



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB3592

Introduced 2/5/2026, by Sen. Elgie R. Sims, Jr.

SYNOPSIS AS INTRODUCED:

35 ILCS 5/222
35 ILCS 17/10-10
35 ILCS 17/10-20

Amends the Live Theater Production Tax Credit Act. Provides that a pre-Broadway production must have a presentation scheduled for Broadway's Theater District in New York City no later than 18 months after its Illinois presentation (currently, must have a goal of having a presentation scheduled for Broadway's Theater District in New York City after its Illinois presentation). Provides that, if, in any State fiscal year, less than \$2,000,000 in credits are awarded for long-run productions and pre-Broadway productions under the Act, then the difference between \$2,000,000 and the amount of credits awarded for long-run productions and pre-Broadway productions in that fiscal year may be added to the \$2,000,000 in credits allowed to be awarded for commercial Broadway touring shows in that State fiscal year. Amends the Illinois Income Tax Act. Extends the sunset of the live theater production credit until January 1, 2039 (currently, January 1, 2027). Effective immediately.

LRB104 16424 HLH 33844 b

1 AN ACT concerning revenue.

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

4 Section 5. The Illinois Income Tax Act is amended by
5 changing Section 222 as follows:

6 (35 ILCS 5/222)

7 Sec. 222. Live theater production credit.

8 (a) For tax years beginning on or after January 1, 2012 and
9 beginning prior to January 1, 2039, ~~January 1, 2027~~, a
10 taxpayer who has received a tax credit award under the Live
11 Theater Production Tax Credit Act for a long-run production, a
12 pre-Broadway production, or a commercial Broadway touring show
13 is entitled to a credit against the taxes imposed under
14 subsections (a) and (b) of Section 201 of this Act in an amount
15 determined under that Act by the Department of Commerce and
16 Economic Opportunity.

17 (b) For taxable years ending before December 31, 2023, if
18 the taxpayer is a partnership, limited liability partnership,
19 limited liability company, or Subchapter S corporation, the
20 tax credit award is allowed to the partners, unit holders, or
21 shareholders in accordance with the determination of income
22 and distributive share of income under Sections 702 and 704
23 and Subchapter S of the Internal Revenue Code. For taxable

1 years ending on or after December 31, 2023, if the taxpayer is
2 a partnership or Subchapter S corporation, then the provisions
3 of Section 251 apply.

4 (c) A sale, assignment, or transfer of the tax credit
5 award may be made by the taxpayer earning the credit within one
6 year after the credit is awarded in accordance with rules
7 adopted by the Department of Commerce and Economic
8 Opportunity.

9 (d) The Department of Revenue, in cooperation with the
10 Department of Commerce and Economic Opportunity, shall adopt
11 rules to enforce and administer the provisions of this
12 Section.

13 (e) The tax credit award may not be carried back. If the
14 amount of the credit exceeds the tax liability for the year,
15 the excess may be carried forward and applied to the tax
16 liability of the 5 tax years following the excess credit year.
17 The tax credit award shall be applied to the earliest year for
18 which there is a tax liability. If there are credits from more
19 than one tax year that are available to offset liability, the
20 earlier credit shall be applied first. In no event may a credit
21 under this Section reduce the taxpayer's liability to less
22 than zero.

23 (Source: P.A. 102-16, eff. 6-17-21; 103-396, eff. 1-1-24;
24 103-592, eff. 6-7-24.)

25 Section 10. The Live Theater Production Tax Credit Act is

1 amended by changing Sections 10-10 and 10-20 as follows:

2 (35 ILCS 17/10-10)

3 Sec. 10-10. Definitions. As used in this Act:

4 "Accredited theater production" means a for-profit live
5 stage presentation in a qualified production facility, as
6 defined in this Section, that is either (i) a pre-Broadway
7 production or (ii) a long-run production for which the
8 aggregate Illinois labor and marketing expenditures exceed
9 \$100,000. For credits awarded under this Act on or after July
10 1, 2022, "accredited theater production" also includes any
11 commercial Broadway touring show. For credits awarded under
12 this Act on or after July 1, 2024, "accredited theater
13 production" also includes non-profit theater productions.

14 "Commercial Broadway touring show" means a production that
15 (i) is performed in a qualified production facility and plays
16 in more than 2 other markets in North America outside of
17 Illinois within 12 months of its Illinois presentation and
18 (ii) has Illinois production spending of not less than
19 \$100,000, as shown on the applicant's application for the
20 credit.

21 "Pre-Broadway production" means a live stage production
22 that, (i) in its original or adaptive version, is performed in
23 a qualified production facility and has ~~with the goal of~~
24 ~~having~~ a presentation scheduled for Broadway's Theater
25 District in New York City no later than 18 months after its

1 Illinois presentation and (ii) has Illinois production
2 spending of not less than \$100,000, as shown on the
3 applicant's application for the credit.

4 "Long-run production" means a live stage production that
5 is performed in a qualified production facility for longer
6 than 8 weeks, with at least 6 performances per week, and
7 includes a production that spans the end of one tax year and
8 the commencement of a new tax year that, in combination, meets
9 the criteria set forth in this definition making it a long-run
10 production eligible for a theater tax credit award in each tax
11 year or portion thereof.

12 "Non-profit theater production" means a live stage
13 production that is at least 75 minutes in length with a written
14 script that (i) is produced by a 501(c)3 non-profit registered
15 in the State of Illinois for at least 5 years, (ii) has
16 Illinois production spending of not less than \$10,000, as
17 shown on the applicant's application for the credit, and (iii)
18 has a minimum annual operating budget of \$25,000 or more, as
19 shown on the applicant's application for the credit.

20 "Accredited theater production certificate" means a
21 certificate issued by the Department certifying that the
22 production is an accredited theater production that meets the
23 guidelines of this Act.

24 "Applicant" means a theater producer, owner, licensee,
25 operator, or presenter that is presenting or has presented a
26 live stage presentation located within the State of Illinois

1 who:

2 (1) owns or licenses the theatrical rights of the
3 stage presentation for the Illinois production period; or

4 (2) has contracted or will contract directly with the
5 owner or licensee of the theatrical rights or a person
6 acting on behalf of the owner or licensee to provide live
7 performances of the production.

8 An applicant that directly or indirectly owns, controls,
9 or operates multiple qualified production facilities shall be
10 presumed to be and considered for the purposes of this Act to
11 be a single applicant; provided, however, that as to each of
12 the applicant's qualified production facilities, the applicant
13 shall be eligible to separately and contemporaneously (i)
14 apply for and obtain accredited theater production
15 certificates, (ii) stage accredited theater productions, and
16 (iii) apply for and receive a tax credit award certificate for
17 each of the applicant's accredited theater productions
18 performed at each of the applicant's qualified production
19 facilities.

20 "Department" means the Department of Commerce and Economic
21 Opportunity.

22 "Director" means the Director of the Department.

23 "Illinois labor expenditure" means gross salary or wages
24 including, but not limited to, taxes, benefits, and any other
25 consideration incurred or paid to non-talent employees of the
26 applicant for services rendered to and on behalf of the

1 accredited theater production. To qualify as an Illinois labor
2 expenditure, the expenditure must be:

3 (1) incurred or paid by the applicant on or after the
4 effective date of the Act for services related to any
5 portion of an accredited theater production from its
6 pre-production stages, including, but not limited to, the
7 writing of the script, casting, hiring of service
8 providers, purchases from vendors, marketing, advertising,
9 public relations, load in, rehearsals, performances, other
10 accredited theater production related activities, and load
11 out;

12 (2) directly attributable to the accredited theater
13 production;

14 (3) limited to the first \$100,000 of wages incurred or
15 paid to each employee of an accredited theater production
16 in each tax year;

17 (4) included in the federal income tax basis of the
18 property;

19 (5) paid in the tax year for which the applicant is
20 claiming the tax credit award, or no later than 60 days
21 after the end of the tax year;

22 (6) paid to persons residing in Illinois at the time
23 payments were made; and

24 (7) reasonable in the circumstances.

25 "Illinois production spending" means any and all expenses
26 directly or indirectly incurred relating to an accredited

1 theater production presented in any qualified production
2 facility of the applicant, including, but not limited to,
3 expenditures for:

4 (1) national marketing, public relations, and the
5 creation and placement of print, electronic, television,
6 billboard, and other forms of advertising; and

7 (2) the construction and fabrication of scenic
8 materials and elements; provided, however, that the
9 maximum amount of expenditures attributable to the
10 construction and fabrication of scenic materials and
11 elements eligible for a tax credit award shall not exceed
12 \$500,000 per applicant per production in any single tax
13 year.

14 "Qualified production facility" means a facility located
15 in the State in which live theatrical productions are, or are
16 intended to be, exclusively presented that contains at least
17 one stage, a seating capacity of 1,200 or more seats or, if the
18 live theater production is a non-profit theater production, a
19 seating capacity of 50 or more seats, and dressing rooms,
20 storage areas, and other ancillary amenities necessary for the
21 accredited theater production.

22 "Tax credit award" means the issuance to a taxpayer by the
23 Department of a tax credit award in conformance with Sections
24 10-40 and 10-45 of this Act.

25 "Tax year" means a calendar year for the period January 1
26 to and including December 31.

1 (Source: P.A. 102-1112, eff. 12-21-22; 103-592, eff. 6-7-24.)

2 (35 ILCS 17/10-20)

3 Sec. 10-20. Tax credit award. Subject to the conditions
4 set forth in this Act, an applicant is entitled to a tax credit
5 award as approved by the Department for qualifying Illinois
6 labor expenditures and Illinois production spending for each
7 tax year in which the applicant is awarded an accredited
8 theater production certificate issued by the Department. The
9 amount of tax credits awarded pursuant to this Act shall not
10 exceed \$2,000,000 in any State fiscal year ending on or before
11 June 30, 2022. The amount of tax credits awarded pursuant to
12 this Act for the State fiscal year ending on June 30, 2023 or
13 the State fiscal year ending on June 30, 2024 shall not exceed
14 \$4,000,000. For the State fiscal year ending on June 30, 2023
15 and the State fiscal year ending on June 30, 2024, no more than
16 \$2,000,000 in credits may be awarded in either of those fiscal
17 years to accredited theater productions that are not
18 commercial Broadway touring shows, and no more than \$2,000,000
19 in credits may be awarded in either of those fiscal years to
20 commercial Broadway touring shows. For State fiscal years
21 ending on or after June 30, 2025, the amount of tax credits
22 awarded under this Act shall not exceed \$6,000,000, with no
23 more than \$2,000,000 in credits awarded for long-run
24 productions and pre-Broadway productions, no more than
25 \$2,000,000 in credits awarded for commercial Broadway touring

1 shows, and no more than \$2,000,000 in credits awarded for
2 non-profit theater productions. If, in any State fiscal year,
3 less than \$2,000,000 in credits under this Act are awarded for
4 long-run productions and pre-Broadway productions, then the
5 difference between \$2,000,000 and the amount of credits
6 awarded for long-run productions and pre-Broadway productions
7 in that fiscal year may be added to the \$2,000,000 in credits
8 allowed to be awarded for commercial Broadway touring shows in
9 that State fiscal year.

10 The \$2,000,000 in credits that may be awarded for
11 non-profit theater productions under this Act in a State
12 fiscal year shall be allocated as follows:

13 (1) no credits may be awarded for non-profit theater
14 productions that have an annual operating budget of less
15 than \$25,000;

16 (2) no more than \$225,000 in credits may be awarded,
17 in the aggregate, for non-profit theater productions that
18 have an annual operating budget of \$25,000 or more but
19 less than \$250,000;

20 (3) no more than \$225,000 in credits may be awarded,
21 in the aggregate, for non-profit theater productions that
22 have an annual operating budget of \$250,000 or more but
23 less than \$1,000,000;

24 (4) no more than \$250,000 in credits may be awarded,
25 in the aggregate, for non-profit theater productions that
26 have an annual operating budget of \$1,000,000 or more but

1 less than \$2,500,000;

2 (5) no more than \$300,000 in credits may be awarded,
3 in the aggregate, for non-profit theater productions that
4 have an annual operating budget of \$2,500,000 or more but
5 less than \$5,000,000;

6 (6) no more than \$300,000 in credits may be awarded,
7 in the aggregate, for non-profit theater productions that
8 have an annual operating budget of \$5,000,000 or more but
9 less than \$10,000,000; and

10 (7) no more than \$700,000 in credits may be awarded,
11 in the aggregate, for non-profit theater productions that
12 have an annual operating budget of \$10,000,000 or more.

13 Credits shall be awarded on a first-come, first-served
14 basis. Notwithstanding the foregoing, if the amount of credits
15 applied for in any fiscal year exceeds the amount authorized
16 to be awarded under this Section, the excess credit amount
17 shall be awarded in the next fiscal year in which credits
18 remain available for award and shall be treated as having been
19 applied for on the first day of that fiscal year.

20 (Source: P.A. 102-700, eff. 4-19-22; 102-1112, eff. 12-21-22;
21 103-592, eff. 6-7-24; 103-1055, eff. 12-20-24.)

22 Section 99. Effective date. This Act takes effect upon
23 becoming law.