



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB4289

by Rep. Sue Scherer

SYNOPSIS AS INTRODUCED:

35 ILCS 5/224 new

Amends the Illinois Income Tax Act. Creates a credit for wages paid pursuant to a qualified apprenticeship program. Provides that a "qualified apprenticeship program" means an apprenticeship program in manufacturing, plastics, or construction trades that is certified by the Department of Commerce and Economic Opportunity and at least 4 years in duration. Provides that the credit may not exceed the lesser of (i) 50% of the wages paid by the taxpayer to each apprentice during the taxable year or (ii) \$4,800 per apprentice. Provides that the credit may be carried forward for 5 taxable years. Provides that the credit is exempt from the Act's automatic sunset provision. Effective immediately.

LRB098 16080 HLH 51134 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. Manufacturing apprenticeship training credit.

8 (a) For tax years beginning on or after January 1, 2015, a
9 taxpayer shall be allowed a credit against the tax imposed by
10 subsections (a) and (b) of Section 201 for certain amounts paid
11 by the taxpayer as wages pursuant to a qualified apprenticeship
12 program. The credit may not exceed the lesser of (i) 50% of the
13 wages paid by the taxpayer to each apprentice during the
14 taxable year or (ii) \$4,800 per apprentice. The taxpayer shall
15 apply with the Department of Commerce and Economic Opportunity
16 annually for certification as a "qualified apprenticeship
17 program". The application shall be in the form and manner
18 prescribed by the Department of Commerce and Economic
19 Opportunity.

20 (b) For partners, shareholders of Subchapter S
21 corporations, and owners of limited liability companies, if the
22 liability company is treated as a partnership for purposes of
23 federal and State income taxation, the credit under this

1 Section shall be determined in accordance with the
2 determination of income and distributive share of income under
3 Sections 702 and 704 and Subchapter S of the Internal Revenue
4 Code.

5 (c) In no event shall a credit under this Section reduce
6 the taxpayer's liability to less than zero. If the amount of
7 the credit exceeds the tax liability for the year, the excess
8 may be carried forward and applied to the tax liability of the
9 5 taxable years following the excess credit year. The tax
10 credit shall be applied to the earliest year for which there is
11 a tax liability. If there are credits for more than one year
12 that are available to offset a liability, the earlier credit
13 shall be applied first.

14 (d) For the purposes of this Section, "qualified
15 apprenticeship program" means an apprenticeship program in
16 manufacturing, plastics, or construction trades that is
17 certified by the Department of Commerce and Economic
18 Opportunity under this Section and at least 4 years in
19 duration.

20 (e) This Section is exempt from the provisions of Section
21 250.

22 Section 99. Effective date. This Act takes effect upon
23 becoming law.