

LRB09610377RCE20547b

96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB3682

Introduced 2/24/2009, by Rep. Emily McAsey

SYNOPSIS AS INTRODUCED:

35 ILCS 5/218 new

Amends the Illinois Income Tax Act. Authorizes a credit to taxpayers for an amount equal to 20% of the amount of expenditures by the taxpayer for equipment placed in service during the taxable year for the purpose of preventing identity theft, but not to exceed $100 per article of equipment. Provides that the credit may not reduce the taxpayer's liability to less than zero and may not be carried back, but may be carried forward and applied to the tax liability of the 2 taxable years following the excess credit year. Exempt from the Act's sunset provisions. Effective immediately.

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FISCAL NOTE ACT
MAY APPLY

A BILL FOR

AN ACT concerning revenue.

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

Section 5. The Illinois Income Tax Act is amended by adding Section 218 as follows:

(35 ILCS 5/218 new)

Sec. 218. Credit for identity theft prevention equipment.

(a) For each taxable year ending on or after December 31, 2009, each taxpayer is entitled to a credit against the tax imposed by subsections (a) and (b) of Section 201 of this Act in an amount equal to 20% of the amount of expenditures by the taxpayer for equipment placed in service during the taxable year for the purpose of preventing identity theft, but not to exceed $100 per article of equipment. For partners, shareholders of Subchapter S corporations, and owners of limited liability companies, if the liability company is treated as a partnership for purposes of federal and State income taxation, there shall be allowed a credit under this Section to be determined in accordance with the determination of income and distributive share of income under Sections 702 and 704 and Subchapter S of the Internal Revenue Code.

(b) In no event shall a credit under this Section reduce the taxpayer's liability to less than zero. If the amount of the credit exceeds the tax liability for the year, the excess may not be carried back, but may be carried forward and applied to the tax liability of the 2 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a tax liability. If there are credits for more than one year that are available to offset a liability, the earlier credit shall be applied first.

(c) This Section is exempt from the provisions of Section 250.

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