



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB4034

by Rep. Paul Evans

SYNOPSIS AS INTRODUCED:

35 ILCS 5/223 new

Amends the Illinois Income Tax Act. Provides that, for taxable years ending on or after December 31, 2012, and ending on or before December 31, 2016, individual taxpayers who make a purchase of residential real property during the taxable year are entitled to a credit in an amount not to exceed \$1,000. Provides that the taxpayer is eligible for the credit if the property is purchased as the taxpayer's principal place of residence and the property is used as the taxpayer's principal place of residence on the last day of the taxable year. Contains provisions allowing the credit to be carried forward. Effective immediately.

LRB097 17442 HLH 62644 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning revenue.

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 adding
5 Section 223 as follows:

6 (35 ILCS 5/223 new)

7 Sec. 223. Home purchase credit. For each taxable year
8 ending on or after December 31, 2012, and ending on or before
9 December 31, 2016, each individual taxpayer who makes a
10 purchase of residential real property during the taxable year
11 is entitled to a credit against the tax imposed by subsections
12 (a) and (b) of Section 201 of this Act in an amount not to
13 exceed \$1,000 if the property (i) is purchased as the
14 taxpayer's principal place of residence and (ii) is used as the
15 taxpayer's principal place of residence on the last day of that
16 taxable year. The credit may be claimed for only one residence.
17 In no event shall a credit under this Section reduce the
18 taxpayer's liability to less than zero. If the amount of the
19 credit exceeds the taxpayer's tax liability for the year, the
20 excess may be carried forward and applied to the tax liability
21 of the 5 taxable years following the excess credit year. The
22 credit shall be applied to the earliest year for which there is
23 a tax liability.

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