

1 AN ACT concerning education.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

4 Section 5. The Illinois Prepaid Tuition Act is amended  
5 by changing Section 55 as follows:

6 (110 ILCS 979/55)

7 Sec. 55. Tax exemption. The assets of the Illinois  
8 Prepaid Tuition Trust Fund and its income and operation shall  
9 be exempt from all taxation by this the State of ~~Illinois~~ and  
10 any of its subdivisions. The accrued earnings of Illinois  
11 prepaid tuition contracts once disbursed on behalf of an  
12 eligible beneficiary shall be similarly exempt from all  
13 taxation by the State of Illinois and any of its  
14 subdivisions, so long as they are used for educational  
15 purposes in accordance with the provisions of an Illinois  
16 prepaid tuition contract. The provisions of this Section are  
17 exempt from the provisions of Section 250 of the Illinois  
18 Income Tax Act.

19 (Source: P.A. 90-546, eff. 12-1-97; 91-867, eff. 6-22-00.)