



Sen. Linda Holmes

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LRB096 20540 HLH 37535 a

1 AMENDMENT TO SENATE BILL 3672

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 3672 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Economic Development for a Growing Economy  
5 Tax Credit Act is amended by changing Section 5-15 as follows:

6 (35 ILCS 10/5-15)

7 Sec. 5-15. Tax Credit Awards. Subject to the conditions set  
8 forth in this Act, a Taxpayer is entitled to a Credit against  
9 or, as described in subsection (g) ~~(f)~~ of this Section, a  
10 payment towards taxes imposed pursuant to subsections (a) and  
11 (b) of Section 201 of the Illinois Income Tax Act that may be  
12 imposed on the Taxpayer for a taxable year beginning on or  
13 after January 1, 1999, if the Taxpayer is awarded a Credit by  
14 the Department under this Act for that taxable year.

15 (a) The Department shall make Credit awards under this Act  
16 to foster job creation and retention in Illinois.

1 (b) A person that proposes a project to create new jobs in  
2 Illinois must enter into an Agreement with the Department for  
3 the Credit under this Act.

4 (c) The Credit shall be claimed for the taxable years  
5 specified in the Agreement.

6 (d) The Credit shall not exceed the Incremental Income Tax  
7 attributable to the project that is the subject of the  
8 Agreement.

9 (e) Nothing herein shall prohibit a Tax Credit Award to an  
10 Applicant that uses a PEO if all other award criteria are  
11 satisfied.

12 (f) In lieu of the Credit allowed under this Act against  
13 the taxes imposed pursuant to subsections (a) and (b) of  
14 Section 201 of the Illinois Income Tax Act for any taxable year  
15 ending on or after December 31, 2009, the Taxpayer may elect to  
16 claim the Credit against its obligation to pay over withholding  
17 under Section 704A of the Illinois Income Tax Act.

18 (1) The election under this subsection (f) may be made  
19 only by a Taxpayer that ~~(i) is primarily engaged in one of~~  
20 ~~the following business activities: motor vehicle metal~~  
21 ~~stamping, automobile manufacturing, automobile and light~~  
22 ~~duty motor vehicle manufacturing, motor vehicle~~  
23 ~~manufacturing, light truck and utility vehicle~~  
24 ~~manufacturing, or motor vehicle body manufacturing and~~  
25 ~~(ii) meets the following criteria:~~

26 (A) the Taxpayer (i) had an Illinois net loss or an

1 Illinois net loss deduction under Section 207 of the  
2 Illinois Income Tax Act for the taxable year in which  
3 the Credit is awarded, (ii) ~~employed a minimum of 1,000~~  
4 ~~full-time employees in this State during the taxable~~  
5 ~~year in which the Credit is awarded, (iii)~~ has an  
6 Agreement under this Act on the effective date of this  
7 amendatory Act of the 96th General Assembly, and (iii)  
8 ~~(iv)~~ is in compliance with all provisions of that  
9 Agreement; or

10 (B) the Taxpayer (i) had an Illinois net loss or an  
11 Illinois net loss deduction under Section 207 of the  
12 Illinois Income Tax Act for the taxable year in which  
13 the Credit is awarded and (ii) ~~, (ii) employed a~~  
14 ~~minimum of 1,000 full-time employees in this State~~  
15 ~~during the taxable year in which the Credit is awarded,~~  
16 ~~and (iii)~~ has applied for an Agreement by July 1, 2010  
17 or within 30 days after the effective date of this  
18 amendatory Act of the 96th General Assembly, whichever  
19 is later ~~within 180 days after the effective date of~~  
20 ~~this amendatory Act of the 96th General Assembly.~~

21 (2) An election under this subsection shall allow the  
22 credit to be taken against payments otherwise due under  
23 Section 704A of the Illinois Income Tax Act during the  
24 first calendar year beginning after the end of the taxable  
25 year in which the credit is awarded under this Act.

26 (3) The election shall be made in the form and manner

1 required by the Illinois Department of Revenue and, once  
2 made, shall be irrevocable.

3 (4) If a Taxpayer who meets the requirements of  
4 subparagraph (A) of paragraph (1) of this subsection (f)  
5 elects to claim the Credit against its withholdings as  
6 provided in this subsection (f), then, on and after the  
7 date of the election, the terms of the Agreement between  
8 the Taxpayer and the Department may not be further amended  
9 during the term of the Agreement.

10 (g) ~~(f)~~ A pass-through entity that has been awarded a  
11 credit under this Act, its shareholders, or its partners may  
12 treat some or all of the credit awarded pursuant to this Act as  
13 a tax payment for purposes of the Illinois Income Tax Act. The  
14 term "tax payment" means a payment as described in Article 6 or  
15 Article 8 of the Illinois Income Tax Act or a composite payment  
16 made by a pass-through entity on behalf of any of its  
17 shareholders or partners to satisfy such shareholders' or  
18 partners' taxes imposed pursuant to subsections (a) and (b) of  
19 Section 201 of the Illinois Income Tax Act. In no event shall  
20 the amount of the award credited pursuant to this Act exceed  
21 the Illinois income tax liability of the pass-through entity or  
22 its shareholders or partners for the taxable year.

23 (Source: P.A. 95-375, eff. 8-23-07; 96-834, eff. 12-14-09;  
24 96-836, eff. 12-16-09; revised 12-21-09.)

25 Section 99. Effective date. This Act takes effect upon

1 becoming law.".