

HB3066



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB3066

Introduced 2/6/2025, by Rep. Sonya M. Harper

SYNOPSIS AS INTRODUCED:

New Act
35 ILCS 5/235 new

Creates the Distressed Farmers Act. Provides that the Department of Agriculture shall, by rule, establish a grant program through which it provides (i) up to \$5,000,000 for apprenticeships for individuals working in a direct or support capacity for a distressed farmer, (ii) up to \$5,000,000 for distressed farmers for wells, and (iii) up to \$10,000,000 for distressed farmers for certain other expenses. Amends the Illinois Income Tax Act. Provides for a distressed farmer credit for taxable years on or after January 1, 2027 in an amount of up to \$50,000 in qualified farming expenses. Defines terms.

LRB104 05880 HLH 15911 b

A BILL FOR

1 AN ACT concerning agriculture.

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

4 Section 1. Short title. This Act may be cited as the
5 Distressed Farmers Act.

6 Section 5. Definitions. As defined in this Act:

7 "Department" refers to the Department of Agriculture.

8 "Distressed farmer" means (i) a farmer or an individual
9 principally responsible for farming leased land with fewer
10 than 75 acres of land and less than \$500,000 per year in gross
11 revenue or (ii) a farmer who has been denied a Farm Service
12 Agency number despite 5 or more years of farming.

13 Section 10. General provisions. Subject to appropriation,
14 the Department shall, by rule, establish a grant program
15 through which it provides:

16 (1) up to \$5,000,000 for paid, year-long
17 apprenticeships for individuals seeking to work in a
18 direct or support capacity of a distressed farmer;

19 (2) up to \$5,000,000 for distressed farmers
20 specifically in need of wells; and

21 (3) up to \$10,000,000 for distressed farmers in need
22 of financial assistance with the following expenses:

- 1 (A) repairing tractors, greenhouses, and reefer
2 trucks and other trucks;
- 3 (B) building greenhouses and other covers; and
- 4 (C) purchasing tractors with tillers and other
5 attachments.

6 Section 15. Rulemaking. The Department shall adopt rules
7 to implement and administer this Act.

8 Section 90. The Illinois Income Tax Act is amended by
9 adding Section 235 as follows:

10 (35 ILCS 5/235 new)

11 Sec. 235. Distressed farmer credit.

12 (a) For taxable years beginning on or after January 1,
13 2027, each taxpayer who is a distressed farmer and who incurs
14 qualified farming expenses during the taxable year is entitled
15 to a credit against the tax imposed by subsections (a) and (b)
16 of Section 201 in an amount equal to 100% of those qualified
17 farming expenses, not to exceed \$50,000 per taxpayer in any
18 taxable year.

19 (b) In no event shall a credit under this Section reduce a
20 taxpayer's liability to less than zero. If the amount of
21 credit exceeds the tax liability for the year, the excess may
22 be carried forward and applied to the tax liability for the 5
23 taxable years following the excess credit year. The tax credit

1 shall be applied to the earliest year for which there is a tax
2 liability. If there are credits for more than one year that are
3 available to offset liability, the earlier credit shall be
4 applied first.

5 (c) As used in this Section:

6 "Distressed farmer" has the meaning given to that term in
7 Section 5 of the Distressed Farmers Act.

8 "Grocery store" means a business that is authorized by the
9 Department of Human Services to participate in the Women,
10 Infants and Children Nutrition program and is primarily
11 engaged in retailing a general line of food, such as canned and
12 frozen foods; fresh fruits and vegetables; and fresh and
13 prepared meats, fish, and poultry.

14 "Qualified farming expense" means an expense related to:

15 (1) repairing tractors, trailers, and other vehicles;

16 (2) purchasing, repairing, or constructing greenhouses
17 and other covers for agricultural products;

18 (3) purchasing tractors with tillers and other
19 attachments; and

20 (4) planting or harvesting food that will be delivered
21 to an underserved community.

22 "Underserved community" means a census tract in the State
23 in which:

24 (1) at least one of the following conditions applies:

25 (A) 20% or more of the households are at or below
26 the federal poverty level, according to the poverty

1 guidelines updated periodically in the Federal
2 Register by the U.S. Department of Health and Human
3 Services; or

4 (B) the median family income is at or below 80% of
5 the area median family income, as reported in the most
6 recent American Community Survey (ACS) published by
7 the United States Bureau of the Census; and

8 (2) in the case of a census tract located in a
9 Metropolitan Statistical Area, at least 33% of the census
10 tract's population lives more than one mile from a grocery
11 store or, in the case of a census tract located outside of
12 a Metropolitan Statistical Area, at least 33% of the
13 census tract's population lives more than 10 miles from a
14 grocery store.