



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB3142

by Rep. Thaddeus Jones

SYNOPSIS AS INTRODUCED:

35 ILCS 5/224 new

Amends the Illinois Income Tax Act. Provides that each taxpayer is entitled to a credit for each employee of the taxpayer who was (i) laid off by the taxpayer during calendar year 2012, (ii) employed by the taxpayer for at least one year prior to being laid off, (iii) rehired by the taxpayer during calendar year 2013, and (iv) retained by the taxpayer for a period of at least one year after being rehired. Provides that, if the employee was rehired on or before May 31, 2013, the taxpayer is entitled to a credit in an amount equal to 66% of the total taxes imposed on the employer with respect to that employee under the Federal Insurance Contribution Act during the 12-month period commencing with the date of rehire. Provides that, if the employee was rehired on or after June 1, 2013, the taxpayer is entitled to a credit in an amount equal to 33% of the total taxes imposed on the employer with respect to that employee under the Federal Insurance Contribution Act during the 12-month period commencing with the date of rehire. Provides that the credit may be carried forward. Provides that the credit is exempt from the Act's automatic sunset provision. Effective immediately.

LRB098 07345 HLH 37408 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 224 as follows:

6 (35 ILCS 5/224 new)

7 Sec. 224. Credit for rehiring workers.

8 (a) For taxable years beginning on or after January 1, 2014
9 and prior to January 1, 2015, each taxpayer is entitled to a
10 credit against the tax imposed by subsections (a) and (b) of
11 Section 201 for each employee of the taxpayer who was (i) laid
12 off by the taxpayer during calendar year 2012, (ii) employed by
13 the taxpayer for at least one year prior to being laid off,
14 (iii) rehired by the taxpayer during calendar year 2013, and
15 (iv) retained by the taxpayer for a period of at least one year
16 after being rehired.

17 (b) If the employee was rehired on or before May 31, 2013,
18 the taxpayer is entitled to a credit in an amount equal to 66%
19 of the total taxes imposed on the employer with respect to that
20 employee under the Federal Insurance Contribution Act (26
21 U.S.C. 3111 (a) and (b)) during the 12-month period commencing
22 with the date of rehire.

23 (c) If the employee was rehired on or after June 1, 2013,

1 the taxpayer is entitled to a credit in an amount equal to 33%
2 of the total taxes imposed on the employer with respect to that
3 employee under the Federal Insurance Contribution Act (26
4 U.S.C. 3111 (a) and (b)) during the 12-month period commencing
5 with the date of rehire.

6 (d) The tax credit may not reduce the taxpayer's liability
7 to less than zero. If the amount of the tax credit exceeds the
8 tax liability for the year, the excess may be carried forward
9 and applied to the tax liability of the 5 taxable years
10 following the excess credit year. The credit must be applied to
11 the earliest year for which there is a tax liability. If there
12 are credits from more than one tax year that are available to
13 offset a liability, then the earlier credit must be applied
14 first.

15 (e) This Section is exempt from the provisions of Section
16 250.

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