



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB4923

by Rep. Sonya M. Harper

SYNOPSIS AS INTRODUCED:

New Act
35 ILCS 5/253 new

Creates the Distressed Farmers Act. Provides that the Department of Agriculture shall fund and administer programs to address the needs of distressed farmers. Amends The Illinois Income Tax Act. Provides that for taxable years beginning on or after January 1, 2026, each taxpayer who is a distressed farmer and who incurs qualified farming expenses during the taxable year is entitled to a tax credit in an amount equal to 100% of those qualified farming expenses, not to exceed \$50,000 per taxpayer in any taxable year. Provides that qualified farming expenses include: (1) repairing tractors, trailers, and other vehicles; (2) purchasing, repairing, or constructing greenhouses and other covers for agricultural products; (3) purchasing tractors with tillers and other attachments; and (4) planting or harvesting food that will be delivered to an underserved community.

LRB104 20148 BDA 33599 b

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 used in this Act:

7 "Department" refers to the Department of Agriculture.

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

13 Section 10. General provisions. Subject to appropriation,
14 the Department shall administer and provide funding for the
15 following:

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, but not limited to, 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 90. The Illinois Income Tax Act is amended by
7 adding Section 253 as follows:

8 (35 ILCS 5/253 new)

9 Sec. 253. Distressed farmer credit.

10 (a) For taxable years beginning on or after January 1,
11 2026, each taxpayer who is a distressed farmer and who incurs
12 qualified farming expenses during the taxable year is entitled
13 to a credit against the tax imposed by subsections (a) and (b)
14 of Section 201 in an amount equal to 100% of those qualified
15 farming expenses, not to exceed \$50,000 per taxpayer in any
16 taxable year.

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

1 applied first.

2 (c) As used in this Section:

3 "Distressed farmer" has the meaning set forth in Section
4 10 of the Distressed Farmers Act.

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

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

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

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

15 (3) purchasing tractors with tillers and other
16 attachments; and

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

19 "Underserved community" means a census tract in this State
20 in which:

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

22 (A) 20% or more of the households are at or below
23 the federal poverty level, according to the poverty
24 guidelines updated periodically in the Federal
25 Register by the U.S. Department of Health and Human
26 Services; or

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

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