



Sen. Toi W. Hutchinson

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1 AMENDMENT TO SENATE BILL 3658

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 3658 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Income Tax Act is amended by  
5 adding Section 219 as follows:

6 (35 ILCS 5/219 new)

7 Sec. 219. Credit for rehabilitation of vacant buildings.

8 (a) For taxable years beginning on or after January 1,  
9 2010, each taxpayer who is the owner or tenant of a building  
10 that (i) is located in an Enterprise Zone, River Edge  
11 Redevelopment Zone, or federally designated Foreign Trade Zone  
12 or Sub-Zone, (ii) is at least 20 years old, and (iii) has been  
13 unoccupied for a period of 2 consecutive years at any point  
14 during the taxable year is allowed a credit against the tax  
15 imposed by subsections (a) and (b) of Section 201 in an amount  
16 equal to (i) 25% of the aggregate qualified expenditures made

1 by the taxpayer during the taxable year for the purpose of  
2 rehabilitating the building or (ii) \$50,000 per building,  
3 whichever is less.

4 (b) Any taxpayer who is allowed a credit for costs incurred  
5 in the rehabilitation of property pursuant to the provisions of  
6 Section 38 of the federal Internal Revenue Code of 1986, as  
7 amended, shall not be allowed a credit under this Section.

8 (c) If the amount of the credit exceeds the taxpayer's  
9 liability for that year, whether it exceeds the original  
10 liability or the liability as later amended, that excess may be  
11 carried forward and applied to the tax liability of the 5  
12 taxable years following the excess credit year. The credit  
13 shall be applied to the earliest year for which there is a  
14 liability. If there is a credit from more than one tax year  
15 that is available to offset a liability, then the earlier  
16 credit shall be applied first.

17 (d) For the purposes of this Section, the following terms  
18 have the following meanings:

19 "Qualified expenditures" means expenditures associated  
20 with any exterior improvements, structural improvements,  
21 mechanical improvements, or electrical improvements necessary  
22 to rehabilitate for commercial or industrial business use a  
23 building that meets the requirements established in subsection  
24 (a) of this Section.

25 "Qualified expenditures" also includes, but is not limited  
26 to, expenditures associated with demolition, carpentry,

1 sheetrock, plaster, painting, ceilings, fixtures, doors,  
2 windows, sprinkler systems installed for fire protection  
3 purposes, roofing and flashing, exterior repair, tuckpointing,  
4 and cleanup.

5 "Qualified expenditures" does not include expenditures  
6 commonly referred to as soft costs, which include, but are not  
7 limited to, costs associated with appraisals; architectural,  
8 engineering, and interior design fees; legal, accounting, and  
9 realtor fees; loan fees; sales and marketing; closing; building  
10 permit, use, and inspection fees; bids; insurance; project  
11 signs and phones; temporary power; bid bonds; copying; rent  
12 loss during construction; costs included with acquisition;  
13 interior furnishings; new additions except as may be required  
14 to comply with building and safety codes; excavation; grading;  
15 paving; landscaping; and repairs to outbuildings.

16 "Business" means a for-profit legal entity, including, but  
17 not limited to, any sole proprietorship, partnership,  
18 corporation, joint venture, association, or cooperative.

19 (e) Taxpayers claiming the credit allowed by this Section  
20 shall furnish the Zone Administrator with copies of any  
21 receipts, bills, or other documentation of the qualified  
22 expenditures claimed for the purpose of this credit for  
23 certification by the Zone Administrator. Any form filed with  
24 the Department of Revenue for the purpose of claiming a credit  
25 under this Section shall be accompanied by a copy of the  
26 certification of qualified expenditures furnished to the

1 taxpayer by the Zone Administrator. The taxpayer shall make  
2 available to the Department of Revenue, upon request, copies of  
3 any receipts, bills, or other documentation of any qualified  
4 expenditures claimed by the taxpayer for the purpose of this  
5 credit.

6 (f) This Section is exempt from the provisions of Section  
7 250.

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