



Rep. Thomas Holbrook

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09700HB1089ham001

LRB097 06434 HLH 50217 a

1 AMENDMENT TO HOUSE BILL 1089

2 AMENDMENT NO. _____. Amend House Bill 1089 on page 6, line
3 1, by replacing "Section 221" with "Sections 221 and 222"; and
4 on page 6, immediately below line 14, by inserting the
5 following:

6 "(35 ILCS 5/222 new)

7 Sec. 222. Credit for mechanical insulation. For each
8 taxable year beginning on or after January 1, 2011, each
9 taxpayer is entitled to a credit against the tax imposed by
10 subsections (a) and (b) of Section 201 of this Act in an amount
11 equal to the applicable percentage of the cost of mechanical
12 insulation property placed in service in the State during the
13 taxable year.

14 In no event shall a credit under this Section reduce the
15 taxpayer's liability to less than zero. If the amount of the
16 credit exceeds the tax liability for the year, the excess may

1 be carried forward and applied to the tax liability of the 5
2 taxable years following the excess credit year. The tax credit
3 shall be applied to the earliest year for which there is a tax
4 liability. If there are credits for more than one year that are
5 available to offset a liability, the earlier credit shall be
6 applied first.

7 For purposes of this Section:

8 "ASHRAE" means the American Society of Heating,
9 Refrigerating, and Air-Conditioning Engineers.

10 "Mechanical insulation property" includes insulation
11 materials, facings, and accessory products used for
12 thermal requirements for mechanical piping and equipment,
13 hot and cold applications, and heating, venting, and air
14 conditioning applications.

15 "Cost of mechanical insulation property" includes any
16 amount paid or incurred for the installation of mechanical
17 insulation property that exceeds ASHRAE standard
18 90.1-2007.

19 "Applicable percentage" means the lesser of (i) 30% or
20 (ii) the reduction in energy loss (expressed as a
21 percentage) from the installed mechanical insulation
22 property compared with mechanical insulation property that
23 meets the minimum requirements of ASHRAE standard
24 90.1-2007."