



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB1799

Introduced 1/28/2025, by Rep. Tom Weber

SYNOPSIS AS INTRODUCED:

35 ILCS 5/235 new

Amends the Illinois Income Tax Act. Provides that a taxpayer is entitled to an income tax credit for each person who is (i) 62 years of age or older during the taxable year and (ii) employed by the taxpayer at a location in this State for not less than 185 days during the taxable year. Provides that the credit may be carried forward. Provides that the credit is exempt from the Act's automatic sunset provision. Effective immediately.

LRB104 03976 HLH 14000 b

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
5 adding Section 235 as follows:

6 (35 ILCS 5/235 new)

7 Sec. 235. Credit for wages paid to persons 62 years of age
8 or older.

9 (a) For each taxable year beginning on or after January 1,
10 2026, each taxpayer is entitled to a credit against the tax
11 imposed by subsections (a) and (b) of Section 201 of this Act
12 in the amount of \$2,500 for each person who is (i) 62 years of
13 age or older during the taxable year and (ii) employed by the
14 taxpayer at a location in this State for not less than 185 days
15 during the taxable year. For partners, shareholders of
16 Subchapter S corporations, and owners of limited liability
17 companies, if the liability company is treated as a
18 partnership for purposes of federal and State income taxation,
19 there shall be allowed a credit under this Section to be
20 determined in accordance with the determination of income and
21 distributive share of income under Sections 702 and 704 and
22 Subchapter S of the Internal Revenue Code.

23 (b) In no event shall a credit under this Section reduce

1 the taxpayer's liability to less than zero. If the amount of
2 the credit exceeds the tax liability for the year, the excess
3 may be carried forward and applied to the tax liability of the
4 5 taxable years following the excess credit year. The tax
5 credit shall be applied to the earliest year for which there is
6 a tax liability. If there are credits for more than one year
7 that are available to offset a liability, the earlier credit
8 shall be applied first.

9 (c) This Section is exempt from the provisions of Section
10 250.

11 Section 99. Effective date. This Act takes effect upon
12 becoming law.