



Rep. Marcus C. Evans, Jr.

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LRB104 04779 SPS 36925 a

1 AMENDMENT TO HOUSE BILL 881

2 AMENDMENT NO. _____. Amend House Bill 881 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Income Tax Act is amended by
5 changing Sections 214, 223, and 240 as follows:

6 (35 ILCS 5/214)

7 Sec. 214. Tax credit for affordable housing donations.

8 (a) Beginning with taxable years ending on or after
9 December 31, 2001 and until the taxable year ending on
10 December 31, 2026, a taxpayer who makes a donation under
11 Section 7.28 of the Illinois Housing Development Act is
12 entitled to a credit against the tax imposed by subsections
13 (a) and (b) of Section 201 in an amount equal to 50% of the
14 value of the donation. For taxable years ending before
15 December 31, 2023, partners, shareholders of subchapter S
16 corporations, and owners of limited liability companies (if

1 the limited liability company is treated as a partnership for
2 purposes of federal and State income taxation) are entitled to
3 a credit under this Section to be determined in accordance
4 with the determination of income and distributive share of
5 income under Sections 702 and 703 and subchapter S of the
6 Internal Revenue Code. For taxable years ending on or after
7 December 31, 2023, partners and shareholders of subchapter S
8 corporations are entitled to a credit under this Section as
9 provided in Section 251. Persons or entities not subject to
10 the tax imposed by subsections (a) and (b) of Section 201 and
11 who make a donation under Section 7.28 of the Illinois Housing
12 Development Act are entitled to a credit as described in this
13 subsection and may transfer that credit as described in
14 subsection (c).

15 (b) If the amount of the credit exceeds the tax liability
16 for the year, the excess may be carried forward and applied to
17 the tax liability of the 5 taxable years following the excess
18 credit year. The tax credit shall be applied to the earliest
19 year for which there is a tax liability. If there are credits
20 for more than one year that are available to offset a
21 liability, the earlier credit shall be applied first.

22 (c) The transfer of the tax credit allowed under this
23 Section may be made (i) to the purchaser of land that has been
24 designated solely for affordable housing projects in
25 accordance with the Illinois Housing Development Act or (ii)
26 to another donor who has also made a donation in accordance

1 with Section 7.28 of the Illinois Housing Development Act.
2 Projects funded in whole or in part by the proceeds of tax
3 credits transferred pursuant to this subsection shall be
4 considered public works within the meaning of the Prevailing
5 Wage Act.

6 (d) A taxpayer claiming the credit provided by this
7 Section must maintain and record any information that the
8 Department may require by regulation regarding the project for
9 which the credit is claimed. When claiming the credit provided
10 by this Section, the taxpayer must provide information
11 regarding the taxpayer's donation to the project under the
12 Illinois Housing Development Act.

13 (Source: P.A. 102-16, eff. 6-17-21; 102-175, eff. 7-29-21;
14 103-396, eff. 1-1-24.)

15 (35 ILCS 5/223)

16 Sec. 223. Hospital credit.

17 (a) For tax years ending on or after December 31, 2012 and
18 ending on or before December 31, 2027, a taxpayer that is the
19 owner of a hospital licensed under the Hospital Licensing Act,
20 but not including an organization that is exempt from federal
21 income taxes under the Internal Revenue Code, is entitled to a
22 credit against the taxes imposed under subsections (a) and (b)
23 of Section 201 of this Act in an amount equal to the lesser of
24 the amount of real property taxes paid during the tax year on
25 real property used for hospital purposes during the prior tax

1 year or the cost of free or discounted services provided
2 during the tax year pursuant to the hospital's charitable
3 financial assistance policy, measured at cost.

4 (b) If the taxpayer is a partnership or Subchapter S
5 corporation, the credit is allowed to the partners or
6 shareholders in accordance with the determination of income
7 and distributive share of income under Sections 702 and 704
8 and Subchapter S of the Internal Revenue Code. A transfer of
9 this credit may be made by the taxpayer earning the credit
10 within one year after the credit is earned in accordance with
11 rules adopted by the Department. Projects funded in whole or
12 in part by the proceeds of tax credits transferred pursuant to
13 this subsection shall be considered public works within the
14 meaning of the Prevailing Wage Act. The Department shall
15 prescribe rules to enforce and administer provisions of this
16 Section. If the amount of the credit exceeds the tax liability
17 for the year, then the excess credit may be carried forward and
18 applied to the tax liability of the 5 taxable years following
19 the excess credit year. The credit shall be applied to the
20 earliest year for which there is a tax liability. If there are
21 credits from more than one tax year that are available to
22 offset a liability, the earlier credit shall be applied first.
23 In no event shall a credit under this Section reduce the
24 taxpayer's liability to less than zero.

25 (Source: P.A. 102-700, eff. 4-19-22; 102-886, eff. 5-17-22.)

1 (35 ILCS 5/240)

2 Sec. 240. Hydrogen fuel replacement tax credits.

3 (a) For tax years ending on or after December 31, 2027 and
4 beginning before January 1, 2029, an eligible taxpayer who
5 qualifies for a credit under the Hydrogen Fuel Replacement Tax
6 Credit Act is entitled to a credit against the taxes imposed
7 under subsections (a) and (b) of Section 201 of this Act as
8 provided in that Act. If the eligible taxpayer is a
9 partnership or Subchapter S corporation, the credit shall be
10 allowed to the partners or shareholders in accordance with the
11 determination of income and distributive share of income under
12 Sections 702 and 704 and Subchapter S of the Internal Revenue
13 Code.

14 (b) If the amount of the credit exceeds the tax liability
15 for the year, the excess may be carried forward and applied to
16 the tax liability of the 5 taxable years following the excess
17 credit year. The credit shall be applied to the earliest year
18 for which there is a tax liability. If there are credits from
19 more than one tax year that are available to offset a
20 liability, the earlier credit shall be applied first. In no
21 event shall a credit under this Section reduce the taxpayer's
22 liability to less than zero.

23 (c) A sale, assignment, or transfer of the tax credit may
24 be made by the taxpayer earning the credit within one year
25 after the credit is awarded in accordance with rules adopted
26 by the Department of Commerce and Economic Opportunity.

1 Projects funded in whole or in part by the proceeds of tax
2 credits transferred pursuant to this subsection shall be
3 considered public works within the meaning of the Prevailing
4 Wage Act.

5 (d) A person claiming the credit allowed under this
6 Section shall attach to its Illinois income tax return a copy
7 of the tax credit certificate or the transfer certificate
8 issued by the Department of Commerce and Economic Opportunity.

9 (Source: P.A. 103-268, eff. 7-25-23.)

10 Section 20. The Prevailing Wage Act is amended by changing
11 Section 2 as follows:

12 (820 ILCS 130/2)

13 Sec. 2. This Act applies to the wages of laborers,
14 mechanics and other workers employed in any public works, as
15 hereinafter defined, by any public body and to anyone under
16 contracts for public works. This includes any maintenance,
17 repair, assembly, or disassembly work performed on equipment
18 whether owned, leased, or rented.

19 As used in this Act, unless the context indicates
20 otherwise:

21 "Public works" means all fixed works constructed or
22 demolished by any public body, or paid for wholly or in part
23 out of public funds. "Public works" as defined herein includes
24 all projects financed in whole or in part with bonds, grants,

1 loans, or other funds made available by or through the State or
2 any of its political subdivisions, including but not limited
3 to: bonds issued under the Industrial Project Revenue Bond Act
4 (Article 11, Division 74 of the Illinois Municipal Code), the
5 Industrial Building Revenue Bond Act, the Illinois Finance
6 Authority Act, the Illinois Sports Facilities Authority Act,
7 or the Build Illinois Bond Act; loans or other funds made
8 available pursuant to the Build Illinois Act; loans or other
9 funds made available pursuant to the Riverfront Development
10 Fund under Section 10-15 of the River Edge Redevelopment Zone
11 Act; funds received from the sale or transfer of tax credits
12 awarded by the State, other than tax credits awarded under the
13 Film Production Services Tax Credit Act of 2008 or the Live
14 Theater Production Tax Credit Act; or funds from the Fund for
15 Illinois' Future under Section 6z-47 of the State Finance Act,
16 funds for school construction under Section 5 of the General
17 Obligation Bond Act, funds authorized under Section 3 of the
18 School Construction Bond Act, funds for school infrastructure
19 under Section 6z-45 of the State Finance Act, and funds for
20 transportation purposes under Section 4 of the General
21 Obligation Bond Act. "Public works" also includes (i) all
22 projects financed in whole or in part with funds from the
23 Environmental Protection Agency under the Illinois Renewable
24 Fuels Development Program Act for which there is no project
25 labor agreement; (ii) all work performed pursuant to a public
26 private agreement under the Public Private Agreements for the

1 Illiana Expressway Act or the Public-Private Agreements for
2 the South Suburban Airport Act; (iii) all projects undertaken
3 under a public-private agreement under the Public-Private
4 Partnerships for Transportation Act or the Department of
5 Natural Resources World Shooting and Recreational Complex Act;
6 and (iv) all transportation facilities undertaken under a
7 design-build contract or a Construction Manager/General
8 Contractor contract under the Innovations for Transportation
9 Infrastructure Act. "Public works" also includes all projects
10 at leased facility property used for airport purposes under
11 Section 35 of the Local Government Facility Lease Act. "Public
12 works" also includes the construction of a new wind power
13 facility by a business designated as a High Impact Business
14 under Section 5.5(a)(3)(E) of the Illinois Enterprise Zone
15 Act, the construction of a new utility-scale solar power
16 facility by a business designated as a High Impact Business
17 under Section 5.5(a)(3)(E-5) of the Illinois Enterprise Zone
18 Act, the construction of a new battery energy storage solution
19 facility by a business designated as a High Impact Business
20 under Section 5.5(a)(3)(I) of the Illinois Enterprise Zone
21 Act, and the construction of a high voltage direct current
22 converter station by a business designated as a High Impact
23 Business under Section 5.5(a)(3)(J) of the Illinois Enterprise
24 Zone Act. "Public works" also includes electric vehicle
25 charging station projects financed pursuant to the Electric
26 Vehicle Act and renewable energy projects required to pay the

1 prevailing wage pursuant to the Illinois Power Agency Act.
2 "Public works" also includes power washing projects by a
3 public body or paid for wholly or in part out of public funds
4 in which steam or pressurized water, with or without added
5 abrasives or chemicals, is used to remove paint or other
6 coatings, oils or grease, corrosion, or debris from a surface
7 or to prepare a surface for a coating. "Public works" also
8 includes all electric transmission systems projects subject to
9 the Electric Transmission Systems Construction Standards Act.
10 "Public works" does not include work done directly by any
11 public utility company, whether or not done under public
12 supervision or direction, or paid for wholly or in part out of
13 public funds. "Public works" also includes construction
14 projects performed by a third party contracted by any public
15 utility, as described in subsection (a) of Section 2.1, in
16 public rights-of-way, as defined in Section 21-201 of the
17 Public Utilities Act, whether or not done under public
18 supervision or direction, or paid for wholly or in part out of
19 public funds. "Public works" also includes construction
20 projects that exceed 15 aggregate miles of new fiber optic
21 cable, performed by a third party contracted by any public
22 utility, as described in subsection (b) of Section 2.1, in
23 public rights-of-way, as defined in Section 21-201 of the
24 Public Utilities Act, whether or not done under public
25 supervision or direction, or paid for wholly or in part out of
26 public funds. "Public works" also includes any corrective

1 action performed pursuant to Title XVI of the Environmental
2 Protection Act for which payment from the Underground Storage
3 Tank Fund is requested. "Public works" also includes all
4 construction projects involving fixtures or permanent
5 attachments affixed to light poles that are owned by a public
6 body, including street light poles, traffic light poles, and
7 other lighting fixtures, whether or not done under public
8 supervision or direction, or paid for wholly or in part out of
9 public funds, unless the project is performed by employees
10 employed directly by the public body. "Public works" also
11 includes work performed subject to the Mechanical Insulation
12 Energy and Safety Assessment Act. "Public works" also includes
13 the removal, hauling, and transportation of biosolids, lime
14 sludge, and lime residue from a water treatment plant or
15 facility and the disposal of biosolids, lime sludge, and lime
16 residue removed from a water treatment plant or facility at a
17 landfill. "Public works" does not include projects undertaken
18 by the owner at an owner-occupied single-family residence or
19 at an owner-occupied unit of a multi-family residence. "Public
20 works" does not include work performed for soil and water
21 conservation purposes on agricultural lands, whether or not
22 done under public supervision or paid for wholly or in part out
23 of public funds, done directly by an owner or person who has
24 legal control of those lands.

25 "Construction" means all work on public works involving
26 laborers, workers or mechanics. This includes any maintenance,

1 repair, assembly, or disassembly work performed on equipment
2 whether owned, leased, or rented.

3 "Locality" means the county where the physical work upon
4 public works is performed, except (1) that if there is not
5 available in the county a sufficient number of competent
6 skilled laborers, workers and mechanics to construct the
7 public works efficiently and properly, "locality" includes any
8 other county nearest the one in which the work or construction
9 is to be performed and from which such persons may be obtained
10 in sufficient numbers to perform the work and (2) that, with
11 respect to contracts for highway work with the Department of
12 Transportation of this State, "locality" may at the discretion
13 of the Secretary of the Department of Transportation be
14 construed to include two or more adjacent counties from which
15 workers may be accessible for work on such construction.

16 "Public body" means the State or any officer, board or
17 commission of the State or any political subdivision or
18 department thereof, or any institution supported in whole or
19 in part by public funds, and includes every county, city,
20 town, village, township, school district, irrigation, utility,
21 reclamation improvement or other district and every other
22 political subdivision, district or municipality of the state
23 whether such political subdivision, municipality or district
24 operates under a special charter or not.

25 "Labor organization" means an organization that is the
26 exclusive representative of an employer's employees recognized

1 or certified pursuant to the National Labor Relations Act.

2 The terms "general prevailing rate of hourly wages",
3 "general prevailing rate of wages" or "prevailing rate of
4 wages" when used in this Act mean the hourly cash wages plus
5 annualized fringe benefits for training and apprenticeship
6 programs approved by the U.S. Department of Labor, Bureau of
7 Apprenticeship and Training, health and welfare, insurance,
8 vacations and pensions paid generally, in the locality in
9 which the work is being performed, to employees engaged in
10 work of a similar character on public works.

11 (Source: P.A. 102-9, eff. 1-1-22; 102-444, eff. 8-20-21;
12 102-673, eff. 11-30-21; 102-813, eff. 5-13-22; 102-1094, eff.
13 6-15-22; 103-8, eff. 6-7-23; 103-327, eff. 1-1-24; 103-346,
14 eff. 1-1-24; 103-359, eff. 7-28-23; 103-447, eff. 8-4-23;
15 103-605, eff. 7-1-24; 103-1066, eff. 2-20-25.)

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