

SB2744



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2744

Introduced 1/13/2026, by Sen. Darby A. Hills

SYNOPSIS AS INTRODUCED:

35 ILCS 5/246 new

Amends the Illinois Income Tax Act. Provides that a taxpayer who employs a person with a developmental disability or a severe mental illness, as certified by the Department of Human Services, during the taxable year is entitled to an income tax credit in an amount equal to 25% of the wages paid by the taxpayer to the person with a developmental disability or severe mental illness, but not to exceed \$6,000 in wages paid during the taxable year to any single qualified employee. Effective immediately.

LRB104 15531 HLH 28696 b

A BILL FOR

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 246 as follows:

6 (35 ILCS 5/246 new)

7 Sec. 246. Credit for employment of persons with
8 developmental disabilities or severe mental illness.

9 (a) For taxable years beginning on or after January 1,
10 2026, a taxpayer who employs a person with a developmental
11 disability or a severe mental illness, as certified by the
12 Department of Human Services, during the taxable year is
13 entitled to a credit against the taxes imposed by subsections
14 (a) and (b) of Section 201 in an amount equal to 25% of the
15 wages paid by the taxpayer to the person with a developmental
16 disability or severe mental illness, but not to exceed \$6,000
17 in wages paid during the taxable year to any single qualified
18 employee.

19 (b) The taxpayer shall apply, in the form and manner
20 required by the Department of Human Services, for a
21 determination of whether an employee meets the requirements
22 under subsection (a). If an employee meets the requirements, a
23 letter of certification containing the names of the taxpayer

1 and the qualifying employee shall be issued by the Department
2 of Human Services to the taxpayer. The Department of Human
3 Services shall adopt rules for the certification of employees
4 under this Section.

5 (c) The tax credit may not reduce the taxpayer's liability
6 to less than zero. If the amount of the tax credit exceeds the
7 tax liability for the year, the excess may be carried forward
8 and applied to the tax liability of the 5 taxable years
9 following the excess credit year. The credit must be applied
10 to the earliest year for which there is a tax liability. If
11 there are credits from more than one tax year that are
12 available to offset a liability, then the earlier credit must
13 be applied first.

14 (d) If the taxpayer is a partnership or Subchapter S
15 corporation, the credit is allowed to the partners or
16 shareholders in accordance with Section 251.

17 (e) This Section is exempt from the provisions of Section
18 250.

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.