



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB0485

by Rep. Kelly M. Cassidy

SYNOPSIS AS INTRODUCED:

35 ILCS 5/255 new
35 ILCS 5/260 new

Amends the Illinois Income Tax Act. Provides that no corporate entity may claim an income tax credit, deduction, or exemption that is created by an Act of the General Assembly that first takes effect on or after the effective date of this amendatory Act of the 99th General Assembly. Provides that no credit, deduction, or exemption that is available to corporate entities on the effective date of this amendatory Act of the 99th General Assembly may be expanded by an Act of the General Assembly or by a rule adopted by a State agency. These changes are repealed on January 11, 2017. Creates a Corporate Tax Incentive Accountability Commission. Effective immediately.

LRB099 04094 SXM 24113 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 Sections 255 and 260 as follows:

6 (35 ILCS 5/255 new)

7 Sec. 255. Moratorium on new credits, deductions, and
8 exemptions; expansion of credits. Notwithstanding any other
9 provision of law, no corporate entity may claim a credit,
10 deduction, or exemption against the tax imposed under
11 subsections (a) and (b) of Section 201 if that credit,
12 deduction, or exemption is created by an Act of the General
13 Assembly that first takes effect on or after the effective date
14 of this amendatory Act of the 99th General Assembly. In
15 addition, on and after the effective date of this amendatory
16 Act of the 99th General Assembly, no credit, deduction, or
17 exemption against the tax imposed under subsections (a) and (b)
18 of Section 201 that is available to corporate entities on the
19 effective date of this amendatory Act of the 99th General
20 Assembly may be expanded by an Act of the General Assembly or
21 by a rule adopted by a State agency.

22 For the purposes of this Section, "corporate entity" means
23 a corporation, partnership, or limited liability company.

1 "State agency" means any department, office, commission,
2 board, or agency of the executive branch, including, but not
3 limited to, the Department of Revenue and the Department of
4 Commerce and Economic Opportunity.

5 This Section is repealed on January 11, 2017.

6 (35 ILCS 5/260 new)

7 Sec. 260. Corporate Tax Incentive Accountability
8 Commission.

9 There is created the Corporate Tax Incentive
10 Accountability Commission, composed of 15 members appointed as
11 follows: 3 members appointed by the Speaker of the House of
12 Representatives; 3 members appointed by the Minority Leader of
13 the House of Representatives; 3 members appointed by the
14 President of the Senate; 3 members appointed by the Minority
15 Leader of the Senate; and 3 members appointed by the Governor,
16 one of whom shall serve as chairperson of the Commission for an
17 initial term of one year. Thereafter, members shall elect from
18 their number a chairperson to serve a term of one year.
19 Appointments to the Commission shall include representatives
20 of small businesses and community foundations, as well as
21 academic experts in fiscal analysis, economic development,
22 performance management, strategic planning, performance
23 assessment, or other closely related fields. The members of the
24 Commission shall serve without compensation, but may be
25 reimbursed for their actual expenses from funds appropriated

1 for that purpose.

2 The Corporate Tax Incentive Accountability Commission
3 shall study the effectiveness of corporate tax breaks and other
4 tax incentives provided to businesses, including, but not
5 limited to, their impact on job creation and job retention. The
6 Commission shall review and quantify the number and quality of
7 the jobs created and retained, including, but not limited to,
8 the level of compensation and benefits provided by employers
9 for the jobs identified as having been created or retained. The
10 Commission shall meet at least annually at the call of the
11 chairperson and may hold additional meetings as the chairperson
12 may determine.

13 The Department of Revenue shall provide technical
14 assistance, support staff, and meeting space to the Corporate
15 Tax Incentive Accountability Commission. The Commission on
16 Government Forecasting and Accountability shall provide
17 information and technical assistance to the Corporate Tax
18 Incentive Accountability Commission upon request.

19 The Corporate Tax Incentive Accountability Commission
20 shall report its findings to the Governor and the General
21 Assembly on or before December 31, 2016. The Commission shall
22 report to the Governor and the General Assembly on or before
23 December 31, 2018 on the effectiveness of any legislation
24 enacted in response to its initial report.

25 This Section is repealed on December 31, 2019.

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

1 becoming law.