



Rep. John Connor

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10100HB3497ham001

LRB101 07563 HLH 58436 a

1 AMENDMENT TO HOUSE BILL 3497

2 AMENDMENT NO. _____. Amend House Bill 3497 by replacing
3 everything after the enacting clause with the following:

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

6 (35 ILCS 5/229 new)

7 Sec. 229. Manufacturing, plastics, and construction
8 apprenticeship training credit.

9 (a) For tax years beginning on or after January 1, 2019, a
10 taxpayer shall be allowed a credit against the tax imposed by
11 subsections (a) and (b) of Section 201 for certain amounts paid
12 by the taxpayer as wages pursuant to a qualified apprenticeship
13 program. The credit may not exceed the lesser of (i) 50% of the
14 wages paid by the taxpayer to each apprentice during the
15 taxable year or (ii) \$4,800 per apprentice. For taxpayers who
16 were awarded a credit under this Section in a previous taxable

1 year, the credit shall apply only to the number of qualified
2 individuals employed by the employer through a qualified
3 apprenticeship program that exceeds the apprenticeship
4 participation average for the employer. The taxpayer shall
5 apply with the Department of Commerce and Economic Opportunity
6 annually for certification as a qualified apprenticeship
7 program. The application shall be in the form and manner
8 prescribed by the Department of Commerce and Economic
9 Opportunity. If the taxpayer is a participant in a construction
10 apprenticeship program, proof that the construction
11 apprenticeship program is registered with the United States
12 Department of Labor's Employment and Training Administration
13 shall be sufficient for certification. The Department of
14 Commerce and Economic Opportunity shall award credits under
15 this Section on a first-come, first-served basis and may not
16 award more than \$50,000,000 in credits in any 5-year period. In
17 addition to any other information required by the Department of
18 Commerce and Economic Opportunity, the applicant must
19 demonstrate that the applicant would not participate in a
20 qualified apprenticeship program if not for the credit under
21 this Section.

22 (b) For partners, shareholders of Subchapter S
23 corporations, and owners of limited liability companies, if the
24 liability company is treated as a partnership for purposes of
25 federal and State income taxation, the credit under this
26 Section shall be determined in accordance with the

1 determination of income and distributive share of income under
2 Sections 702 and 704 and Subchapter S of the Internal Revenue
3 Code.

4 (c) In no event shall a credit under this Section reduce
5 the taxpayer's liability to less than zero. If the amount of
6 the credit exceeds the tax liability for the year, the excess
7 may be carried forward and applied to the tax liability of the
8 5 taxable years following the excess credit year. The tax
9 credit shall be applied to the earliest year for which there is
10 a tax liability. If there are credits for more than one year
11 that are available to offset a liability, the earlier credit
12 shall be applied first.

13 (d) For the purposes of this Section:

14 "Apprenticeship participation average" means the average
15 of the total number of qualified individuals employed by the
16 employer through a qualified apprenticeship program for: (1)
17 the 3 preceding taxable years; or (2) the number of taxable
18 years in which the qualified apprenticeship program was in
19 existence, whichever is less.

20 "Qualified apprenticeship program" means an apprenticeship
21 program in manufacturing or plastics that is certified by the
22 Department of Commerce and Economic Opportunity under this
23 Section and is at least 3 years in duration or a joint
24 labor-management apprenticeship program in construction that
25 is approved by and registered with the United States Department
26 of Labor's Employment and Training Administration and is at

1 least 3 years in duration.

2 (e) This Section is exempt from the provisions of Section
3 250.

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.".