

HB2973



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB2973

by Rep. Mark L. Walker

SYNOPSIS AS INTRODUCED:

35 ILCS 5/229 new

Amends the Illinois Income Tax Act. Provides that a taxpayer who (i) has an associate's degree, a bachelor's degree, or a graduate degree from an institution of higher education accredited by the U.S. Department of Education, (ii) has annual student loan repayment expenses, and (iii) is employed full-time in the State, or has an offer of full-time employment in the State, in one or more of the specified science and technology fields is eligible for an income tax credit equal to the taxpayer's student loan repayment expenses for the taxable year, but not to exceed a maximum credit limit. Effective immediately.

LRB101 08956 HLH 54047 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 5. The Illinois Income Tax Act is amended by adding
5 Section 229 as follows:

6 (35 ILCS 5/229 new)

7 Sec. 229. Student loan repayment credit.

8 (a) For taxable years beginning on or after January 1,
9 2019, a qualified taxpayer may apply to the Department for a
10 credit against the tax imposed by subsections (a) and (b) of
11 Section 201. The amount of the credit shall be equal to the
12 taxpayer's student loan repayment expenses for the taxable
13 year, but not to exceed the maximum credit amount set forth in
14 subsection (b).

15 (b) The maximum credit amount shall be:

16 (1) \$6,000 per taxable year for a taxpayer with a
17 master's degree or higher;

18 (2) \$4,000 per taxable year for a taxpayer with a
19 bachelor's degree; or

20 (3) \$1,000 per taxable year for a taxpayer with an
21 associate's degree.

22 In no event shall a credit under this Section reduce the
23 taxpayer's liability to less than zero. If the amount of the

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

8 (c) As used in this Section, "qualified taxpayer" means a
9 taxpayer who (i) has an Associate's degree, a Bachelor's
10 degree, or a graduate degree from an institution of higher
11 education accredited by the U.S. Department of Education; (ii)
12 has annual student loan repayment expenses; and (iii) is
13 employed full-time in the State, or has an offer of full-time
14 employment in the State, in one or more of the following
15 fields: life, natural or environmental sciences; computer,
16 information or software technology; advanced mathematics or
17 finance; engineering; industrial design or other commercially
18 related design field; or medicine or medical device technology.

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