



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB3443

Introduced 2/4/2026, by Sen. Doris Turner

SYNOPSIS AS INTRODUCED:

20 ILCS 605/605-300	was 20 ILCS 605/46.2
20 ILCS 605/605-465	
20 ILCS 605/605-503	
20 ILCS 605/605-913	
20 ILCS 655/12-9	from Ch. 67 1/2, par. 626
20 ILCS 3855/1-130	
20 ILCS 5075/15	
30 ILCS 738/40-40	
30 ILCS 750/9-9	from Ch. 127, par. 2709-9
30 ILCS 750/10-9	from Ch. 127, par. 2710-9
35 ILCS 5/201	
35 ILCS 5/220	
35 ILCS 5/221	
35 ILCS 5/231	
70 ILCS 518/20	
220 ILCS 80/20	
305 ILCS 20/5	from Ch. 111 2/3, par. 1405
410 ILCS 705/7-15	

Amends the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois. Provides that provisions requiring the Department of Commerce and Economic Opportunity's official website to contain a comprehensive list of State, local, and federal economic benefits available to businesses in each of the State's counties and municipalities are repealed on July 1, 2026. Provides that the following reports shall be filed on or before January 31 of each year (instead of January 1): a report on entrepreneurial assistance centers; reports on the Enterprise Zone Loan Fund and the Large Business Attraction Fund; and reports concerning cannabis social equity. Amends the Southeastern Illinois Economic Development Authority Act. Makes changes concerning the membership of the Board of the Southeastern Illinois Economic Development Authority. Amends the Illinois Income Tax Act. Extends the sunset for the apprenticeship education expense tax credit, the research and development tax credit, the angel investment tax credit, and the River Edge Redevelopment Zone tax credit. Effective immediately.

LRB104 18334 HLH 31774 b

1 AN ACT concerning State government.

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

4 Section 5. The Department of Commerce and Economic
5 Opportunity Law of the Civil Administrative Code of Illinois
6 is amended by changing Sections 605-300, 605-465, 605-503, and
7 605-913 as follows:

8 (20 ILCS 605/605-300) (was 20 ILCS 605/46.2)

9 Sec. 605-300. Economic development plans. The Department
10 shall develop a strategic economic development plan for the
11 State by July 1, 2014. By no later than January 31 ~~July 1,~~
12 ~~2015, and by July 1~~ annually thereafter, the Department shall
13 make modifications to the plan as modifications are warranted
14 by changes in economic conditions or by other factors,
15 including changes in policy. In addition to the annual
16 modification, the plan shall be reviewed and redeveloped in
17 full every 5 years. In the development of the annual economic
18 development plan, the Department shall consult with
19 representatives of the private sector, other State agencies,
20 academic institutions, local economic development
21 organizations, local governments, and not-for-profit
22 organizations. The annual economic development plan shall set
23 specific, measurable, attainable, relevant, and time-sensitive

1 goals and shall include a focus on areas of high unemployment
2 or poverty.

3 The term "economic development" shall be construed broadly
4 by the Department and may include, but is not limited to, job
5 creation, job retention, tax base enhancements, development of
6 human capital, workforce productivity, critical
7 infrastructure, regional competitiveness, social inclusion,
8 standard of living, environmental sustainability, energy
9 independence, quality of life, the effective use of financial
10 incentives, the utilization of public private partnerships
11 where appropriate, and other metrics determined by the
12 Department.

13 The plan shall be based on relevant economic data, focus
14 on economic development as prescribed by this Section, and
15 emphasize strategies to retain and create jobs.

16 The plan shall identify and develop specific strategies
17 for utilizing the assets of regions within the State defined
18 as counties and municipalities or other political subdivisions
19 in close geographical proximity that share common economic
20 traits such as commuting zones, labor market areas, or other
21 economically integrated characteristics.

22 If the plan includes strategies that have a fiscal impact
23 on the Department or any other agency, the plan shall include a
24 detailed description of the estimated fiscal impact of such
25 strategies.

26 Prior to publishing the plan in its final form, the

1 Department shall allow for a reasonable time for public input.

2 The Department shall transmit copies of the economic
3 development plan to the Governor and the General Assembly no
4 later than July 1, 2014, and by July 1 annually thereafter. The
5 plan and its corresponding modifications shall be published
6 and made available to the public in both paper and electronic
7 media, on the Department's website, and by any other method
8 that the Department deems appropriate.

9 The Department shall annually submit legislation to
10 implement the strategic economic development plan or
11 modifications to the strategic economic development plan to
12 the Governor, the President and Minority Leader of the Senate,
13 and the Speaker and the Minority Leader of the House of
14 Representatives. The legislation shall be in the form of one
15 or more substantive bills drafted by the Legislative Reference
16 Bureau.

17 (Source: P.A. 104-435, eff. 11-21-25.)

18 (20 ILCS 605/605-465)

19 Sec. 605-465. Comprehensive website information.

20 (a) The Department's official website must contain a
21 comprehensive list of State, local, and federal economic
22 benefits available to businesses in each of the State's
23 counties and municipalities that the Department includes on
24 its website. In order to do so:

25 (1) The Department annually must request a summary of

1 available economic benefits from each of the State's
2 counties and municipalities that are linked to the
3 Department's website.

4 (2) The information obtained under paragraph (1) must
5 be published on the related web pages of the Department's
6 website.

7 (3) The Department's website shall also provide
8 information regarding available federal economic benefits
9 to the extent possible.

10 (b) The Department shall adopt rules for the
11 implementation of this Section.

12 (c) This Section is repealed on July 1, 2026.

13 (Source: P.A. 97-721, eff. 6-29-12.)

14 (20 ILCS 605/605-503)

15 Sec. 605-503. Entrepreneurship assistance centers.

16 (a) The Department shall establish and support, subject to
17 appropriation, entrepreneurship assistance centers, including
18 the issuance of grants, at career education agencies and
19 not-for-profit corporations, including, but not limited to,
20 local development corporations, chambers of commerce,
21 community-based business outreach centers, and other
22 community-based organizations. The purpose of the centers
23 shall be to train minority group members, women, individuals
24 with a disability, dislocated workers, veterans, and youth
25 entrepreneurs in the principles and practice of

1 entrepreneurship in order to prepare those persons to pursue
2 self-employment opportunities and to pursue a minority
3 business enterprise or a women-owned business enterprise. The
4 centers shall provide for training in all aspects of business
5 development and small business management as defined by the
6 Department.

7 (b) The Department shall establish criteria for selection
8 and designation of the centers which shall include, but not be
9 limited to:

10 (1) the level of support for the center from local
11 post-secondary education institutions, businesses, and
12 government;

13 (2) the level of financial assistance provided at the
14 local and federal level to support the operations of the
15 center;

16 (3) the applicant's understanding of program goals and
17 objectives articulated by the Department;

18 (4) the plans of the center to supplement State and
19 local funding through fees for services which may be based
20 on a sliding scale based on ability to pay;

21 (5) the need for and anticipated impact of the center
22 on the community in which it will function;

23 (6) the quality of the proposed work plan and staff of
24 the center; and

25 (7) the extent of economic distress in the area to be
26 served.

1 (c) Each center shall:

2 (1) be operated by a board of directors representing
3 community leaders in business, education, finance, and
4 government;

5 (2) be incorporated as a not-for-profit corporation;

6 (3) be located in an area accessible to eligible
7 clients;

8 (4) establish an advisory group of community business
9 experts, at least one-half of whom shall be representative
10 of the clientele to be served by the center, which shall
11 constitute a support network to provide counseling and
12 mentoring services to minority group members, women,
13 individuals with a disability, dislocated workers,
14 veterans, and youth entrepreneurs from the concept stage
15 of development through the first one to 2 years of
16 existence on a regular basis and as needed thereafter; and

17 (5) establish a referral system and linkages to
18 existing area small business assistance programs and
19 financing sources.

20 (d) Each entrepreneurship assistance center shall provide
21 needed services to eligible clients, including, but not
22 limited to: (i) orientation and screening of prospective
23 entrepreneurs; (ii) analysis of business concepts and
24 technical feasibility; (iii) market analysis; (iv) management
25 analysis and counseling; (v) business planning and financial
26 planning assistance; (vi) referrals to financial resources;

1 (vii) referrals to existing educational programs for training
2 in such areas as marketing, accounting, and other training
3 programs as may be necessary and available; and (viii)
4 referrals to business incubator facilities, when appropriate,
5 for the purpose of entering into agreements to access shared
6 support services.

7 (e) Applications for grants made under this Section shall
8 be made in the manner and on forms prescribed by the
9 Department. The application shall include, but shall not be
10 limited to:

11 (1) a description of the training programs available
12 within the geographic area to be served by the center to
13 which eligible clients may be referred;

14 (2) designation of a program director;

15 (3) plans for providing ongoing technical assistance
16 to program graduates, including linkages with providers of
17 other entrepreneurial assistance programs and with
18 providers of small business technical assistance and
19 services;

20 (4) a program budget, including matching funds,
21 in-kind and otherwise, to be provided by the applicant;
22 and

23 (5) any other requirements as deemed necessary by the
24 Department.

25 (f) Grants made under this Section shall be disbursed for
26 payment of the cost of services and expenses of the program

1 director, the instructors of the participating career
2 education agency or not-for-profit corporation, the faculty
3 and support personnel thereof, and any other person in the
4 service of providing instruction and counseling in furtherance
5 of the program.

6 (g) The Department shall monitor the performance of each
7 entrepreneurial assistance center and require quarterly
8 reports from each center at such time and in such a manner as
9 prescribed by the Department.

10 The Department shall also evaluate the entrepreneurial
11 assistance centers established under this Section and report
12 annually ~~beginning on January 1, 2023, and~~ on or before
13 January 31 ~~January 1~~ of each year ~~thereafter~~, the results of
14 the evaluation to the Governor and the General Assembly. The
15 report shall discuss the extent to which the centers serve
16 minority group members, women, individuals with a disability,
17 dislocated workers, veterans, and youth entrepreneurs; the
18 extent to which the training program is coordinated with other
19 assistance programs targeted to small and new businesses; the
20 ability of the program to leverage other sources of funding
21 and support; and the success of the program in aiding
22 entrepreneurs to start up new businesses, including the number
23 of new business start-ups resulting from the program. The
24 report shall recommend changes and improvements in the
25 training program and in the quality of supplemental technical
26 assistance offered to graduates of the training programs. The

1 report shall be made available to the public on the
2 Department's website. Between evaluation due dates, the
3 Department shall maintain the necessary records and data
4 required to satisfy the evaluation requirements.

5 (h) For purposes of this Section:

6 "Entrepreneurship assistance center" or "center" means the
7 business development centers or programs which provide
8 assistance to primarily minority group members, women,
9 individuals with a disability, dislocated workers, veterans,
10 and youth entrepreneurs under this Section.

11 "Disability" means, with respect to an individual: (i) a
12 physical or mental impairment that substantially limits one or
13 more of the major life activities of an individual; (ii) a
14 record of such an impairment; or (iii) being regarded as
15 having an impairment.

16 "Minority business enterprise" has the same meaning as
17 provided for "minority-owned business" under Section 2 of the
18 Business Enterprise for Minorities, Women, and Persons with
19 Disabilities Act.

20 "Minority group member" has the same meaning as provided
21 for "minority person" under Section 2 of the Business
22 Enterprise for Minorities, Women, and Persons with
23 Disabilities Act.

24 "Women-owned business enterprise" has the same meaning as
25 provided for "women-owned business" under Section 2 of the
26 Business Enterprise for Minorities, Women, and Persons with

1 Disabilities Act.

2 "Veteran" means a person who served in and who has
3 received an honorable or general discharge from, the United
4 States Army, Navy, Air Force, Space Force, Marines, Coast
5 Guard, or reserves thereof, or who served in the Army National
6 Guard, Air National Guard, or Illinois National Guard.

7 "Youth entrepreneur" means a person who is between the
8 ages of 16 and 29 years old and is seeking community support to
9 start a business in Illinois.

10 (Source: P.A. 102-272, eff. 1-1-22; 102-821, eff. 1-1-23;
11 103-154, eff. 6-30-23; 103-746, eff. 1-1-25.)

12 (20 ILCS 605/605-913)

13 Sec. 605-913. Clean Water Workforce Pipeline Program.

14 (a) The General Assembly finds the following:

15 (1) The fresh surface water and groundwater supply in
16 Illinois and Lake Michigan constitute vital natural
17 resources that require careful stewardship and protection
18 for future generations. Access to safe and clean drinking
19 water is the right of all Illinois residents.

20 (2) To adequately protect these resources and provide
21 safe and clean drinking water, substantial investment is
22 needed to replace lead components in drinking water
23 infrastructure, improve wastewater treatment, flood
24 control, and stormwater management, control aquatic
25 invasive species, implement green infrastructure

1 solutions, and implement other infrastructure solutions to
2 protect water quality.

3 (3) Implementing these clean water solutions will
4 require a skilled and trained workforce, and new
5 investments will demand additional workers with
6 specialized skills.

7 (4) Water infrastructure jobs have been shown to
8 provide living wages and contribute to Illinois' economy.

9 (5) Significant populations of Illinois residents,
10 including, but not limited to, residents of environmental
11 justice communities, economically and socially
12 disadvantaged communities, those returning from the
13 criminal justice system, foster care alumni, and in
14 particular women and transgender persons, are in need of
15 access to skilled living wage jobs like those in the water
16 infrastructure sector.

17 (6) Many of these residents are more likely to live in
18 communities with aging and inadequate clean water
19 infrastructure and suffer from threats to surface and
20 drinking water quality.

21 (7) The State can provide significant economic
22 opportunities to these residents and achieve greater
23 environmental and public health by investing in clean
24 water infrastructure.

25 (8) New training, recruitment, support, and placement
26 efforts are needed to connect these residents with career

1 opportunities in water infrastructure.

2 (9) The State must invest in both clean water
3 infrastructure and workforce development efforts in order
4 to achieve these goals.

5 (b) Subject to appropriation, ~~From appropriations made~~
6 ~~from the Build Illinois Bond Fund, Capital Development Fund,~~
7 ~~or General Revenue Fund or other funds as identified by the~~
8 ~~Department,~~ the Department may ~~shall~~ create a Clean Water
9 Workforce Pipeline Program to provide grants and other
10 financial assistance to prepare and support individuals for
11 careers in water infrastructure. All funding provided by the
12 Program under this Section shall be designed to encourage and
13 facilitate employment in projects funded through State capital
14 investment and provide participants a skill set to allow them
15 to work professionally in fields related to water
16 infrastructure.

17 Grants and other financial assistance may be made
18 available on a competitive annual basis to organizations that
19 demonstrate a capacity to recruit, support, train, and place
20 individuals in water infrastructure careers, including, but
21 not limited to, community organizations, educational
22 institutions, workforce investment boards, community action
23 agencies, and multi-craft labor organizations for new efforts
24 specifically focused on engaging residents of environmental
25 justice communities, economically and socially disadvantaged
26 communities, those returning from the criminal justice system,

1 foster care alumni, and in particular women and transgender
2 persons in these populations.

3 Grants and other financial assistance may ~~shall~~ be awarded
4 on a competitive and annual basis for the following
5 activities:

6 (1) identification of individuals for job training in
7 the water sector;

8 (2) counseling, preparation, skills training, and
9 other support to increase a candidate's likelihood of
10 success in a job training program and career;

11 (3) financial support for individuals in a water
12 sector job skills training program, support services, and
13 transportation assistance tied to training under this
14 Section;

15 (4) job placement services for individuals during and
16 after completion of water sector job skills training
17 programs; and

18 (5) financial, administrative, and management
19 assistance for organizations engaged in these activities.

20 (c) It shall be an annual goal of the Program to train and
21 place at least 300, or 25% of the number of annual jobs created
22 by State financed water infrastructure projects, whichever is
23 greater, of the following persons in water sector-related
24 apprenticeships annually: residents of environmental justice
25 communities; residents of economically and socially
26 disadvantaged communities; those returning from the criminal

1 justice system; foster care alumni; and, in particular, women
2 and transgender persons. In awarding and administering grants
3 under this Program, the Department shall strive to provide
4 assistance equitably throughout the State.

5 In order to encourage the employment of individuals
6 trained through the Program onto projects receiving State
7 financial assistance, the Department shall coordinate with the
8 Illinois Environmental Protection Agency, the Illinois Finance
9 Authority, and other State agencies that provide financial
10 support for water infrastructure projects. These agencies
11 shall take steps to support attaining the training and
12 placement goals set forth in this subsection, using a list of
13 projects that receive State financial support. These agencies
14 may propose and adopt rules to facilitate the attainment of
15 this goal.

16 Using funds appropriated for the purposes of this Section,
17 the Department may select through a competitive bidding
18 process a Program Administrator to oversee the allocation of
19 funds and select organizations that receive funding.

20 The Department may require recipients of grants under this
21 Program to ~~Recipients of grants under the Program shall~~ report
22 ~~annually~~ to the Department, at intervals determined by the
23 Department, on the success of their efforts and their
24 contribution to reaching the goals of the Program provided in
25 this subsection. To the extent possible based on reporting
26 provided by recipients of grants under this Program, the ~~The~~

1 Department shall compile this information and periodically
2 ~~annually~~ report to the General Assembly on the Program,
3 including, but not limited to, the following information:

4 (1) progress toward the goals stated in this
5 subsection;

6 (2) any increase in the percentage of water industry
7 jobs in targeted populations;

8 (3) any increase in the rate of acceptance,
9 completion, or retention of water training programs among
10 targeted populations;

11 (4) any increase in the rate of employment, including
12 hours and annual income, measured against pre-Program
13 participant income; and

14 (5) any recommendations for future changes to optimize
15 the success of the Program.

16 (d) Within 180 days after an appropriation is made
17 available for the purposes of meeting the requirements of this
18 Act, ~~Within 90 days after January 1, 2020 (the effective date~~
19 ~~of Public Act 101-576),~~ the Department shall propose rules for
20 adoption ~~a draft plan~~ to implement this Section in accordance
21 with the Illinois Administrative Procedure Act, including any
22 public comment required by the Joint Committee on
23 Administrative Rules. ~~for public comment. The Department shall~~
24 ~~allow a minimum of 60 days for public comment on the plan,~~
25 ~~including one or more public hearings, if requested. The~~
26 ~~Department shall finalize the plan within 180 days of January~~

1 ~~1, 2020 (the effective date of Public Act 101-576).~~

2 The Department may propose and adopt any rules necessary
3 for the implementation of the Program and to ensure compliance
4 with this Section.

5 (e) The Water Workforce Development Fund is created as a
6 special fund in the State treasury. The Fund shall receive
7 moneys appropriated for the purpose of this Section from the
8 Build Illinois Bond Fund, the Capital Development Fund, the
9 General Revenue Fund and any other funds. Moneys in the Fund
10 shall only be used to fund the Program and to assist and enable
11 implementation of clean water infrastructure capital
12 investments. Notwithstanding any other law to the contrary,
13 the Water Workforce Development Fund is not subject to sweeps,
14 administrative charge-backs, or any other fiscal or budgetary
15 maneuver that would in any way transfer any amounts from the
16 Water Workforce Development Fund into any other fund of the
17 State.

18 (f) For purpose of this Section:

19 "Environmental justice community" has the meaning provided
20 in subsection (b) of Section 1-50 of the Illinois Power Agency
21 Act.

22 "Multi-craft labor organization" means a joint
23 labor-management apprenticeship program registered with and
24 approved by the United States Department of Labor's Office of
25 Apprenticeship or a labor organization that has an accredited
26 training program through the Higher Learning Commission or the

1 Illinois Community College Board.

2 "Organization" means a corporation, company, partnership,
3 association, society, order, labor organization, or individual
4 or aggregation of individuals.

5 (Source: P.A. 101-576, eff. 1-1-20; 102-558, eff. 8-20-21.)

6 Section 10. The Illinois Enterprise Zone Act is amended by
7 changing Sections 12-9 and 12-9 as follows:

8 (20 ILCS 655/12-9) (from Ch. 67 1/2, par. 626)

9 Sec. 12-9. Report. On January 31 ~~January 1~~ of each year,
10 the Department shall report on its operation of the Fund for
11 the preceding fiscal year to the Governor and the General
12 Assembly. For any fiscal year in which no operations are
13 conducted by the Department because no funds were appropriated
14 to the Fund, the report outlined by this Section is not
15 required.

16 (Source: P.A. 102-108, eff. 1-1-22.)

17 Section 15. The Illinois Power Agency Act is amended by
18 changing Section 1-130 as follows:

19 (20 ILCS 3855/1-130)

20 (Section scheduled to be repealed on January 1, 2028)

21 Sec. 1-130. Home rule preemption.

22 (a) The authorization to impose any new taxes or fees

1 specifically related to the generation of electricity by, the
2 capacity to generate electricity by, or the emissions into the
3 atmosphere by electric generating facilities after the
4 effective date of this Act is an exclusive power and function
5 of the State. A home rule unit may not levy any new taxes or
6 fees specifically related to the generation of electricity by,
7 the capacity to generate electricity by, or the emissions into
8 the atmosphere by electric generating facilities after the
9 effective date of this Act. This Section is a denial and
10 limitation on home rule powers and functions under subsection
11 (g) of Section 6 of Article VII of the Illinois Constitution.

12 (b) This Section is repealed on January 1, 2033. ~~January~~
13 ~~1, 2028.~~

14 (Source: P.A. 103-563, eff. 11-17-23; 103-1059, eff. 12-20-24;
15 104-434, eff. 11-21-25.)

16 Section 20. The Opportunities for At-Risk Women Act is
17 amended by changing Section 15 as follows:

18 (20 ILCS 5075/15)

19 Sec. 15. Annual report. On or before January 31 ~~January 1,~~
20 ~~2018, and on or before January 1~~ of each year ~~thereafter~~, the
21 Task Force shall report to the Governor and the General
22 Assembly on its activities and shall include any
23 recommendations for legislation or rulemaking to facilitate
24 its work in the targeted areas of assistance and outsourcing.

1 (Source: P.A. 99-416, eff. 1-1-16; 100-295, eff. 8-24-17.)

2 Section 25. The Urban Weatherization Initiative Act is
3 amended by changing Sections 40-40 and 40-45 as follows:

4 (30 ILCS 738/40-40)

5 Sec. 40-40. Weatherization Initiative Board.

6 (a) Subject to appropriation, the ~~The~~ Weatherization
7 Initiative Board is created within the Department. The Board
8 must approve or deny all grants from the Fund.

9 (a-5) Notwithstanding any other provision of this Article,
10 the Board has the authority to direct the Department to
11 authorize the awarding of grants to applicants serving areas
12 or populations not included in the target areas and
13 populations set forth in Section 40-25 if the Board determines
14 that there are special circumstances involving the areas or
15 populations served by the applicant.

16 (b) The Board shall consist of 5 voting members appointed
17 by the Governor with the advice and consent of the Senate. The
18 initial members shall have terms as follows as designated by
19 the Governor: one for one year, one for 2 years, one for 3
20 years, one for 4 years, and one for 5 years, or until a
21 successor is appointed and qualified. Thereafter, members
22 shall serve 5-year terms or until a successor is appointed and
23 qualified. The voting members shall elect a voting member to
24 serve as chair for a one-year term. Vacancies shall be filled

1 in the same manner for the balance of a term.

2 (c) The Board shall also have 4 non-voting ex officio
3 members appointed as follows: one Representative appointed by
4 the Speaker of the House, one Representative appointed by the
5 House Minority Leader, one Senator appointed by the President
6 of the Senate, and one Senator appointed by the Senate
7 Minority Leader, each to serve at the pleasure of the
8 appointing authority.

9 (d) Members shall receive no compensation, but may be
10 reimbursed for necessary expenses from appropriations to the
11 Department available for that purpose.

12 (e) The Board may adopt rules under the Illinois
13 Administrative Procedure Act.

14 (f) A quorum of the Board is at least 3 voting members, and
15 the affirmative vote of at least 3 voting members is required
16 for Board decisions and adoption of rules.

17 (g) The Department shall provide staff and administrative
18 assistance to the Board.

19 (h) By January 31 ~~December 31~~ of each year, the Board shall
20 file an annual report with the Governor and the General
21 Assembly concerning the Initiative, grants awarded, and
22 grantees and making recommendations for any changes needed to
23 enhance the effectiveness of the Initiative.

24 (Source: P.A. 96-37, eff. 7-13-09.)

25 Section 30. The Build Illinois Act is amended by changing

1 Sections 9-9 and 10-9 as follows:

2 (30 ILCS 750/9-9) (from Ch. 127, par. 2709-9)

3 Sec. 9-9. Annual Report. On January 31 ~~January 1~~ of each
4 year, the Department shall report on its operations of the
5 Illinois Capital Revolving Loan Fund and the Illinois Equity
6 Fund for the preceding fiscal year to the Governor and the
7 General Assembly.

8 (Source: P.A. 84-109.)

9 (30 ILCS 750/10-9) (from Ch. 127, par. 2710-9)

10 Sec. 10-9. Report. On January 31 ~~January 1~~ of each year,
11 the Department shall report on its operation of the Fund for
12 the preceding fiscal year to the Governor and the General
13 Assembly.

14 (Source: P.A. 84-109.)

15 Section 35. The Illinois Income Tax Act is amended by
16 changing Sections 201, 220, 221, and 231 as follows:

17 (35 ILCS 5/201)

18 Sec. 201. Tax imposed.

19 (a) In general. A tax measured by net income is hereby
20 imposed on every individual, corporation, trust and estate for
21 each taxable year ending after July 31, 1969 on the privilege
22 of earning or receiving income in or as a resident of this

1 State. Such tax shall be in addition to all other occupation or
2 privilege taxes imposed by this State or by any municipal
3 corporation or political subdivision thereof.

4 (b) Rates. The tax imposed by subsection (a) of this
5 Section shall be determined as follows, except as adjusted by
6 subsection (d-1):

7 (1) In the case of an individual, trust or estate, for
8 taxable years ending prior to July 1, 1989, an amount
9 equal to 2 1/2% of the taxpayer's net income for the
10 taxable year.

11 (2) In the case of an individual, trust or estate, for
12 taxable years beginning prior to July 1, 1989 and ending
13 after June 30, 1989, an amount equal to the sum of (i) 2
14 1/2% of the taxpayer's net income for the period prior to
15 July 1, 1989, as calculated under Section 202.3, and (ii)
16 3% of the taxpayer's net income for the period after June
17 30, 1989, as calculated under Section 202.3.

18 (3) In the case of an individual, trust or estate, for
19 taxable years beginning after June 30, 1989, and ending
20 prior to January 1, 2011, an amount equal to 3% of the
21 taxpayer's net income for the taxable year.

22 (4) In the case of an individual, trust, or estate,
23 for taxable years beginning prior to January 1, 2011, and
24 ending after December 31, 2010, an amount equal to the sum
25 of (i) 3% of the taxpayer's net income for the period prior
26 to January 1, 2011, as calculated under Section 202.5, and

1 (ii) 5% of the taxpayer's net income for the period after
2 December 31, 2010, as calculated under Section 202.5.

3 (5) In the case of an individual, trust, or estate,
4 for taxable years beginning on or after January 1, 2011,
5 and ending prior to January 1, 2015, an amount equal to 5%
6 of the taxpayer's net income for the taxable year.

7 (5.1) In the case of an individual, trust, or estate,
8 for taxable years beginning prior to January 1, 2015, and
9 ending after December 31, 2014, an amount equal to the sum
10 of (i) 5% of the taxpayer's net income for the period prior
11 to January 1, 2015, as calculated under Section 202.5, and
12 (ii) 3.75% of the taxpayer's net income for the period
13 after December 31, 2014, as calculated under Section
14 202.5.

15 (5.2) In the case of an individual, trust, or estate,
16 for taxable years beginning on or after January 1, 2015,
17 and ending prior to July 1, 2017, an amount equal to 3.75%
18 of the taxpayer's net income for the taxable year.

19 (5.3) In the case of an individual, trust, or estate,
20 for taxable years beginning prior to July 1, 2017, and
21 ending after June 30, 2017, an amount equal to the sum of
22 (i) 3.75% of the taxpayer's net income for the period
23 prior to July 1, 2017, as calculated under Section 202.5,
24 and (ii) 4.95% of the taxpayer's net income for the period
25 after June 30, 2017, as calculated under Section 202.5.

26 (5.4) In the case of an individual, trust, or estate,

1 for taxable years beginning on or after July 1, 2017, an
2 amount equal to 4.95% of the taxpayer's net income for the
3 taxable year.

4 (6) In the case of a corporation, for taxable years
5 ending prior to July 1, 1989, an amount equal to 4% of the
6 taxpayer's net income for the taxable year.

7 (7) In the case of a corporation, for taxable years
8 beginning prior to July 1, 1989 and ending after June 30,
9 1989, an amount equal to the sum of (i) 4% of the
10 taxpayer's net income for the period prior to July 1,
11 1989, as calculated under Section 202.3, and (ii) 4.8% of
12 the taxpayer's net income for the period after June 30,
13 1989, as calculated under Section 202.3.

14 (8) In the case of a corporation, for taxable years
15 beginning after June 30, 1989, and ending prior to January
16 1, 2011, an amount equal to 4.8% of the taxpayer's net
17 income for the taxable year.

18 (9) In the case of a corporation, for taxable years
19 beginning prior to January 1, 2011, and ending after
20 December 31, 2010, an amount equal to the sum of (i) 4.8%
21 of the taxpayer's net income for the period prior to
22 January 1, 2011, as calculated under Section 202.5, and
23 (ii) 7% of the taxpayer's net income for the period after
24 December 31, 2010, as calculated under Section 202.5.

25 (10) In the case of a corporation, for taxable years
26 beginning on or after January 1, 2011, and ending prior to

1 January 1, 2015, an amount equal to 7% of the taxpayer's
2 net income for the taxable year.

3 (11) In the case of a corporation, for taxable years
4 beginning prior to January 1, 2015, and ending after
5 December 31, 2014, an amount equal to the sum of (i) 7% of
6 the taxpayer's net income for the period prior to January
7 1, 2015, as calculated under Section 202.5, and (ii) 5.25%
8 of the taxpayer's net income for the period after December
9 31, 2014, as calculated under Section 202.5.

10 (12) In the case of a corporation, for taxable years
11 beginning on or after January 1, 2015, and ending prior to
12 July 1, 2017, an amount equal to 5.25% of the taxpayer's
13 net income for the taxable year.

14 (13) In the case of a corporation, for taxable years
15 beginning prior to July 1, 2017, and ending after June 30,
16 2017, an amount equal to the sum of (i) 5.25% of the
17 taxpayer's net income for the period prior to July 1,
18 2017, as calculated under Section 202.5, and (ii) 7% of
19 the taxpayer's net income for the period after June 30,
20 2017, as calculated under Section 202.5.

21 (14) In the case of a corporation, for taxable years
22 beginning on or after July 1, 2017, an amount equal to 7%
23 of the taxpayer's net income for the taxable year.

24 The rates under this subsection (b) are subject to the
25 provisions of Section 201.5.

26 (b-5) Surcharge; sale or exchange of assets, properties,

1 and intangibles of organization gaming licensees. For each of
2 taxable years 2019 through 2027, a surcharge is imposed on all
3 taxpayers on income arising from the sale or exchange of
4 capital assets, depreciable business property, real property
5 used in the trade or business, and Section 197 intangibles (i)
6 of an organization licensee under the Illinois Horse Racing
7 Act of 1975 and (ii) of an organization gaming licensee under
8 the Illinois Gambling Act. The amount of the surcharge is
9 equal to the amount of federal income tax liability for the
10 taxable year attributable to those sales and exchanges. The
11 surcharge imposed shall not apply if:

12 (1) the organization gaming license, organization
13 license, or racetrack property is transferred as a result
14 of any of the following:

15 (A) bankruptcy, a receivership, or a debt
16 adjustment initiated by or against the initial
17 licensee or the substantial owners of the initial
18 licensee;

19 (B) cancellation, revocation, or termination of
20 any such license by the Illinois Gaming Board or the
21 Illinois Racing Board;

22 (C) a determination by the Illinois Gaming Board
23 that transfer of the license is in the best interests
24 of Illinois gaming;

25 (D) the death of an owner of the equity interest in
26 a licensee;

1 (E) the acquisition of a controlling interest in
2 the stock or substantially all of the assets of a
3 publicly traded company;

4 (F) a transfer by a parent company to a wholly
5 owned subsidiary; or

6 (G) the transfer or sale to or by one person to
7 another person where both persons were initial owners
8 of the license when the license was issued; or

9 (2) the controlling interest in the organization
10 gaming license, organization license, or racetrack
11 property is transferred in a transaction to lineal
12 descendants in which no gain or loss is recognized or as a
13 result of a transaction in accordance with Section 351 of
14 the Internal Revenue Code in which no gain or loss is
15 recognized; or

16 (3) live horse racing was not conducted in 2010 at a
17 racetrack located within 3 miles of the Mississippi River
18 under a license issued pursuant to the Illinois Horse
19 Racing Act of 1975.

20 The transfer of an organization gaming license,
21 organization license, or racetrack property by a person other
22 than the initial licensee to receive the organization gaming
23 license is not subject to a surcharge. The Department shall
24 adopt rules necessary to implement and administer this
25 subsection.

26 (c) Personal Property Tax Replacement Income Tax.

1 Beginning on July 1, 1979 and thereafter, in addition to such
2 income tax, there is also hereby imposed the Personal Property
3 Tax Replacement Income Tax measured by net income on every
4 corporation (including Subchapter S corporations), partnership
5 and trust, for each taxable year ending after June 30, 1979.
6 Such taxes are imposed on the privilege of earning or
7 receiving income in or as a resident of this State. The
8 Personal Property Tax Replacement Income Tax shall be in
9 addition to the income tax imposed by subsections (a) and (b)
10 of this Section and in addition to all other occupation or
11 privilege taxes imposed by this State or by any municipal
12 corporation or political subdivision thereof.

13 (d) Additional Personal Property Tax Replacement Income
14 Tax Rates. The personal property tax replacement income tax
15 imposed by this subsection and subsection (c) of this Section
16 in the case of a corporation, other than a Subchapter S
17 corporation and except as adjusted by subsection (d-1), shall
18 be an additional amount equal to 2.85% of such taxpayer's net
19 income for the taxable year, except that beginning on January
20 1, 1981, and thereafter, the rate of 2.85% specified in this
21 subsection shall be reduced to 2.5%, and in the case of a
22 partnership, trust or a Subchapter S corporation shall be an
23 additional amount equal to 1.5% of such taxpayer's net income
24 for the taxable year.

25 (d-1) Rate reduction for certain foreign insurers. In the
26 case of a foreign insurer, as defined by Section 35A-5 of the

1 Illinois Insurance Code, whose state or country of domicile
2 imposes on insurers domiciled in Illinois a retaliatory tax
3 (excluding any insurer whose premiums from reinsurance assumed
4 are 50% or more of its total insurance premiums as determined
5 under paragraph (2) of subsection (b) of Section 304, except
6 that for purposes of this determination premiums from
7 reinsurance do not include premiums from inter-affiliate
8 reinsurance arrangements), beginning with taxable years ending
9 on or after December 31, 1999, the sum of the rates of tax
10 imposed by subsections (b) and (d) shall be reduced (but not
11 increased) to the rate at which the total amount of tax imposed
12 under this Act, net of all credits allowed under this Act,
13 shall equal (i) the total amount of tax that would be imposed
14 on the foreign insurer's net income allocable to Illinois for
15 the taxable year by such foreign insurer's state or country of
16 domicile if that net income were subject to all income taxes
17 and taxes measured by net income imposed by such foreign
18 insurer's state or country of domicile, net of all credits
19 allowed or (ii) a rate of zero if no such tax is imposed on
20 such income by the foreign insurer's state of domicile. For
21 the purposes of this subsection (d-1), an inter-affiliate
22 includes a mutual insurer under common management.

23 (1) For the purposes of subsection (d-1), in no event
24 shall the sum of the rates of tax imposed by subsections
25 (b) and (d) be reduced below the rate at which the sum of:

26 (A) the total amount of tax imposed on such

1 foreign insurer under this Act for a taxable year, net
2 of all credits allowed under this Act, plus

3 (B) the privilege tax imposed by Section 409 of
4 the Illinois Insurance Code, the fire insurance
5 company tax imposed by Section 12 of the Fire
6 Investigation Act, and the fire department taxes
7 imposed under Section 11-10-1 of the Illinois
8 Municipal Code,

9 equals 1.25% for taxable years ending prior to December
10 31, 2003, or 1.75% for taxable years ending on or after
11 December 31, 2003, of the net taxable premiums written for
12 the taxable year, as described by subsection (1) of
13 Section 409 of the Illinois Insurance Code. This paragraph
14 will in no event increase the rates imposed under
15 subsections (b) and (d).

16 (2) Any reduction in the rates of tax imposed by this
17 subsection shall be applied first against the rates
18 imposed by subsection (b) and only after the tax imposed
19 by subsection (a) net of all credits allowed under this
20 Section other than the credit allowed under subsection (i)
21 has been reduced to zero, against the rates imposed by
22 subsection (d).

23 This subsection (d-1) is exempt from the provisions of
24 Section 250.

25 (e) Investment credit. A taxpayer shall be allowed a
26 credit against the Personal Property Tax Replacement Income

1 Tax for investment in qualified property.

2 (1) A taxpayer shall be allowed a credit equal to .5%
3 of the basis of qualified property placed in service
4 during the taxable year, provided such property is placed
5 in service on or after July 1, 1984. There shall be allowed
6 an additional credit equal to .5% of the basis of
7 qualified property placed in service during the taxable
8 year, provided such property is placed in service on or
9 after July 1, 1986, and the taxpayer's base employment
10 within Illinois has increased by 1% or more over the
11 preceding year as determined by the taxpayer's employment
12 records filed with the Illinois Department of Employment
13 Security. Taxpayers who are new to Illinois shall be
14 deemed to have met the 1% growth in base employment for the
15 first year in which they file employment records with the
16 Illinois Department of Employment Security. The provisions
17 added to this Section by Public Act 85-1200 (and restored
18 by Public Act 87-895) shall be construed as declaratory of
19 existing law and not as a new enactment. If, in any year,
20 the increase in base employment within Illinois over the
21 preceding year is less than 1%, the additional credit
22 shall be limited to that percentage times a fraction, the
23 numerator of which is .5% and the denominator of which is
24 1%, but shall not exceed .5%. The investment credit shall
25 not be allowed to the extent that it would reduce a
26 taxpayer's liability in any tax year below zero, nor may

1 any credit for qualified property be allowed for any year
2 other than the year in which the property was placed in
3 service in Illinois. For tax years ending on or after
4 December 31, 1987, and on or before December 31, 1988, the
5 credit shall be allowed for the tax year in which the
6 property is placed in service, or, if the amount of the
7 credit exceeds the tax liability for that year, whether it
8 exceeds the original liability or the liability as later
9 amended, such excess may be carried forward and applied to
10 the tax liability of the 5 taxable years following the
11 excess credit years if the taxpayer (i) makes investments
12 which cause the creation of a minimum of 2,000 full-time
13 equivalent jobs in Illinois, (ii) is located in an
14 enterprise zone established pursuant to the Illinois
15 Enterprise Zone Act and (iii) is certified by the
16 Department of Commerce and Community Affairs (now
17 Department of Commerce and Economic Opportunity) as
18 complying with the requirements specified in clause (i)
19 and (ii) by July 1, 1986. The Department of Commerce and
20 Community Affairs (now Department of Commerce and Economic
21 Opportunity) shall notify the Department of Revenue of all
22 such certifications immediately. For tax years ending
23 after December 31, 1988, the credit shall be allowed for
24 the tax year in which the property is placed in service,
25 or, if the amount of the credit exceeds the tax liability
26 for that year, whether it exceeds the original liability

1 or the liability as later amended, such excess may be
2 carried forward and applied to the tax liability of the 5
3 taxable years following the excess credit years. The
4 credit shall be applied to the earliest year for which
5 there is a liability. If there is credit from more than one
6 tax year that is available to offset a liability, earlier
7 credit shall be applied first.

8 (2) The term "qualified property" means property
9 which:

10 (A) is tangible, whether new or used, including
11 buildings and structural components of buildings and
12 signs that are real property, but not including land
13 or improvements to real property that are not a
14 structural component of a building such as
15 landscaping, sewer lines, local access roads, fencing,
16 parking lots, and other appurtenances;

17 (B) is depreciable pursuant to Section 167 of the
18 Internal Revenue Code, except that "3-year property"
19 as defined in Section 168(c)(2)(A) of that Code is not
20 eligible for the credit provided by this subsection
21 (e);

22 (C) is acquired by purchase as defined in Section
23 179(d) of the Internal Revenue Code;

24 (D) is used in Illinois by a taxpayer who is
25 primarily engaged in manufacturing, or in mining coal
26 or fluorite, or in retailing, or was placed in service

1 on or after July 1, 2006 in a River Edge Redevelopment
2 Zone established pursuant to the River Edge
3 Redevelopment Zone Act; and

4 (E) has not previously been used in Illinois in
5 such a manner and by such a person as would qualify for
6 the credit provided by this subsection (e) or
7 subsection (f).

8 (3) For purposes of this subsection (e),
9 "manufacturing" means the material staging and production
10 of tangible personal property by procedures commonly
11 regarded as manufacturing, processing, fabrication, or
12 assembling which changes some existing material into new
13 shapes, new qualities, or new combinations. For purposes
14 of this subsection (e) the term "mining" shall have the
15 same meaning as the term "mining" in Section 613(c) of the
16 Internal Revenue Code. For purposes of this subsection
17 (e), the term "retailing" means the sale of tangible
18 personal property for use or consumption and not for
19 resale, or services rendered in conjunction with the sale
20 of tangible personal property for use or consumption and
21 not for resale. For purposes of this subsection (e),
22 "tangible personal property" has the same meaning as when
23 that term is used in the Retailers' Occupation Tax Act,
24 and, for taxable years ending after December 31, 2008,
25 does not include the generation, transmission, or
26 distribution of electricity.

1 (4) The basis of qualified property shall be the basis
2 used to compute the depreciation deduction for federal
3 income tax purposes.

4 (5) If the basis of the property for federal income
5 tax depreciation purposes is increased after it has been
6 placed in service in Illinois by the taxpayer, the amount
7 of such increase shall be deemed property placed in
8 service on the date of such increase in basis.

9 (6) The term "placed in service" shall have the same
10 meaning as under Section 46 of the Internal Revenue Code.

11 (7) If during any taxable year, any property ceases to
12 be qualified property in the hands of the taxpayer within
13 48 months after being placed in service, or the situs of
14 any qualified property is moved outside Illinois within 48
15 months after being placed in service, the Personal
16 Property Tax Replacement Income Tax for such taxable year
17 shall be increased. Such increase shall be determined by
18 (i) recomputing the investment credit which would have
19 been allowed for the year in which credit for such
20 property was originally allowed by eliminating such
21 property from such computation and, (ii) subtracting such
22 recomputed credit from the amount of credit previously
23 allowed. For the purposes of this paragraph (7), a
24 reduction of the basis of qualified property resulting
25 from a redetermination of the purchase price shall be
26 deemed a disposition of qualified property to the extent

1 of such reduction.

2 (8) Unless the investment credit is extended by law,
3 the basis of qualified property shall not include costs
4 incurred after December 31, 2018, except for costs
5 incurred pursuant to a binding contract entered into on or
6 before December 31, 2018.

7 (9) Each taxable year ending before December 31, 2000,
8 a partnership may elect to pass through to its partners
9 the credits to which the partnership is entitled under
10 this subsection (e) for the taxable year. A partner may
11 use the credit allocated to him or her under this
12 paragraph only against the tax imposed in subsections (c)
13 and (d) of this Section. If the partnership makes that
14 election, those credits shall be allocated among the
15 partners in the partnership in accordance with the rules
16 set forth in Section 704(b) of the Internal Revenue Code,
17 and the rules promulgated under that Section, and the
18 allocated amount of the credits shall be allowed to the
19 partners for that taxable year. The partnership shall make
20 this election on its Personal Property Tax Replacement
21 Income Tax return for that taxable year. The election to
22 pass through the credits shall be irrevocable.

23 For taxable years ending on or after December 31,
24 2000, a partner that qualifies its partnership for a
25 subtraction under subparagraph (I) of paragraph (2) of
26 subsection (d) of Section 203 or a shareholder that

1 qualifies a Subchapter S corporation for a subtraction
2 under subparagraph (S) of paragraph (2) of subsection (b)
3 of Section 203 shall be allowed a credit under this
4 subsection (e) equal to its share of the credit earned
5 under this subsection (e) during the taxable year by the
6 partnership or Subchapter S corporation, determined in
7 accordance with the determination of income and
8 distributive share of income under Sections 702 and 704
9 and Subchapter S of the Internal Revenue Code. This
10 paragraph is exempt from the provisions of Section 250.

11 (f) Investment credit; Enterprise Zone; River Edge
12 Redevelopment Zone.

13 (1) A taxpayer shall be allowed a credit against the
14 tax imposed by subsections (a) and (b) of this Section for
15 investment in qualified property which is placed in
16 service in an Enterprise Zone created pursuant to the
17 Illinois Enterprise Zone Act or, for property placed in
18 service on or after July 1, 2006, a River Edge
19 Redevelopment Zone established pursuant to the River Edge
20 Redevelopment Zone Act. For partners, shareholders of
21 Subchapter S corporations, and owners of limited liability
22 companies, if the liability company is treated as a
23 partnership for purposes of federal and State income
24 taxation, for taxable years ending before December 31,
25 2023, there shall be allowed a credit under this
26 subsection (f) to be determined in accordance with the

1 determination of income and distributive share of income
2 under Sections 702 and 704 and Subchapter S of the
3 Internal Revenue Code. For taxable years ending on or
4 after December 31, 2023, for partners and shareholders of
5 Subchapter S corporations, the provisions of Section 251
6 shall apply with respect to the credit under this
7 subsection. The credit shall be .5% of the basis for such
8 property. The credit shall be available only in the
9 taxable year in which the property is placed in service in
10 the Enterprise Zone or River Edge Redevelopment Zone and
11 shall not be allowed to the extent that it would reduce a
12 taxpayer's liability for the tax imposed by subsections
13 (a) and (b) of this Section to below zero. For tax years
14 ending on or after December 31, 1985, the credit shall be
15 allowed for the tax year in which the property is placed in
16 service, or, if the amount of the credit exceeds the tax
17 liability for that year, whether it exceeds the original
18 liability or the liability as later amended, such excess
19 may be carried forward and applied to the tax liability of
20 the 5 taxable years following the excess credit year. The
21 credit shall be applied to the earliest year for which
22 there is a liability. If there is credit from more than one
23 tax year that is available to offset a liability, the
24 credit accruing first in time shall be applied first.

25 (2) The term qualified property means property which:

26 (A) is tangible, whether new or used, including

1 buildings and structural components of buildings;

2 (B) is depreciable pursuant to Section 167 of the
3 Internal Revenue Code, except that "3-year property"
4 as defined in Section 168(c)(2)(A) of that Code is not
5 eligible for the credit provided by this subsection
6 (f);

7 (C) is acquired by purchase as defined in Section
8 179(d) of the Internal Revenue Code;

9 (D) is used in the Enterprise Zone or River Edge
10 Redevelopment Zone by the taxpayer; and

11 (E) has not been previously used in Illinois in
12 such a manner and by such a person as would qualify for
13 the credit provided by this subsection (f) or
14 subsection (e).

15 (3) The basis of qualified property shall be the basis
16 used to compute the depreciation deduction for federal
17 income tax purposes.

18 (4) If the basis of the property for federal income
19 tax depreciation purposes is increased after it has been
20 placed in service in the Enterprise Zone or River Edge
21 Redevelopment Zone by the taxpayer, the amount of such
22 increase shall be deemed property placed in service on the
23 date of such increase in basis.

24 (5) The term "placed in service" shall have the same
25 meaning as under Section 46 of the Internal Revenue Code.

26 (6) If during any taxable year, any property ceases to

1 be qualified property in the hands of the taxpayer within
2 48 months after being placed in service, or the situs of
3 any qualified property is moved outside the Enterprise
4 Zone or River Edge Redevelopment Zone within 48 months
5 after being placed in service, the tax imposed under
6 subsections (a) and (b) of this Section for such taxable
7 year shall be increased. Such increase shall be determined
8 by (i) recomputing the investment credit which would have
9 been allowed for the year in which credit for such
10 property was originally allowed by eliminating such
11 property from such computation, and (ii) subtracting such
12 recomputed credit from the amount of credit previously
13 allowed. For the purposes of this paragraph (6), a
14 reduction of the basis of qualified property resulting
15 from a redetermination of the purchase price shall be
16 deemed a disposition of qualified property to the extent
17 of such reduction.

18 (7) There shall be allowed an additional credit equal
19 to 0.5% of the basis of qualified property placed in
20 service during the taxable year in a River Edge
21 Redevelopment Zone, provided such property is placed in
22 service on or after July 1, 2006, and the taxpayer's base
23 employment within Illinois has increased by 1% or more
24 over the preceding year as determined by the taxpayer's
25 employment records filed with the Illinois Department of
26 Employment Security. Taxpayers who are new to Illinois

1 shall be deemed to have met the 1% growth in base
2 employment for the first year in which they file
3 employment records with the Illinois Department of
4 Employment Security. If, in any year, the increase in base
5 employment within Illinois over the preceding year is less
6 than 1%, the additional credit shall be limited to that
7 percentage times a fraction, the numerator of which is
8 0.5% and the denominator of which is 1%, but shall not
9 exceed 0.5%.

10 (8) For taxable years beginning on or after January 1,
11 2021, there shall be allowed an Enterprise Zone
12 construction jobs credit against the taxes imposed under
13 subsections (a) and (b) of this Section as provided in
14 Section 13 of the Illinois Enterprise Zone Act.

15 The credit or credits may not reduce the taxpayer's
16 liability to less than zero. If the amount of the credit or
17 credits exceeds the taxpayer's liability, the excess may
18 be carried forward and applied against the taxpayer's
19 liability in succeeding calendar years in the same manner
20 provided under paragraph (4) of Section 211 of this Act.
21 The credit or credits shall be applied to the earliest
22 year for which there is a tax liability. If there are
23 credits from more than one taxable year that are available
24 to offset a liability, the earlier credit shall be applied
25 first.

26 For partners, shareholders of Subchapter S

1 corporations, and owners of limited liability companies,
2 if the liability company is treated as a partnership for
3 the purposes of federal and State income taxation, for
4 taxable years ending before December 31, 2023, there shall
5 be allowed a credit under this Section to be determined in
6 accordance with the determination of income and
7 distributive share of income under Sections 702 and 704
8 and Subchapter S of the Internal Revenue Code. For taxable
9 years ending on or after December 31, 2023, for partners
10 and shareholders of Subchapter S corporations, the
11 provisions of Section 251 shall apply with respect to the
12 credit under this subsection.

13 The total aggregate amount of credits awarded under
14 the Blue Collar Jobs Act (Article 20 of Public Act 101-9)
15 shall not exceed \$20,000,000 in any State fiscal year.

16 This paragraph (8) is exempt from the provisions of
17 Section 250.

18 (g) (Blank).

19 (h) Investment credit; High Impact Business.

20 (1) Subject to subsections (b) and (b-5) of Section
21 5.5 of the Illinois Enterprise Zone Act, a taxpayer shall
22 be allowed a credit against the tax imposed by subsections
23 (a) and (b) of this Section for investment in qualified
24 property which is placed in service by a Department of
25 Commerce and Economic Opportunity designated High Impact
26 Business. The credit shall be .5% of the basis for such

1 property. The credit shall not be available (i) until the
2 minimum investments in qualified property set forth in
3 subdivision (a)(3)(A) of Section 5.5 of the Illinois
4 Enterprise Zone Act have been satisfied or (ii) until the
5 time authorized in subsection (b-5) of the Illinois
6 Enterprise Zone Act for entities designated as High Impact
7 Businesses under subdivisions (a)(3)(B), (a)(3)(C), and
8 (a)(3)(D) of Section 5.5 of the Illinois Enterprise Zone
9 Act, and shall not be allowed to the extent that it would
10 reduce a taxpayer's liability for the tax imposed by
11 subsections (a) and (b) of this Section to below zero. The
12 credit applicable to such investments shall be taken in
13 the taxable year in which such investments have been
14 completed. The credit for additional investments beyond
15 the minimum investment by a designated high impact
16 business authorized under subdivision (a)(3)(A) of Section
17 5.5 of the Illinois Enterprise Zone Act shall be available
18 only in the taxable year in which the property is placed in
19 service and shall not be allowed to the extent that it
20 would reduce a taxpayer's liability for the tax imposed by
21 subsections (a) and (b) of this Section to below zero. For
22 tax years ending on or after December 31, 1987, the credit
23 shall be allowed for the tax year in which the property is
24 placed in service, or, if the amount of the credit exceeds
25 the tax liability for that year, whether it exceeds the
26 original liability or the liability as later amended, such

1 excess may be carried forward and applied to the tax
2 liability of the 5 taxable years following the excess
3 credit year. The credit shall be applied to the earliest
4 year for which there is a liability. If there is credit
5 from more than one tax year that is available to offset a
6 liability, the credit accruing first in time shall be
7 applied first.

8 Changes made in this subdivision (h) (1) by Public Act
9 88-670 restore changes made by Public Act 85-1182 and
10 reflect existing law.

11 (2) The term qualified property means property which:

12 (A) is tangible, whether new or used, including
13 buildings and structural components of buildings;

14 (B) is depreciable pursuant to Section 167 of the
15 Internal Revenue Code, except that "3-year property"
16 as defined in Section 168(c) (2) (A) of that Code is not
17 eligible for the credit provided by this subsection
18 (h);

19 (C) is acquired by purchase as defined in Section
20 179(d) of the Internal Revenue Code; and

21 (D) is not eligible for the Enterprise Zone
22 Investment Credit provided by subsection (f) of this
23 Section.

24 (3) The basis of qualified property shall be the basis
25 used to compute the depreciation deduction for federal
26 income tax purposes.

1 (4) If the basis of the property for federal income
2 tax depreciation purposes is increased after it has been
3 placed in service in a federally designated Foreign Trade
4 Zone or Sub-Zone located in Illinois by the taxpayer, the
5 amount of such increase shall be deemed property placed in
6 service on the date of such increase in basis.

7 (5) The term "placed in service" shall have the same
8 meaning as under Section 46 of the Internal Revenue Code.

9 (6) If during any taxable year ending on or before
10 December 31, 1996, any property ceases to be qualified
11 property in the hands of the taxpayer within 48 months
12 after being placed in service, or the situs of any
13 qualified property is moved outside Illinois within 48
14 months after being placed in service, the tax imposed
15 under subsections (a) and (b) of this Section for such
16 taxable year shall be increased. Such increase shall be
17 determined by (i) recomputing the investment credit which
18 would have been allowed for the year in which credit for
19 such property was originally allowed by eliminating such
20 property from such computation, and (ii) subtracting such
21 recomputed credit from the amount of credit previously
22 allowed. For the purposes of this paragraph (6), a
23 reduction of the basis of qualified property resulting
24 from a redetermination of the purchase price shall be
25 deemed a disposition of qualified property to the extent
26 of such reduction.

1 (7) Beginning with tax years ending after December 31,
2 1996, if a taxpayer qualifies for the credit under this
3 subsection (h) and thereby is granted a tax abatement and
4 the taxpayer relocates its entire facility in violation of
5 the explicit terms and length of the contract under
6 Section 18-183 of the Property Tax Code, the tax imposed
7 under subsections (a) and (b) of this Section shall be
8 increased for the taxable year in which the taxpayer
9 relocated its facility by an amount equal to the amount of
10 credit received by the taxpayer under this subsection (h).

11 (h-5) High Impact Business construction jobs credit. For
12 taxable years beginning on or after January 1, 2021, there
13 shall also be allowed a High Impact Business construction jobs
14 credit against the tax imposed under subsections (a) and (b)
15 of this Section as provided in subsections (i) and (j) of
16 Section 5.5 of the Illinois Enterprise Zone Act.

17 The credit or credits may not reduce the taxpayer's
18 liability to less than zero. If the amount of the credit or
19 credits exceeds the taxpayer's liability, the excess may be
20 carried forward and applied against the taxpayer's liability
21 in succeeding calendar years in the manner provided under
22 paragraph (4) of Section 211 of this Act. The credit or credits
23 shall be applied to the earliest year for which there is a tax
24 liability. If there are credits from more than one taxable
25 year that are available to offset a liability, the earlier
26 credit shall be applied first.

1 For partners, shareholders of Subchapter S corporations,
2 and owners of limited liability companies, for taxable years
3 ending before December 31, 2023, if the liability company is
4 treated as a partnership for the purposes of federal and State
5 income taxation, there shall be allowed a credit under this
6 Section to be determined in accordance with the determination
7 of income and distributive share of income under Sections 702
8 and 704 and Subchapter S of the Internal Revenue Code. For
9 taxable years ending on or after December 31, 2023, for
10 partners and shareholders of Subchapter S corporations, the
11 provisions of Section 251 shall apply with respect to the
12 credit under this subsection.

13 The total aggregate amount of credits awarded under the
14 Blue Collar Jobs Act (Article 20 of Public Act 101-9) shall not
15 exceed \$20,000,000 in any State fiscal year.

16 This subsection (h-5) is exempt from the provisions of
17 Section 250.

18 (i) Credit for Personal Property Tax Replacement Income
19 Tax. For tax years ending prior to December 31, 2003, a credit
20 shall be allowed against the tax imposed by subsections (a)
21 and (b) of this Section for the tax imposed by subsections (c)
22 and (d) of this Section. This credit shall be computed by
23 multiplying the tax imposed by subsections (c) and (d) of this
24 Section by a fraction, the numerator of which is base income
25 allocable to Illinois and the denominator of which is Illinois
26 base income, and further multiplying the product by the tax

1 rate imposed by subsections (a) and (b) of this Section.

2 Any credit earned on or after December 31, 1986 under this
3 subsection which is unused in the year the credit is computed
4 because it exceeds the tax liability imposed by subsections
5 (a) and (b) for that year (whether it exceeds the original
6 liability or the liability as later amended) may be carried
7 forward and applied to the tax liability imposed by
8 subsections (a) and (b) of the 5 taxable years following the
9 excess credit year, provided that no credit may be carried
10 forward to any year ending on or after December 31, 2003. This
11 credit shall be applied first to the earliest year for which
12 there is a liability. If there is a credit under this
13 subsection from more than one tax year that is available to
14 offset a liability the earliest credit arising under this
15 subsection shall be applied first.

16 If, during any taxable year ending on or after December
17 31, 1986, the tax imposed by subsections (c) and (d) of this
18 Section for which a taxpayer has claimed a credit under this
19 subsection (i) is reduced, the amount of credit for such tax
20 shall also be reduced. Such reduction shall be determined by
21 recomputing the credit to take into account the reduced tax
22 imposed by subsections (c) and (d). If any portion of the
23 reduced amount of credit has been carried to a different
24 taxable year, an amended return shall be filed for such
25 taxable year to reduce the amount of credit claimed.

26 (j) Training expense credit. Beginning with tax years

1 ending on or after December 31, 1986 and prior to December 31,
2 2003, a taxpayer shall be allowed a credit against the tax
3 imposed by subsections (a) and (b) under this Section for all
4 amounts paid or accrued, on behalf of all persons employed by
5 the taxpayer in Illinois or Illinois residents employed
6 outside of Illinois by a taxpayer, for educational or
7 vocational training in semi-technical or technical fields or
8 semi-skilled or skilled fields, which were deducted from gross
9 income in the computation of taxable income. The credit
10 against the tax imposed by subsections (a) and (b) shall be
11 1.6% of such training expenses. For partners, shareholders of
12 subchapter S corporations, and owners of limited liability
13 companies, if the liability company is treated as a
14 partnership for purposes of federal and State income taxation,
15 for taxable years ending before December 31, 2023, there shall
16 be allowed a credit under this subsection (j) to be determined
17 in accordance with the determination of income and
18 distributive share of income under Sections 702 and 704 and
19 subchapter S of the Internal Revenue Code. For taxable years
20 ending on or after December 31, 2023, for partners and
21 shareholders of Subchapter S corporations, the provisions of
22 Section 251 shall apply with respect to the credit under this
23 subsection.

24 Any credit allowed under this subsection which is unused
25 in the year the credit is earned may be carried forward to each
26 of the 5 taxable years following the year for which the credit

1 is first computed until it is used. This credit shall be
2 applied first to the earliest year for which there is a
3 liability. If there is a credit under this subsection from
4 more than one tax year that is available to offset a liability,
5 the earliest credit arising under this subsection shall be
6 applied first. No carryforward credit may be claimed in any
7 tax year ending on or after December 31, 2003.

8 (k) Research and development credit. For tax years ending
9 after July 1, 1990 and prior to December 31, 2003, and
10 beginning again for tax years ending on or after December 31,
11 2004, and ending prior to January 1, 2032, a taxpayer shall be
12 allowed a credit against the tax imposed by subsections (a)
13 and (b) of this Section for increasing research activities in
14 this State. The credit allowed against the tax imposed by
15 subsections (a) and (b) shall be equal to 6 1/2% of the
16 qualifying expenditures for increasing research activities in
17 this State. For partners, shareholders of subchapter S
18 corporations, and owners of limited liability companies, if
19 the liability company is treated as a partnership for purposes
20 of federal and State income taxation, for taxable years ending
21 before December 31, 2023, there shall be allowed a credit
22 under this subsection to be determined in accordance with the
23 determination of income and distributive share of income under
24 Sections 702 and 704 and subchapter S of the Internal Revenue
25 Code. For taxable years ending on or after December 31, 2023,
26 for partners and shareholders of Subchapter S corporations,

1 the provisions of Section 251 shall apply with respect to the
2 credit under this subsection.

3 For purposes of this subsection, "qualifying expenditures"
4 means the qualifying expenditures as defined for the federal
5 credit for increasing research activities which would be
6 allowable under Section 41 of the Internal Revenue Code and
7 which are conducted in this State, "qualifying expenditures
8 for increasing research activities in this State" means the
9 excess of qualifying expenditures for the taxable year in
10 which incurred over qualifying expenditures for the base
11 period, "qualifying expenditures for the base period" means
12 the average of the qualifying expenditures for each year in
13 the base period, and "base period" means the 3 taxable years
14 immediately preceding the taxable year for which the
15 determination is being made.

16 Any credit in excess of the tax liability for the taxable
17 year may be carried forward. A taxpayer may elect to have the
18 unused credit shown on its final completed return carried over
19 as a credit against the tax liability for the following 5
20 taxable years or until it has been fully used, whichever
21 occurs first; provided that no credit earned in a tax year
22 ending prior to December 31, 2003 may be carried forward to any
23 year ending on or after December 31, 2003.

24 If an unused credit is carried forward to a given year from
25 2 or more earlier years, that credit arising in the earliest
26 year will be applied first against the tax liability for the

1 given year. If a tax liability for the given year still
2 remains, the credit from the next earliest year will then be
3 applied, and so on, until all credits have been used or no tax
4 liability for the given year remains. Any remaining unused
5 credit or credits then will be carried forward to the next
6 following year in which a tax liability is incurred, except
7 that no credit can be carried forward to a year which is more
8 than 5 years after the year in which the expense for which the
9 credit is given was incurred.

10 No inference shall be drawn from Public Act 91-644 in
11 construing this Section for taxable years beginning before
12 January 1, 1999.

13 It is the intent of the General Assembly that the research
14 and development credit under this subsection (k) shall apply
15 continuously for all tax years ending on or after December 31,
16 2004 and ending prior to January 1, 2032, including, but not
17 limited to, the period beginning on January 1, 2016 and ending
18 on July 6, 2017 (the effective date of Public Act 100-22). All
19 actions taken in reliance on the continuation of the credit
20 under this subsection (k) by any taxpayer are hereby
21 validated.

22 (l) Environmental Remediation Tax Credit.

23 (i) For tax years ending after December 31, 1997 and
24 on or before December 31, 2001, a taxpayer shall be
25 allowed a credit against the tax imposed by subsections
26 (a) and (b) of this Section for certain amounts paid for

1 unreimbursed eligible remediation costs, as specified in
2 this subsection. For purposes of this Section,
3 "unreimbursed eligible remediation costs" means costs
4 approved by the Illinois Environmental Protection Agency
5 ("Agency") under Section 58.14 of the Environmental
6 Protection Act that were paid in performing environmental
7 remediation at a site for which a No Further Remediation
8 Letter was issued by the Agency and recorded under Section
9 58.10 of the Environmental Protection Act. The credit must
10 be claimed for the taxable year in which Agency approval
11 of the eligible remediation costs is granted. The credit
12 is not available to any taxpayer if the taxpayer or any
13 related party caused or contributed to, in any material
14 respect, a release of regulated substances on, in, or
15 under the site that was identified and addressed by the
16 remedial action pursuant to the Site Remediation Program
17 of the Environmental Protection Act. After the Pollution
18 Control Board rules are adopted pursuant to the Illinois
19 Administrative Procedure Act for the administration and
20 enforcement of Section 58.9 of the Environmental
21 Protection Act, determinations as to credit availability
22 for purposes of this Section shall be made consistent with
23 those rules. For purposes of this Section, "taxpayer"
24 includes a person whose tax attributes the taxpayer has
25 succeeded to under Section 381 of the Internal Revenue
26 Code and "related party" includes the persons disallowed a

1 deduction for losses by paragraphs (b), (c), and (f)(1) of
2 Section 267 of the Internal Revenue Code by virtue of
3 being a related taxpayer, as well as any of its partners.
4 The credit allowed against the tax imposed by subsections
5 (a) and (b) shall be equal to 25% of the unreimbursed
6 eligible remediation costs in excess of \$100,000 per site,
7 except that the \$100,000 threshold shall not apply to any
8 site contained in an enterprise zone as determined by the
9 Department of Commerce and Community Affairs (now
10 Department of Commerce and Economic Opportunity). The
11 total credit allowed shall not exceed \$40,000 per year
12 with a maximum total of \$150,000 per site. For partners
13 and shareholders of subchapter S corporations, there shall
14 be allowed a credit under this subsection to be determined
15 in accordance with the determination of income and
16 distributive share of income under Sections 702 and 704
17 and subchapter S of the Internal Revenue Code.

18 (ii) A credit allowed under this subsection that is
19 unused in the year the credit is earned may be carried
20 forward to each of the 5 taxable years following the year
21 for which the credit is first earned until it is used. The
22 term "unused credit" does not include any amounts of
23 unreimbursed eligible remediation costs in excess of the
24 maximum credit per site authorized under paragraph (i).
25 This credit shall be applied first to the earliest year
26 for which there is a liability. If there is a credit under

1 this subsection from more than one tax year that is
2 available to offset a liability, the earliest credit
3 arising under this subsection shall be applied first. A
4 credit allowed under this subsection may be sold to a
5 buyer as part of a sale of all or part of the remediation
6 site for which the credit was granted. The purchaser of a
7 remediation site and the tax credit shall succeed to the
8 unused credit and remaining carry-forward period of the
9 seller. To perfect the transfer, the assignor shall record
10 the transfer in the chain of title for the site and provide
11 written notice to the Director of the Illinois Department
12 of Revenue of the assignor's intent to sell the
13 remediation site and the amount of the tax credit to be
14 transferred as a portion of the sale. In no event may a
15 credit be transferred to any taxpayer if the taxpayer or a
16 related party would not be eligible under the provisions
17 of subsection (i).

18 (iii) For purposes of this Section, the term "site"
19 shall have the same meaning as under Section 58.2 of the
20 Environmental Protection Act.

21 (m) Education expense credit. Beginning with tax years
22 ending after December 31, 1999, a taxpayer who is the
23 custodian of one or more qualifying pupils shall be allowed a
24 credit against the tax imposed by subsections (a) and (b) of
25 this Section for qualified education expenses incurred on
26 behalf of the qualifying pupils. The credit shall be equal to

1 25% of qualified education expenses, but in no event may the
2 total credit under this subsection claimed by a family that is
3 the custodian of qualifying pupils exceed (i) \$500 for tax
4 years ending prior to December 31, 2017, and (ii) \$750 for tax
5 years ending on or after December 31, 2017. In no event shall a
6 credit under this subsection reduce the taxpayer's liability
7 under this Act to less than zero. Notwithstanding any other
8 provision of law, for taxable years beginning on or after
9 January 1, 2017, no taxpayer may claim a credit under this
10 subsection (m) if the taxpayer's adjusted gross income for the
11 taxable year exceeds (i) \$500,000, in the case of spouses
12 filing a joint federal tax return or (ii) \$250,000, in the case
13 of all other taxpayers. This subsection is exempt from the
14 provisions of Section 250 of this Act.

15 For purposes of this subsection:

16 "Qualifying pupils" means individuals who (i) are
17 residents of the State of Illinois, (ii) are under the age of
18 21 at the close of the school year for which a credit is
19 sought, and (iii) during the school year for which a credit is
20 sought were full-time pupils enrolled in a kindergarten
21 through twelfth grade education program at any school, as
22 defined in this subsection.

23 "Qualified education expense" means the amount incurred on
24 behalf of a qualifying pupil in excess of \$250 for tuition,
25 book fees, and lab fees at the school in which the pupil is
26 enrolled during the regular school year.

1 "School" means any public or nonpublic elementary or
2 secondary school in Illinois that is in compliance with Title
3 VI of the Civil Rights Act of 1964 and attendance at which
4 satisfies the requirements of Section 26-1 of the School Code,
5 except that nothing shall be construed to require a child to
6 attend any particular public or nonpublic school to qualify
7 for the credit under this Section.

8 "Custodian" means, with respect to qualifying pupils, an
9 Illinois resident who is a parent, the parents, a legal
10 guardian, or the legal guardians of the qualifying pupils.

11 (n) River Edge Redevelopment Zone site remediation tax
12 credit.

13 (i) For tax years ending on or after December 31,
14 2006, a taxpayer shall be allowed a credit against the tax
15 imposed by subsections (a) and (b) of this Section for
16 certain amounts paid for unreimbursed eligible remediation
17 costs, as specified in this subsection. For purposes of
18 this Section, "unreimbursed eligible remediation costs"
19 means costs approved by the Illinois Environmental
20 Protection Agency ("Agency") under Section 58.14a of the
21 Environmental Protection Act that were paid in performing
22 environmental remediation at a site within a River Edge
23 Redevelopment Zone for which a No Further Remediation
24 Letter was issued by the Agency and recorded under Section
25 58.10 of the Environmental Protection Act. The credit must
26 be claimed for the taxable year in which Agency approval

1 of the eligible remediation costs is granted. The credit
2 is not available to any taxpayer if the taxpayer or any
3 related party caused or contributed to, in any material
4 respect, a release of regulated substances on, in, or
5 under the site that was identified and addressed by the
6 remedial action pursuant to the Site Remediation Program
7 of the Environmental Protection Act. Determinations as to
8 credit availability for purposes of this Section shall be
9 made consistent with rules adopted by the Pollution
10 Control Board pursuant to the Illinois Administrative
11 Procedure Act for the administration and enforcement of
12 Section 58.9 of the Environmental Protection Act. For
13 purposes of this Section, "taxpayer" includes a person
14 whose tax attributes the taxpayer has succeeded to under
15 Section 381 of the Internal Revenue Code and "related
16 party" includes the persons disallowed a deduction for
17 losses by paragraphs (b), (c), and (f)(1) of Section 267
18 of the Internal Revenue Code by virtue of being a related
19 taxpayer, as well as any of its partners. The credit
20 allowed against the tax imposed by subsections (a) and (b)
21 shall be equal to 25% of the unreimbursed eligible
22 remediation costs in excess of \$100,000 per site.

23 (ii) A credit allowed under this subsection that is
24 unused in the year the credit is earned may be carried
25 forward to each of the 5 taxable years following the year
26 for which the credit is first earned until it is used. This

1 credit shall be applied first to the earliest year for
2 which there is a liability. If there is a credit under this
3 subsection from more than one tax year that is available
4 to offset a liability, the earliest credit arising under
5 this subsection shall be applied first. A credit allowed
6 under this subsection may be sold to a buyer as part of a
7 sale of all or part of the remediation site for which the
8 credit was granted. The purchaser of a remediation site
9 and the tax credit shall succeed to the unused credit and
10 remaining carry-forward period of the seller. To perfect
11 the transfer, the assignor shall record the transfer in
12 the chain of title for the site and provide written notice
13 to the Director of the Illinois Department of Revenue of
14 the assignor's intent to sell the remediation site and the
15 amount of the tax credit to be transferred as a portion of
16 the sale. In no event may a credit be transferred to any
17 taxpayer if the taxpayer or a related party would not be
18 eligible under the provisions of subsection (i).

19 (iii) For purposes of this Section, the term "site"
20 shall have the same meaning as under Section 58.2 of the
21 Environmental Protection Act.

22 (o) For each of taxable years during the Compassionate Use
23 of Medical Cannabis Program, a surcharge is imposed on all
24 taxpayers on income arising from the sale or exchange of
25 capital assets, depreciable business property, real property
26 used in the trade or business, and Section 197 intangibles of

1 an organization registrant under the Compassionate Use of
2 Medical Cannabis Program Act. The amount of the surcharge is
3 equal to the amount of federal income tax liability for the
4 taxable year attributable to those sales and exchanges. The
5 surcharge imposed does not apply if:

6 (1) the medical cannabis cultivation center
7 registration, medical cannabis dispensary registration, or
8 the property of a registration is transferred as a result
9 of any of the following:

10 (A) bankruptcy, a receivership, or a debt
11 adjustment initiated by or against the initial
12 registration or the substantial owners of the initial
13 registration;

14 (B) cancellation, revocation, or termination of
15 any registration by the Illinois Department of Public
16 Health;

17 (C) a determination by the Illinois Department of
18 Public Health that transfer of the registration is in
19 the best interests of Illinois qualifying patients as
20 defined by the Compassionate Use of Medical Cannabis
21 Program Act;

22 (D) the death of an owner of the equity interest in
23 a registrant;

24 (E) the acquisition of a controlling interest in
25 the stock or substantially all of the assets of a
26 publicly traded company;

1 (F) a transfer by a parent company to a wholly
2 owned subsidiary; or

3 (G) the transfer or sale to or by one person to
4 another person where both persons were initial owners
5 of the registration when the registration was issued;
6 or

7 (2) the cannabis cultivation center registration,
8 medical cannabis dispensary registration, or the
9 controlling interest in a registrant's property is
10 transferred in a transaction to lineal descendants in
11 which no gain or loss is recognized or as a result of a
12 transaction in accordance with Section 351 of the Internal
13 Revenue Code in which no gain or loss is recognized.

14 (p) Pass-through entity tax.

15 (1) For taxable years ending on or after December 31,
16 2021 and beginning prior to January 1, 2037, a partnership
17 (other than a publicly traded partnership under Section
18 7704 of the Internal Revenue Code) or Subchapter S
19 corporation may elect to apply the provisions of this
20 subsection. A separate election shall be made for each
21 taxable year. Such election shall be made at such time,
22 and in such form and manner as prescribed by the
23 Department, and, once made, is irrevocable.

24 (2) Entity-level tax. A partnership or Subchapter S
25 corporation electing to apply the provisions of this
26 subsection shall be subject to a tax for the privilege of

1 earning or receiving income in this State in an amount
2 equal to 4.95% of the taxpayer's net income for the
3 taxable year.

4 (3) Net income defined.

5 (A) In general. For purposes of paragraph (2), the
6 term net income has the same meaning as defined in
7 Section 202 of this Act, except that, for tax years
8 ending on or after December 31, 2023, a deduction
9 shall be allowed in computing base income for
10 distributions to a retired partner to the extent that
11 the partner's distributions are exempt from tax under
12 Section 203(a)(2)(F) of this Act. In addition, the
13 following modifications shall not apply:

14 (i) the standard exemption allowed under
15 Section 204;

16 (ii) the deduction for net losses allowed
17 under Section 207;

18 (iii) in the case of an S corporation, the
19 modification under Section 203(b)(2)(S); and

20 (iv) in the case of a partnership, the
21 modifications under Section 203(d)(2)(H) and
22 Section 203(d)(2)(I).

23 (B) Special rule for tiered partnerships. If a
24 taxpayer making the election under paragraph (1) is a
25 partner of another taxpayer making the election under
26 paragraph (1), net income shall be computed as

1 provided in subparagraph (A), except that the taxpayer
2 shall subtract its distributive share of the net
3 income of the electing partnership (including its
4 distributive share of the net income of the electing
5 partnership derived as a distributive share from
6 electing partnerships in which it is a partner).

7 (4) Credit for entity level tax. Each partner or
8 shareholder of a taxpayer making the election under this
9 Section shall be allowed a credit against the tax imposed
10 under subsections (a) and (b) of Section 201 of this Act
11 for the taxable year of the partnership or Subchapter S
12 corporation for which an election is in effect ending
13 within or with the taxable year of the partner or
14 shareholder in an amount equal to 4.95% times the partner
15 or shareholder's distributive share of the net income of
16 the electing partnership or Subchapter S corporation, but
17 not to exceed the partner's or shareholder's share of the
18 tax imposed under paragraph (1) which is actually paid by
19 the partnership or Subchapter S corporation. If the
20 taxpayer is a partnership or Subchapter S corporation that
21 is itself a partner of a partnership making the election
22 under paragraph (1), the credit under this paragraph shall
23 be allowed to the taxpayer's partners or shareholders (or
24 if the partner is a partnership or Subchapter S
25 corporation then its partners or shareholders) in
26 accordance with the determination of income and

1 distributive share of income under Sections 702 and 704
2 and Subchapter S of the Internal Revenue Code. If the
3 amount of the credit allowed under this paragraph exceeds
4 the partner's or shareholder's liability for tax imposed
5 under subsections (a) and (b) of Section 201 of this Act
6 for the taxable year, such excess shall be treated as an
7 overpayment for purposes of Section 909 of this Act.

8 (5) Nonresidents. A nonresident individual who is a
9 partner or shareholder of a partnership or Subchapter S
10 corporation for a taxable year for which an election is in
11 effect under paragraph (1) shall not be required to file
12 an income tax return under this Act for such taxable year
13 if the only source of net income of the individual (or the
14 individual and the individual's spouse in the case of a
15 joint return) is from an entity making the election under
16 paragraph (1) and the credit allowed to the partner or
17 shareholder under paragraph (4) equals or exceeds the
18 individual's liability for the tax imposed under
19 subsections (a) and (b) of Section 201 of this Act for the
20 taxable year.

21 (6) Liability for tax. Except as provided in this
22 paragraph, a partnership or Subchapter S making the
23 election under paragraph (1) is liable for the
24 entity-level tax imposed under paragraph (2). If the
25 electing partnership or corporation fails to pay the full
26 amount of tax deemed assessed under paragraph (2), the

1 partners or shareholders shall be liable to pay the tax
2 assessed (including penalties and interest). Each partner
3 or shareholder shall be liable for the unpaid assessment
4 based on the ratio of the partner's or shareholder's share
5 of the net income of the partnership over the total net
6 income of the partnership. If the partnership or
7 Subchapter S corporation fails to pay the tax assessed
8 (including penalties and interest) and thereafter an
9 amount of such tax is paid by the partners or
10 shareholders, such amount shall not be collected from the
11 partnership or corporation.

12 (7) Foreign tax. For purposes of the credit allowed
13 under Section 601(b)(3) of this Act, tax paid by a
14 partnership or Subchapter S corporation to another state
15 which, as determined by the Department, is substantially
16 similar to the tax imposed under this subsection, shall be
17 considered tax paid by the partner or shareholder to the
18 extent that the partner's or shareholder's share of the
19 income of the partnership or Subchapter S corporation
20 allocated and apportioned to such other state bears to the
21 total income of the partnership or Subchapter S
22 corporation allocated or apportioned to such other state.

23 (8) Suspension of withholding. The provisions of
24 Section 709.5 of this Act shall not apply to a partnership
25 or Subchapter S corporation for the taxable year for which
26 an election under paragraph (1) is in effect.

1 (9) Requirement to pay estimated tax. For each taxable
2 year for which an election under paragraph (1) is in
3 effect, a partnership or Subchapter S corporation is
4 required to pay estimated tax for such taxable year under
5 Sections 803 and 804 of this Act if the amount payable as
6 estimated tax can reasonably be expected to exceed \$500.

7 (10) The provisions of this subsection shall apply
8 only with respect to taxable years for which the
9 limitation on individual deductions applies under Section
10 164(b) (6) of the Internal Revenue Code.

11 (Source: P.A. 103-9, eff. 6-7-23; 103-396, eff. 1-1-24;
12 103-595, eff. 6-26-24; 103-605, eff. 7-1-24; 104-453, eff.
13 12-12-25.)

14 (35 ILCS 5/220)

15 Sec. 220. Angel investment credit.

16 (a) As used in this Section:

17 "Applicant" means a corporation, partnership, limited
18 liability company, or a natural person that makes an
19 investment in a qualified new business venture. The term
20 "applicant" does not include (i) a corporation, partnership,
21 limited liability company, or a natural person who has a
22 direct or indirect ownership interest of at least 51% in the
23 profits, capital, or value of the qualified new business
24 venture receiving the investment or (ii) a related member.

25 "Claimant" means an applicant certified by the Department

1 who files a claim for a credit under this Section.

2 "Department" means the Department of Commerce and Economic
3 Opportunity.

4 "Investment" means money (or its equivalent) given to a
5 qualified new business venture, at a risk of loss, in
6 consideration for an equity interest of the qualified new
7 business venture. The Department may adopt rules to permit
8 certain forms of contingent equity investments to be
9 considered eligible for a tax credit under this Section.

10 "Qualified new business venture" means a business that is
11 registered with the Department under this Section.

12 "Related member" means a person that, with respect to the
13 applicant, is any one of the following:

14 (1) An individual, if the individual and the members
15 of the individual's family (as defined in Section 318 of
16 the Internal Revenue Code) own directly, indirectly,
17 beneficially, or constructively, in the aggregate, at
18 least 50% of the value of the outstanding profits,
19 capital, stock, or other ownership interest in the
20 qualified new business venture that is the recipient of
21 the applicant's investment.

22 (2) A partnership, estate, or trust and any partner or
23 beneficiary, if the partnership, estate, or trust and its
24 partners or beneficiaries own directly, indirectly,
25 beneficially, or constructively, in the aggregate, at
26 least 50% of the profits, capital, stock, or other

1 ownership interest in the qualified new business venture
2 that is the recipient of the applicant's investment.

3 (3) A corporation, and any party related to the
4 corporation in a manner that would require an attribution
5 of stock from the corporation under the attribution rules
6 of Section 318 of the Internal Revenue Code, if the
7 applicant and any other related member own, in the
8 aggregate, directly, indirectly, beneficially, or
9 constructively, at least 50% of the value of the
10 outstanding stock of the qualified new business venture
11 that is the recipient of the applicant's investment.

12 (4) A corporation and any party related to that
13 corporation in a manner that would require an attribution
14 of stock from the corporation to the party or from the
15 party to the corporation under the attribution rules of
16 Section 318 of the Internal Revenue Code, if the
17 corporation and all such related parties own, in the
18 aggregate, at least 50% of the profits, capital, stock, or
19 other ownership interest in the qualified new business
20 venture that is the recipient of the applicant's
21 investment.

22 (5) A person to or from whom there is attribution of
23 ownership of stock in the qualified new business venture
24 that is the recipient of the applicant's investment in
25 accordance with Section 1563(e) of the Internal Revenue
26 Code, except that for purposes of determining whether a

1 person is a related member under this paragraph, "20%"
2 shall be substituted for "5%" whenever "5%" appears in
3 Section 1563(e) of the Internal Revenue Code.

4 (b) For taxable years beginning after December 31, 2010,
5 and ending on or before December 31, 2032 ~~December 31, 2026~~,
6 subject to the limitations provided in this Section, a
7 claimant may claim, as a credit against the tax imposed under
8 subsections (a) and (b) of Section 201 of this Act, an amount
9 equal to 25% of the claimant's investment made directly in a
10 qualified new business venture. However, the amount of the
11 credit is 35% of the claimant's investment made directly in
12 the qualified new business venture if the investment is made
13 in: (1) a qualified new business venture that is a
14 minority-owned business, a women-owned business, or a business
15 owned a person with a disability (as those terms are used and
16 defined in the Business Enterprise for Minorities, Women, and
17 Persons with Disabilities Act); or (2) a qualified new
18 business venture in which the principal place of business is
19 located in a county with a population of not more than 250,000.
20 In order for an investment in a qualified new business venture
21 to be eligible for tax credits, the business must have applied
22 for and received certification under subsection (e) for the
23 taxable year in which the investment was made prior to the date
24 on which the investment was made. The credit under this
25 Section may not exceed the taxpayer's Illinois income tax
26 liability for the taxable year. If the amount of the credit

1 exceeds the tax liability for the year, the excess may be
2 carried forward and applied to the tax liability of the 5
3 taxable years following the excess credit year. The credit
4 shall be applied to the earliest year for which there is a tax
5 liability. If there are credits from more than one tax year
6 that are available to offset a liability, the earlier credit
7 shall be applied first. In the case of a partnership or
8 Subchapter S Corporation, the credit is allowed to the
9 partners or shareholders in accordance with the determination
10 of income and distributive share of income under Sections 702
11 and 704 and Subchapter S of the Internal Revenue Code.

12 (c) The minimum amount an applicant must invest in any
13 single qualified new business venture in order to be eligible
14 for a credit under this Section is \$10,000. The maximum amount
15 of an applicant's total investment made in any single
16 qualified new business venture that may be used as the basis
17 for a credit under this Section is \$2,000,000.

18 (d) The Department shall implement a program to certify an
19 applicant for an angel investment credit. Upon satisfactory
20 review, the Department shall issue a tax credit certificate
21 stating the amount of the tax credit to which the applicant is
22 entitled. The Department shall annually certify that: (i) each
23 qualified new business venture that receives an angel
24 investment under this Section has maintained a minimum
25 employment threshold, as defined by rule, in the State (and
26 continues to maintain a minimum employment threshold in the

1 State for a period of no less than 3 years from the issue date
2 of the last tax credit certificate issued by the Department
3 with respect to such business pursuant to this Section); and
4 (ii) the claimant's investment has been made and remains,
5 except in the event of a qualifying liquidity event, in the
6 qualified new business venture for no less than 3 years.

7 If an investment for which a claimant is allowed a credit
8 under subsection (b) is held by the claimant for less than 3
9 years, other than as a result of a permitted sale of the
10 investment to person who is not a related member, the claimant
11 shall pay to the Department of Revenue, in the manner
12 prescribed by the Department of Revenue, the aggregate amount
13 of the disqualified credits that the claimant received related
14 to the subject investment.

15 If the Department determines that a qualified new business
16 venture failed to maintain a minimum employment threshold in
17 the State through the date which is 3 years from the issue date
18 of the last tax credit certificate issued by the Department
19 with respect to the subject business pursuant to this Section,
20 except for any 3-year reporting period that includes March 13,
21 2020 to January 1, 2024, the claimant or claimants shall pay to
22 the Department of Revenue, in the manner prescribed by the
23 Department of Revenue, the aggregate amount of the
24 disqualified credits that claimant or claimants received
25 related to investments in that business. For tax credits under
26 this Section involving a 3-year reporting period that includes

1 March 13, 2020 to January 1, 2024, the repayment of any tax
2 credits issued shall be determined at the discretion of the
3 Department.

4 (e) The Department shall implement a program to register
5 qualified new business ventures for purposes of this Section.
6 A business desiring registration under this Section shall be
7 required to submit a full and complete application to the
8 Department. A submitted application shall be effective only
9 for the taxable year in which it is submitted, and a business
10 desiring registration under this Section shall be required to
11 submit a separate application in and for each taxable year for
12 which the business desires registration. Further, if at any
13 time prior to the acceptance of an application for
14 registration under this Section by the Department one or more
15 events occurs which makes the information provided in that
16 application materially false or incomplete (in whole or in
17 part), the business shall promptly notify the Department of
18 the same. Any failure of a business to promptly provide the
19 foregoing information to the Department may, at the discretion
20 of the Department, result in a revocation of a previously
21 approved application for that business, or disqualification of
22 the business from future registration under this Section, or
23 both. The Department may register the business only if all of
24 the following conditions are satisfied:

25 (1) it has its principal place of business in this
26 State;

1 (2) at least 51% of the employees employed by the
2 business are employed in this State;

3 (3) the business has the potential for increasing jobs
4 in this State, increasing capital investment in this
5 State, or both, as determined by the Department, and
6 either of the following apply:

7 (A) it is principally engaged in innovation in any
8 of the following: manufacturing; biotechnology;
9 nanotechnology; communications; agricultural
10 sciences; clean energy creation or storage technology;
11 processing or assembling products, including medical
12 devices, pharmaceuticals, computer software, computer
13 hardware, semiconductors, other innovative technology
14 products, or other products that are produced using
15 manufacturing methods that are enabled by applying
16 proprietary technology; or providing services that are
17 enabled by applying proprietary technology; or

18 (B) it is undertaking pre-commercialization
19 activity related to proprietary technology that
20 includes conducting research, developing a new product
21 or business process, or developing a service that is
22 principally reliant on applying proprietary
23 technology;

24 (4) it is not principally engaged in real estate
25 development, insurance, banking, lending, lobbying,
26 political consulting, professional services provided by

1 attorneys, accountants, business consultants, physicians,
2 or health care consultants, wholesale or retail trade,
3 leisure, hospitality, transportation, or construction,
4 except construction of power production plants that derive
5 energy from a renewable energy resource, as defined in
6 Section 1 of the Illinois Power Agency Act;

7 (5) at the time it is first certified:

8 (A) it has fewer than 100 employees;

9 (B) it has been in operation in Illinois for not
10 more than 10 consecutive years prior to the year of
11 certification; and

12 (C) it has received not more than \$10,000,000 in
13 aggregate investments;

14 (5.1) it agrees to maintain a minimum employment
15 threshold in the State of Illinois prior to the date which
16 is 3 years from the issue date of the last tax credit
17 certificate issued by the Department with respect to that
18 business pursuant to this Section;

19 (6) (blank); and

20 (7) it has received not more than \$4,000,000 in
21 investments that qualified for tax credits under this
22 Section.

23 (f) The Department, in consultation with the Department of
24 Revenue, shall adopt rules to administer this Section. For
25 taxable years beginning before January 1, 2024, the aggregate
26 amount of the tax credits that may be claimed under this

1 Section for investments made in qualified new business
2 ventures shall be limited to \$10,000,000 per calendar year, of
3 which \$500,000 shall be reserved for investments made in
4 qualified new business ventures which are minority-owned
5 businesses, women-owned businesses, or businesses owned by a
6 person with a disability (as those terms are used and defined
7 in the Business Enterprise for Minorities, Women, and Persons
8 with Disabilities Act), and an additional \$500,000 shall be
9 reserved for investments made in qualified new business
10 ventures with their principal place of business in counties
11 with a population of not more than 250,000. For taxable years
12 beginning on or after January 1, 2024, the aggregate amount of
13 the tax credits that may be claimed under this Section for
14 investments made in qualified new business ventures shall be
15 limited to \$15,000,000 per calendar year, of which \$2,500,000
16 shall be reserved for investments made in qualified new
17 business ventures that are minority-owned businesses (as the
18 term is defined in the Business Enterprise for Minorities,
19 Women, and Persons with Disabilities Act), \$1,250,000 shall be
20 reserved for investments made in qualified new business
21 ventures that are women-owned businesses or businesses owned
22 by a person with a disability (as those terms are defined in
23 the Business Enterprise for Minorities, Women, and Persons
24 with Disabilities Act), and \$1,250,000 shall be reserved for
25 investments made in qualified new business ventures with their
26 principal place of business in a county with a population of

1 not more than 250,000. The annual allowable amounts set forth
2 in this Section shall be allocated by the Department, on a per
3 calendar quarter basis and prior to the commencement of each
4 calendar year, in such proportion as determined by the
5 Department, provided that: (i) the amount initially allocated
6 by the Department for any one calendar quarter shall not
7 exceed 35% of the total allowable amount; (ii) any portion of
8 the allocated allowable amount remaining unused as of the end
9 of any of the first 3 calendar quarters of a given calendar
10 year shall be rolled into, and added to, the total allocated
11 amount for the next available calendar quarter; and (iii) the
12 reservation of tax credits for investments in minority-owned
13 businesses, women-owned businesses, businesses owned by a
14 person with a disability, and in businesses in counties with a
15 population of not more than 250,000 is limited to the first 3
16 calendar quarters of a given calendar year, after which they
17 may be claimed by investors in any qualified new business
18 venture.

19 (g) A claimant may not sell or otherwise transfer a credit
20 awarded under this Section to another person.

21 (h) On or before March 1 of each year, the Department shall
22 report to the Governor and to the General Assembly on the tax
23 credit certificates awarded under this Section for the prior
24 calendar year.

25 (1) This report must include, for each tax credit
26 certificate awarded:

1 (A) the name of the claimant and the amount of
2 credit awarded or allocated to that claimant;

3 (B) the name and address (including the county) of
4 the qualified new business venture that received the
5 investment giving rise to the credit, the North
6 American Industry Classification System (NAICS) code
7 applicable to that qualified new business venture, and
8 the number of employees of the qualified new business
9 venture; and

10 (C) the date of approval by the Department of each
11 claimant's tax credit certificate.

12 (2) The report must also include:

13 (A) the total number of applicants and the total
14 number of claimants, including the amount of each tax
15 credit certificate awarded to a claimant under this
16 Section in the prior calendar year;

17 (B) the total number of applications from
18 businesses seeking registration under this Section,
19 the total number of new qualified business ventures
20 registered by the Department, and the aggregate amount
21 of investment upon which tax credit certificates were
22 issued in the prior calendar year; and

23 (C) the total amount of tax credit certificates
24 sought by applicants, the amount of each tax credit
25 certificate issued to a claimant, the aggregate amount
26 of all tax credit certificates issued in the prior

1 calendar year and the aggregate amount of tax credit
2 certificates issued as authorized under this Section
3 for all calendar years.

4 (i) For each business seeking registration under this
5 Section after December 31, 2016, the Department shall require
6 the business to include in its application the North American
7 Industry Classification System (NAICS) code applicable to the
8 business and the number of employees of the business at the
9 time of application. Each business registered by the
10 Department as a qualified new business venture that receives
11 an investment giving rise to the issuance of a tax credit
12 certificate pursuant to this Section shall, for each of the 3
13 years following the issue date of the last tax credit
14 certificate issued by the Department with respect to such
15 business pursuant to this Section, report to the Department
16 the following:

17 (1) the number of employees and the location at which
18 those employees are employed, both as of the end of each
19 year;

20 (2) the amount of additional new capital investment
21 raised as of the end of each year, if any; and

22 (3) the terms of any liquidity event occurring during
23 such year; for the purposes of this Section, a "liquidity
24 event" means any event that would be considered an exit
25 for an illiquid investment, including any event that
26 allows the equity holders of the business (or any material

1 portion thereof) to cash out some or all of their
2 respective equity interests.

3 (Source: P.A. 102-16, eff. 6-17-21; 103-9, eff. 1-1-24;
4 103-945, eff. 8-9-24.)

5 (35 ILCS 5/221)

6 Sec. 221. Rehabilitation costs; qualified historic
7 properties; River Edge Redevelopment Zone.

8 (a) For taxable years that begin on or after January 1,
9 2012 and begin prior to January 1, 2018, there shall be allowed
10 a tax credit against the tax imposed by subsections (a) and (b)
11 of Section 201 of this Act in an amount equal to 25% of
12 qualified expenditures incurred by a qualified taxpayer during
13 the taxable year in the restoration and preservation of a
14 qualified historic structure located in a River Edge
15 Redevelopment Zone pursuant to a qualified rehabilitation
16 plan, provided that the total amount of such expenditures (i)
17 must equal \$5,000 or more and (ii) must exceed 50% of the
18 purchase price of the property.

19 (a-1) For taxable years that begin on or after January 1,
20 2018 and end prior to January 1, 2034 ~~January 1, 2029~~, there
21 shall be allowed a tax credit against the tax imposed by
22 subsections (a) and (b) of Section 201 of this Act in an
23 aggregate amount equal to 25% of qualified expenditures
24 incurred by a qualified taxpayer in the restoration and
25 preservation of a qualified historic structure located in a

1 River Edge Redevelopment Zone pursuant to a qualified
2 rehabilitation plan, provided that the total amount of such
3 expenditures must (i) equal \$5,000 or more and (ii) exceed the
4 adjusted basis of the qualified historic structure on the
5 first day the qualified rehabilitation plan begins. For any
6 rehabilitation project, regardless of duration or number of
7 phases, the project's compliance with the foregoing provisions
8 (i) and (ii) shall be determined based on the aggregate amount
9 of qualified expenditures for the entire project and may
10 include expenditures incurred under subsection (a), this
11 subsection, or both subsection (a) and this subsection. If the
12 qualified rehabilitation plan spans multiple years, the
13 aggregate credit for the entire project shall be allowed in
14 the last taxable year, except for phased rehabilitation
15 projects, which may receive credits upon completion of each
16 phase. Before obtaining the first phased credit: (A) the total
17 amount of such expenditures must meet the requirements of
18 provisions (i) and (ii) of this subsection; (B) the
19 rehabilitated portion of the qualified historic structure must
20 be placed in service; and (C) the requirements of subsection
21 (b) must be met.

22 (a-2) For taxable years beginning on or after January 1,
23 2021 and ending prior to January 1, 2029, there shall be
24 allowed a tax credit against the tax imposed by subsections
25 (a) and (b) of Section 201 as provided in Section 10-10.3 of
26 the River Edge Redevelopment Zone Act. The credit allowed

1 under this subsection (a-2) shall apply only to taxpayers that
2 make a capital investment of at least \$1,000,000 in a
3 qualified rehabilitation plan.

4 The credit or credits may not reduce the taxpayer's
5 liability to less than zero. If the amount of the credit or
6 credits exceeds the taxpayer's liability, the excess may be
7 carried forward and applied against the taxpayer's liability
8 in succeeding calendar years in the manner provided under
9 paragraph (4) of Section 211 of this Act. The credit or credits
10 shall be applied to the earliest year for which there is a tax
11 liability. If there are credits from more than one taxable
12 year that are available to offset a liability, the earlier
13 credit shall be applied first.

14 For partners, shareholders of Subchapter S corporations,
15 and owners of limited liability companies, if the liability
16 company is treated as a partnership for the purposes of
17 federal and State income taxation, there shall be allowed a
18 credit under this Section to be determined in accordance with
19 the determination of income and distributive share of income
20 under Sections 702 and 704 and Subchapter S of the Internal
21 Revenue Code.

22 The total aggregate amount of credits awarded under the
23 Blue Collar Jobs Act (Article 20 of this amendatory Act of the
24 101st General Assembly) shall not exceed \$20,000,000 in any
25 State fiscal year.

26 (b) To obtain a tax credit pursuant to this Section, the

1 taxpayer must apply with the Department of Natural Resources.
2 The Department of Natural Resources shall determine the amount
3 of eligible rehabilitation costs and expenses in addition to
4 the amount of the River Edge construction jobs credit within
5 45 days of receipt of a complete application. The taxpayer
6 must submit a certification of costs prepared by an
7 independent certified public accountant that certifies (i) the
8 project expenses, (ii) whether those expenses are qualified
9 expenditures, and (iii) that the qualified expenditures exceed
10 the adjusted basis of the qualified historic structure on the
11 first day the qualified rehabilitation plan commenced. The
12 Department of Natural Resources is authorized, but not
13 required, to accept this certification of costs to determine
14 the amount of qualified expenditures and the amount of the
15 credit. The Department of Natural Resources shall provide
16 guidance as to the minimum standards to be followed in the
17 preparation of such certification. The Department of Natural
18 Resources and the National Park Service shall determine
19 whether the rehabilitation is consistent with the United
20 States Secretary of the Interior's Standards for
21 Rehabilitation.

22 (b-1) Upon completion of the project and approval of the
23 complete application, the Department of Natural Resources
24 shall issue a single certificate in the amount of the eligible
25 credits equal to 25% of qualified expenditures incurred during
26 the eligible taxable years, as defined in subsections (a) and

1 (a-1), excepting any credits awarded under subsection (a)
2 prior to January 1, 2019 (the effective date of Public Act
3 100-629) and any phased credits issued prior to the eligible
4 taxable year under subsection (a-1). At the time the
5 certificate is issued, an issuance fee up to the maximum
6 amount of 2% of the amount of the credits issued by the
7 certificate may be collected from the applicant to administer
8 the provisions of this Section. If collected, this issuance
9 fee shall be deposited into the Historic Property
10 Administrative Fund, a special fund created in the State
11 treasury. Subject to appropriation, moneys in the Historic
12 Property Administrative Fund shall be provided to the
13 Department of Natural Resources as reimbursement for the costs
14 associated with administering this Section.

15 (c) The taxpayer must attach the certificate to the tax
16 return on which the credits are to be claimed. The tax credit
17 under this Section may not reduce the taxpayer's liability to
18 less than zero. If the amount of the credit exceeds the tax
19 liability for the year, the excess credit may be carried
20 forward and applied to the tax liability of the 5 taxable years
21 following the excess credit year.

22 (c-1) Subject to appropriation, moneys in the Historic
23 Property Administrative Fund shall be used, on a biennial
24 basis beginning at the end of the second fiscal year after
25 January 1, 2019 (the effective date of Public Act 100-629), to
26 hire a qualified third party to prepare a biennial report to

1 assess the overall economic impact to the State from the
2 qualified rehabilitation projects under this Section completed
3 in that year and in previous years. The overall economic
4 impact shall include at least: (1) the direct and indirect or
5 induced economic impacts of completed projects; (2) temporary,
6 permanent, and construction jobs created; (3) sales, income,
7 and property tax generation before, during construction, and
8 after completion; and (4) indirect neighborhood impact after
9 completion. The report shall be submitted to the Governor and
10 the General Assembly. The report to the General Assembly shall
11 be filed with the Clerk of the House of Representatives and the
12 Secretary of the Senate in electronic form only, in the manner
13 that the Clerk and the Secretary shall direct.

14 (c-2) The Department of Natural Resources may adopt rules
15 to implement this Section in addition to the rules expressly
16 authorized in this Section.

17 (d) As used in this Section, the following terms have the
18 following meanings.

19 "Phased rehabilitation" means a project that is completed
20 in phases, as defined under Section 47 of the federal Internal
21 Revenue Code and pursuant to National Park Service regulations
22 at 36 C.F.R. 67.

23 "Placed in service" means the date when the property is
24 placed in a condition or state of readiness and availability
25 for a specifically assigned function as defined under Section
26 47 of the federal Internal Revenue Code and federal Treasury

1 Regulation Sections 1.46 and 1.48.

2 "Qualified expenditure" means all the costs and expenses
3 defined as qualified rehabilitation expenditures under Section
4 47 of the federal Internal Revenue Code that were incurred in
5 connection with a qualified historic structure.

6 "Qualified historic structure" means a certified historic
7 structure as defined under Section 47(c)(3) of the federal
8 Internal Revenue Code.

9 "Qualified rehabilitation plan" means a project that is
10 approved by the Department of Natural Resources and the
11 National Park Service as being consistent with the United
12 States Secretary of the Interior's Standards for
13 Rehabilitation.

14 "Qualified taxpayer" means the owner of the qualified
15 historic structure or any other person who qualifies for the
16 federal rehabilitation credit allowed by Section 47 of the
17 federal Internal Revenue Code with respect to that qualified
18 historic structure. Partners, shareholders of subchapter S
19 corporations, and owners of limited liability companies (if
20 the limited liability company is treated as a partnership for
21 purposes of federal and State income taxation) are entitled to
22 a credit under this Section to be determined in accordance
23 with the determination of income and distributive share of
24 income under Sections 702 and 703 and subchapter S of the
25 Internal Revenue Code, provided that credits granted to a
26 partnership, a limited liability company taxed as a

1 partnership, or other multiple owners of property shall be
2 passed through to the partners, members, or owners
3 respectively on a pro rata basis or pursuant to an executed
4 agreement among the partners, members, or owners documenting
5 any alternate distribution method.

6 (Source: P.A. 104-434, eff. 11-21-25.)

7 (35 ILCS 5/231)

8 Sec. 231. Apprenticeship education expense credit.

9 (a) As used in this Section:

10 "Accredited training organization" means an organization
11 that:

12 (1) incurs costs related to training apprentice
13 employees;

14 (2) maintains an apprenticeship program approved by
15 the United States Department of Labor, Office of
16 Apprenticeships, that results in an industry-recognized
17 credential; and either

18 (3) is affiliated with a public or nonpublic secondary
19 school in Illinois and is:

20 (A) an institution of higher education that
21 provides a program that leads to an
22 industry-recognized postsecondary credential or
23 degree;

24 (B) an entity that carries out programs that
25 are registered under the federal National

1 Apprenticeship Act; or

2 (C) a public or private provider of a program
3 of training services, including, but not limited to, a
4 joint labor-management organization; or

5 (4) is not affiliated with a public or nonpublic
6 secondary school in Illinois but receives preapproval from
7 the Department to receive tax credits under this Section.

8 "Department" means the Department of Commerce and Economic
9 Opportunity.

10 "Employer" means an Illinois taxpayer who is the employer
11 of the qualifying apprentice.

12 "Qualifying apprentice" means an individual who: (i) is a
13 resident of the State of Illinois; (ii) is at least 16 years
14 old at the close of the school year for which a credit is
15 sought; (iii) during the school year for which a credit is
16 sought, was a full-time apprentice enrolled in an
17 apprenticeship program which is registered with the United
18 States Department of Labor, Office of Apprenticeship; and (iv)
19 is employed in Illinois by the taxpayer who is the employer.

20 "Qualified education expense" means the amount incurred on
21 behalf of a qualifying apprentice not to exceed \$3,500 for
22 tuition, instructional materials, fees (including, but not
23 limited to, book, license, and lab fees), or other expenses
24 that are directly related to training the apprentices and that
25 are preapproved by the Department. All expenses must be paid
26 to or incurred for training at the school, community college,

1 or organization where the apprentice receives training.

2 (b) For taxable years beginning on or after January 1,
3 2020, and beginning on or before January 1, 2032 ~~January 1,~~
4 ~~2027~~, the employer of one or more qualifying apprentices shall
5 be allowed a credit against the tax imposed by subsections (a)
6 and (b) of Section 201 of the Illinois Income Tax Act. The
7 credit shall be equal to \$3,500 per qualifying apprentice. A
8 taxpayer shall be entitled to an additional \$1,500 credit
9 against the tax imposed by subsections (a) and (b) of Section
10 201 of the Illinois Income Tax Act if (i) the qualifying
11 apprentice resides in an underserved area as defined in
12 Section 5-5 of the Economic Development for a Growing Economy
13 Tax Credit Act during the school year for which a credit is
14 sought by an employer or (ii) the employer's principal place
15 of business is located in an underserved area, as defined in
16 Section 5-5 of the Economic Development for a Growing Economy
17 Tax Credit Act. In no event shall a credit under this Section
18 reduce the taxpayer's liability under this Act to less than
19 zero. For taxable years ending before December 31, 2023, for
20 partners, shareholders of Subchapter S corporations, and
21 owners of limited liability companies, if the liability
22 company is treated as a partnership for purposes of federal
23 and State income taxation, there shall be allowed a credit
24 under this Section to be determined in accordance with the
25 determination of income and distributive share of income under
26 Sections 702 and 704 and Subchapter S of the Internal Revenue

1 Code. For taxable years ending on or after December 31, 2023,
2 partners and shareholders of subchapter S corporations are
3 entitled to a credit under this Section as provided in Section
4 251.

5 (c) The Department shall implement a program to certify
6 applicants for an apprenticeship credit under this Section.
7 Upon satisfactory review, the Department shall issue a tax
8 credit certificate to an employer incurring costs on behalf of
9 a qualifying apprentice stating the amount of the tax credit
10 to which the employer is entitled. If the employer is seeking a
11 tax credit for multiple qualifying apprentices, the Department
12 may issue a single tax credit certificate that encompasses the
13 aggregate total of tax credits for qualifying apprentices for
14 a single employer.

15 (d) The Department, in addition to those powers granted
16 under the Civil Administrative Code of Illinois, is granted
17 and shall have all the powers necessary or convenient to carry
18 out and effectuate the purposes and provisions of this
19 Section, including, but not limited to, power and authority
20 to:

21 (1) Adopt rules deemed necessary and appropriate for
22 the administration of this Section; establish forms for
23 applications, notifications, contracts, or any other
24 agreements; and accept applications at any time during the
25 year and require that all applications be submitted via
26 the Internet. The Department shall require that

1 applications be submitted in electronic form.

2 (2) Provide guidance and assistance to applicants
3 pursuant to the provisions of this Section and cooperate
4 with applicants to promote, foster, and support job
5 creation within the State.

6 (3) Enter into agreements and memoranda of
7 understanding for participation of and engage in
8 cooperation with agencies of the federal government, units
9 of local government, universities, research foundations or
10 institutions, regional economic development corporations,
11 or other organizations for the purposes of this Section.

12 (4) Gather information and conduct inquiries, in the
13 manner and by the methods it deems desirable, including,
14 without limitation, gathering information with respect to
15 applicants for the purpose of making any designations or
16 certifications necessary or desirable or to gather
17 information in furtherance of the purposes of this Act.

18 (5) Establish, negotiate, and effectuate any term,
19 agreement, or other document with any person necessary or
20 appropriate to accomplish the purposes of this Section,
21 and consent, subject to the provisions of any agreement
22 with another party, to the modification or restructuring
23 of any agreement to which the Department is a party.

24 (6) Provide for sufficient personnel to permit
25 administration, staffing, operation, and related support
26 required to adequately discharge its duties and

1 responsibilities described in this Section from funds made
2 available through charges to applicants or from funds as
3 may be appropriated by the General Assembly for the
4 administration of this Section.

5 (7) Require applicants, upon written request, to issue
6 any necessary authorization to the appropriate federal,
7 State, or local authority or any other person for the
8 release to the Department of information requested by the
9 Department, including, but not be limited to, financial
10 reports, returns, or records relating to the applicant or
11 to the amount of credit allowable under this Section.

12 (8) Require that an applicant shall, at all times,
13 keep proper books of record and account in accordance with
14 generally accepted accounting principles consistently
15 applied, with the books, records, or papers related to the
16 agreement in the custody or control of the applicant open
17 for reasonable Department inspection and audits,
18 including, without limitation, the making of copies of the
19 books, records, or papers.

20 (9) Take whatever actions are necessary or appropriate
21 to protect the State's interest in the event of
22 bankruptcy, default, foreclosure, or noncompliance with
23 the terms and conditions of financial assistance or
24 participation required under this Section or any agreement
25 entered into under this Section, including the power to
26 sell, dispose of, lease, or rent, upon terms and

1 conditions determined by the Department to be appropriate,
2 real or personal property that the Department may recover
3 as a result of these actions.

4 (e) The Department, in consultation with the Department of
5 Revenue, shall adopt rules to administer this Section. The
6 aggregate amount of the tax credits that may be claimed under
7 this Section for qualified education expenses incurred by an
8 employer on behalf of a qualifying apprentice shall be limited
9 to \$5,000,000 per calendar year. If applications for a greater
10 amount are received, credits shall be allowed on a first-come
11 first-served basis, based on the date on which each properly
12 completed application for a certificate of eligibility is
13 received by the Department. If more than one certificate is
14 received on the same day, the credits will be awarded based on
15 the time of submission for that particular day.

16 (f) An employer may not sell or otherwise transfer a
17 credit awarded under this Section to another person or
18 taxpayer.

19 (g) The employer shall provide the Department such
20 information as the Department may require, including, but not
21 limited to: (i) the name, age, and identification number of
22 each qualifying apprentice employed by the taxpayer during the
23 taxable year; (ii) the amount of qualified education expenses
24 incurred with respect to each qualifying apprentice; and (iii)
25 the name of the accredited training organization at which the
26 qualifying apprentice is enrolled and the qualified education

1 expenses are incurred.

2 (h) On or before July 1 of each year, the Department shall
3 report to the Governor and the General Assembly on the tax
4 credit certificates awarded under this Section for the prior
5 calendar year. The report must include:

6 (1) the name of each employer awarded or allocated a
7 credit;

8 (2) the number of qualifying apprentices for whom the
9 employer has incurred qualified education expenses;

10 (3) the North American Industry Classification System
11 (NAICS) code applicable to each employer awarded or
12 allocated a credit;

13 (4) the amount of the credit awarded or allocated to
14 each employer;

15 (5) the total number of employers awarded or allocated
16 a credit;

17 (6) the total number of qualifying apprentices for
18 whom employers receiving credits under this Section
19 incurred qualified education expenses; and

20 (7) the average cost to the employer of all
21 apprenticeships receiving credits under this Section.

22 (Source: P.A. 103-396, eff. 1-1-24; 103-1059, eff. 12-20-24;
23 104-6, eff. 6-16-25; 104-434, eff. 11-21-25.)

24 Section 40. The Southeastern Illinois Economic Development
25 Authority Act is amended by changing Section 20 as follows:

1 (70 ILCS 518/20)

2 Sec. 20. Creation.

3 (a) There is created a political subdivision, body
4 politic, and municipal corporation named the Southeastern
5 Illinois Economic Development Authority. The territorial
6 jurisdiction of the Authority is that geographic area within
7 the boundaries of the following counties: Fayette, Cumberland,
8 Clark, Effingham, Jasper, Crawford, Marion, Clay, Richland,
9 Lawrence, Jefferson, Wayne, Edwards, Wabash, Hamilton, and
10 White; Irvington Township in Washington County; and any
11 navigable waters and air space located therein.

12 (b) The governing and administrative powers of the
13 Authority shall be vested in a body consisting of 26 public ~~27~~
14 members and one ex officio member, as follows:

15 (1) Public members. Nine members shall be appointed by
16 the Governor with the advice and consent of the Senate.
17 The county board chairmen of the following counties shall
18 each appoint one member: Clark, Clay, Crawford,
19 Cumberland, Edwards, Effingham, Fayette, Hamilton, Jasper,
20 Jefferson, Lawrence, Marion, Richland, Wabash, Washington,
21 Wayne, and White.

22 (2) Ex officio member. The Director of Commerce and
23 Economic Opportunity, or his or her designee, shall serve
24 as an ex officio member. ~~One member shall be appointed by~~
25 ~~the Director of Commerce and Economic Opportunity.~~

1 All public members shall reside within the territorial
2 jurisdiction of the Authority. The public members shall be
3 persons of recognized ability and experience in one or more of
4 the following areas: economic development, finance, banking,
5 industrial development, state or local government, commercial
6 agriculture, small business management, real estate
7 development, community development, venture finance, organized
8 labor, or civic or community organization.

9 (c) Fourteen members shall constitute a quorum, and the
10 Board may not meet or take any action without a quorum present.

11 (d) The chairman of the Authority shall be elected
12 annually by the Board.

13 (e) The terms of the initial members of the Authority
14 shall begin 30 days after the effective date of this Act. Of
15 the 10 original members appointed by the Governor and the
16 Director of Commerce and Economic Opportunity pursuant to
17 subsection (b), one shall serve until the third Monday in
18 January, 2005; one shall serve until the third Monday in
19 January, 2006; 2 shall serve until the third Monday in
20 January, 2007; 2 shall serve until the third Monday in
21 January, 2008; 2 shall serve until the third Monday in
22 January, 2009; and 2 shall serve until the third Monday in
23 January, 2010. The terms of the initial public members of the
24 Authority appointed by the county board chairmen shall begin
25 30 days after the effective date of this amendatory Act of the
26 97th General Assembly. The terms of the initial public members

1 appointed by the county board chairmen shall be determined by
2 lot, according to the following schedule: (i) 4 shall serve
3 until the third Monday in January, 2013, (ii) 4 shall serve
4 until the third Monday in January, 2014, (iii) 3 shall serve
5 until the third Monday in January, 2015, (iv) 3 shall serve
6 until the third Monday in January, 2016, and (v) 3 shall serve
7 until the third Monday in January, 2017. All successors to
8 these initial members shall be appointed by the original
9 appointing authority pursuant to subsection (b), and shall
10 hold office for a term of 3 years commencing the third Monday
11 in January of the year in which their term commences, except in
12 the case of an appointment to fill a vacancy. Vacancies
13 occurring among the members shall be filled for the remainder
14 of the term. In case of a vacancy in a Governor-appointed
15 membership when the Senate is not in session, the Governor may
16 make a temporary appointment until the next meeting of the
17 Senate when a person shall be nominated to fill the office and,
18 upon confirmation by the Senate, he or she shall hold office
19 during the remainder of the term and until a successor is
20 appointed and qualified. Members of the Authority are not
21 entitled to compensation for their services as members but are
22 entitled to reimbursement for all necessary expenses incurred
23 in connection with the performance of their duties as members.
24 Members of the Board may participate in Board meetings by
25 teleconference or video conference.

26 (f) The Governor may remove any public member of the

1 Authority appointed by the Governor, and the Director of
2 Commerce and Economic Opportunity may remove any member
3 appointed by the Director, in case of incompetence, neglect of
4 duty, or malfeasance in office. The chairman of a county
5 board, with the approval of a majority vote of the county
6 board, may remove any public member appointed by that chairman
7 in the case of incompetence, neglect of duty, or malfeasance
8 in office.

9 (g) The Board shall appoint an Executive Director who
10 shall have a background in finance, including familiarity with
11 the legal and procedural requirements of issuing bonds, real
12 estate, or economic development and administration. The
13 Executive Director shall hold office at the discretion of the
14 Board. The Executive Director shall be the chief
15 administrative and operational officer of the Authority, shall
16 direct and supervise its administrative affairs and general
17 management, perform such other duties as may be prescribed
18 from time to time by the members, and receive compensation
19 fixed by the Authority. The Executive Director shall attend
20 all meetings of the Authority. However, no action of the
21 Authority shall be invalid on account of the absence of the
22 Executive Director from a meeting. The Authority may engage
23 the services of the Illinois Finance Authority, attorneys,
24 appraisers, engineers, accountants, credit analysts, and other
25 consultants, if the Southeastern Illinois Economic Development
26 Authority deems it advisable.

1 (Source: P.A. 103-517, eff. 8-11-23.)

2 Section 45. The Broadband Advisory Council Act is amended
3 by changing Section 20 as follows:

4 (220 ILCS 80/20)

5 Sec. 20. Powers and duties of the Council generally.

6 (a) The Council shall:

7 (1) explore any and all ways to expand the
8 availability to end-user customers of broadband services
9 using available technologies, including, but not limited
10 to, wireline, wireless, fixed wireless, and satellite
11 applications;

12 (2) identify barriers to broadband adoption among the
13 residents and small businesses of Illinois;

14 (3) research ways to eliminate barriers to adoption
15 through measures such as: digital literacy programs;
16 programs to assist older citizens in using broadband
17 Internet access; programs to facilitate adoption by
18 disabled citizens; and programs to encourage collaborative
19 efforts among public universities, community colleges,
20 libraries, public housing, and other institutions;

21 (4) assess the availability of broadband for
22 low-income households compared to the availability of
23 broadband for other households;

24 (5) explore the potential for increased use of

1 broadband service for the purposes of education, career
2 readiness, workforce preparation, and alternative career
3 training;

4 (6) explore the potential for increased use of
5 broadband services to facilitate aging in place;

6 (7) explore ways for encouraging State and municipal
7 agencies, including public housing authorities, to expand
8 the use of broadband services for the purpose of better
9 serving the public, including audio and video streaming,
10 voice-over Internet protocol, teleconferencing, and
11 wireless networking;

12 (8) cooperate and assist in the expansion of
13 electronic instruction and distance education services;

14 (9) as the Federal Communications Commission updates
15 the benchmark downstream data rates and upstream data
16 rates, publish the revised data rates in the Illinois
17 Register within 60 days after the federal update; and

18 (10) evaluate the expansion of the Illinois Century
19 Network to Illinois public schools, public libraries, and
20 State-owned correctional institutions or facilities,
21 including issuing recommendations for increasing agency
22 staffing, infrastructure development, price modeling, and
23 providing download speeds of at least one gigabyte per
24 second and upload speeds of at least one gigabyte per
25 second.

26 (b) In addition to the powers set forth elsewhere in this

1 Act, the Council is hereby granted the powers necessary to
2 carry out the purpose and intent of this Act, as enumerated in
3 this Section, including, but not limited to:

4 (1) promoting awareness of public facilities that have
5 community broadband access that can be used for distance
6 education and workforce development; and

7 (2) advising on deployment of e-government portals
8 such that all public bodies and political subdivisions
9 have websites and encourage one-stop government access and
10 that all public entities stream audio and video of all
11 public meetings.

12 (c) The Council shall also:

13 (1) monitor the broadband-based development efforts of
14 other states in areas such as business, education, aging
15 in place, and health;

16 (2) receive input provided on a voluntary basis from
17 all Illinois broadband stakeholders and advise the
18 Governor and the General Assembly on policies related to
19 broadband in Illinois, provided that no stakeholders shall
20 be required to publicly disclose competitively sensitive
21 information or information that could compromise network
22 security or undermine the efficacy of reasonable network
23 management practices, and that any such information
24 voluntarily disclosed shall be protected from public
25 disclosure; and

26 (3) serve as the broadband advocate to State agencies

1 and other State entities to communicate the broadband
2 needs of citizens and organizations that do not have
3 access to broadband service or to broadband service
4 adequate for their needs.

5 (d) The Council shall exercise its powers and authority to
6 (1) advise and make recommendations to the General Assembly
7 and the Governor on bringing broadband service to unserved and
8 underserved rural and urban areas and improving broadband
9 service statewide, (2) advise and make recommendations to the
10 General Assembly and the Governor on facilitating broadband
11 adoption by all citizens, and (3) propose statutory changes
12 that may enhance and expand broadband in the State.

13 (e) The Council shall report to the General Assembly on or
14 before January 31 ~~January 1~~ of each year. The report to the
15 General Assembly shall be filed with the Clerk of the House of
16 Representatives and the Secretary of the Senate in electronic
17 form only, in the manner that the Clerk and the Secretary shall
18 direct. The report shall include the action that was taken by
19 the Council during the previous year in carrying out the
20 provisions of this Act. The Council shall also make any other
21 reports as may be required by the General Assembly or the
22 Governor.

23 (Source: P.A. 103-483, eff. 8-4-23.)

24 Section 50. The Energy Assistance Act is amended by
25 changing Section 5 as follows:

1 (305 ILCS 20/5) (from Ch. 111 2/3, par. 1405)

2 Sec. 5. Policy Advisory Council.

3 (a) Within the Department of Commerce and Economic
4 Opportunity is created a Low Income Energy Assistance Policy
5 Advisory Council.

6 (b) The Council shall be chaired by the Director of
7 Commerce and Economic Opportunity or his or her designee.
8 There shall be 17 ~~19~~ members of the Low Income Energy
9 Assistance Policy Advisory Council, including the chairperson
10 and the following members:

11 (1) one member designated by the Illinois Commerce
12 Commission;

13 (2) (blank);

14 (3) one member designated by the Illinois Energy
15 Association to represent electric public utilities serving
16 in excess of 1 million customers in this State;

17 (4) one member agreed upon by gas public utilities
18 that serve more than 500,000 and fewer than 1,500,000
19 customers in this State;

20 (5) one member agreed upon by gas public utilities
21 that serve 1,500,000 or more customers in this State;

22 (6) one member designated by the Illinois Energy
23 Association to represent combination gas and electric
24 public utilities;

25 (7) one member agreed upon by the Illinois Municipal

1 Electric Agency and the Association of Illinois Electric
2 Cooperatives;

3 (8) (blank); ~~one member agreed upon by the Illinois~~
4 ~~Industrial Energy Consumers;~~

5 (9) three members designated by the Department to
6 represent low income energy consumers;

7 (10) two members designated by the Illinois Community
8 Action Association to represent local agencies that assist
9 in the administration of this Act;

10 (11) one member designated by the Citizens Utility
11 Board to represent residential energy consumers;

12 (12) (blank); ~~one member designated by the Illinois~~
13 ~~Retail Merchants Association to represent commercial~~
14 ~~energy customers;~~

15 (13) one member designated by the Department to
16 represent independent energy providers; and

17 (14) three members designated by the Mayor of the City
18 of Chicago.

19 (c) Designated and appointed members shall serve 2 year
20 terms and until their successors are appointed and qualified.
21 The designating organization shall notify the chairperson of
22 any changes or substitutions of a designee within 10 business
23 days of a change or substitution. Members shall serve without
24 compensation, but may receive reimbursement for actual costs
25 incurred in fulfilling their duties as members of the Council.

26 (d) The Council shall have the following duties:

1 (1) to monitor the administration of this Act to
2 ensure effective, efficient, and coordinated program
3 development and implementation;

4 (2) to assist the Department in developing and
5 administering rules and regulations required to be
6 promulgated pursuant to this Act in a manner consistent
7 with the purpose and objectives of this Act;

8 (3) to facilitate and coordinate the collection and
9 exchange of all program data and other information needed
10 by the Department and others in fulfilling their duties
11 pursuant to this Act;

12 (4) to advise the Department on the proper level of
13 support required for effective administration of the Act;

14 (5) to provide a written opinion concerning any
15 regulation proposed pursuant to this Act, and to review
16 and comment on any energy assistance or related plan
17 required to be prepared by the Department;

18 (6) to advise the Department on the use of funds
19 collected pursuant to Section 11 of this Act, and on any
20 changes to existing low income energy assistance programs
21 to make effective use of such funds, so long as such uses
22 and changes are consistent with the requirements of the
23 Act.

24 (Source: P.A. 97-916, eff. 8-9-12.)

25 Section 55. The Cannabis Regulation and Tax Act is amended

1 by changing Section 7-15 as follows:

2 (410 ILCS 705/7-15)

3 Sec. 7-15. Loans and grants to Social Equity Applicants.

4 (a) The Department of Commerce and Economic Opportunity
5 shall establish grant and loan programs, subject to
6 appropriations from the Cannabis Business Development Fund,
7 for the purposes of providing financial assistance, loans,
8 grants, and technical assistance to Social Equity Applicants.

9 (b) The Department of Commerce and Economic Opportunity
10 has the power to:

11 (1) provide Cannabis Social Equity loans and grants
12 from appropriations from the Cannabis Business Development
13 Fund to assist Qualified Social Equity Applicants in
14 gaining entry to, and successfully operating in, the
15 State's regulated cannabis marketplace;

16 (2) enter into agreements that set forth terms and
17 conditions of the financial assistance, accept funds or
18 grants, and engage in cooperation with private entities
19 and agencies of State or local government to carry out the
20 purposes of this Section;

21 (3) fix, determine, charge, and collect any premiums,
22 fees, charges, costs and expenses, including application
23 fees, commitment fees, program fees, financing charges, or
24 publication fees in connection with its activities under
25 this Section;

1 (4) coordinate assistance under these loan programs
2 with activities of the Illinois Department of Financial
3 and Professional Regulation, the Illinois Department of
4 Agriculture, and other agencies as needed to maximize the
5 effectiveness and efficiency of this Act;

6 (5) provide staff, administration, and related support
7 required to administer this Section;

8 (6) take whatever actions are necessary or appropriate
9 to protect the State's interest in the event of
10 bankruptcy, default, foreclosure, or noncompliance with
11 the terms and conditions of financial assistance provided
12 under this Section, including the ability to recapture
13 funds if the recipient is found to be noncompliant with
14 the terms and conditions of the financial assistance
15 agreement;

16 (7) establish application, notification, contract, and
17 other forms, procedures, or rules deemed necessary and
18 appropriate; and

19 (8) utilize vendors or contract work to carry out the
20 purposes of this Act.

21 (c) Loans made under this Section:

22 (1) shall only be made if, in the Department's
23 judgment, the project furthers the goals set forth in this
24 Act; and

25 (2) shall be in such principal amount and form and
26 contain such terms and provisions with respect to

1 security, insurance, reporting, delinquency charges,
2 default remedies, and other matters as the Department
3 shall determine appropriate to protect the public interest
4 and to be consistent with the purposes of this Section.
5 The terms and provisions may be less than required for
6 similar loans not covered by this Section.

7 (d) Grants made under this Section shall be awarded on a
8 competitive and annual basis under the Grant Accountability
9 and Transparency Act. Grants made under this Section shall
10 further and promote the goals of this Act, including promotion
11 of Social Equity Applicants, job training and workforce
12 development, and technical assistance to Social Equity
13 Applicants.

14 (e) On or before January 31 of ~~Beginning January 1, 2021~~
15 ~~and~~ each year thereafter, the Department shall annually report
16 to the Governor and the General Assembly on the outcomes and
17 effectiveness of this Section that shall include the
18 following:

19 (1) the number of persons or businesses receiving
20 financial assistance under this Section;

21 (2) the amount in financial assistance awarded in the
22 aggregate, in addition to the amount of loans made that
23 are outstanding and the amount of grants awarded;

24 (3) the location of the project engaged in by the
25 person or business; and

26 (4) if applicable, the number of new jobs and other

1 forms of economic output created as a result of the
2 financial assistance.

3 (f) The Department of Commerce and Economic Opportunity
4 shall include engagement with individuals with limited English
5 proficiency as part of its outreach provided or targeted to
6 attract and support Social Equity Applicants.

7 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19.)

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.