



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

SB0113

Introduced 1/23/2019, by Sen. Andy Manar

#### SYNOPSIS AS INTRODUCED:

15 ILCS 30/3  
35 ILCS 5/226

from Ch. 127, par. 293.3

Amends the Disaster Relief Act. Provides that as soon as practical after the effective date of this amendatory Act, the State Comptroller shall direct and the State Treasurer shall transfer \$250,000 from the General Revenue Fund to the Disaster Response and Recovery Fund to be paid to the City of Taylorville for the purpose of providing disaster relief in relation to damage resulting from a tornado occurring in Taylorville on December 1, 2018. Amends the Illinois Income Tax Act. Provides a tax credit to each taxpayer who owns qualified real property located in a county in Illinois that was declared a State disaster area by the Governor due to tornadoes in 2018. Effective immediately.

LRB101 05528 RJF 50544 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

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 Disaster Relief Act is amended by changing  
5 Section 3 as follows:

6 (15 ILCS 30/3) (from Ch. 127, par. 293.3)

7 Sec. 3. Disaster Response and Recovery Fund.

8 (a) Whenever funds regularly appropriated to the State and  
9 local governmental bodies for disaster response and recovery  
10 are insufficient to provide services, and when the Governor has  
11 declared a disaster by proclamation in accordance with Section  
12 7 of the Illinois Emergency Management Agency Act or any  
13 successor Act, the Governor may draw upon the Disaster Response  
14 and Recovery Fund in order to provide services or to reimburse  
15 local governmental bodies furnishing services. The fund may be  
16 used for the payment of emergency employees, for the payment of  
17 the Illinois National Guard when called to active duty, for  
18 disaster-related expenses of State Agencies and Departments,  
19 and for the emergency purchase or renting of equipment and  
20 commodities. The fund shall be used for furnishing emergency  
21 services and relief to the disaster area as a whole and shall  
22 not be used to provide private relief to persons sustaining  
23 property damages or personal injury as a result of a disaster.

1 (b) As soon as practical after the effective date of this  
2 amendatory Act of the 98th General Assembly, the State  
3 Comptroller shall direct and the State Treasurer shall transfer  
4 \$5,900,000 from the General Revenue Fund to the Disaster  
5 Response and Recovery Fund to meet the State's cost sharing  
6 obligations with the Federal Emergency Management Agency under  
7 the federal Assistance to Individuals and Households Program  
8 pursuant to 42 U.S.C. 5174.

9 (c) As soon as practical after the effective date of this  
10 amendatory Act of the 101st General Assembly, the State  
11 Comptroller shall direct and the State Treasurer shall transfer  
12 \$250,000 from the General Revenue Fund to the Disaster Response  
13 and Recovery Fund to be paid to the City of Taylorville for the  
14 purpose of providing disaster relief in relation to damage  
15 resulting from a tornado occurring in Taylorville on December  
16 1, 2018.

17 (Source: P.A. 98-465, eff. 8-16-13; 98-616, eff. 12-31-13.)

18 Section 10. The Illinois Income Tax Act is amended by  
19 changing Section 226 as follows:

20 (35 ILCS 5/226)

21 Sec. 226. Natural disaster credit.

22 (a) For taxable years that begin on or after January 1,  
23 2017 and begin prior to January 1, 2019, each taxpayer who owns  
24 qualified real property located in a county in Illinois that

1 was declared a State disaster area by the Governor due to  
2 flooding in 2017 or 2018 is entitled to a credit against the  
3 taxes imposed by subsections (a) and (b) of Section 201 of this  
4 Act in an amount equal to the lesser of \$750 or the deduction  
5 allowed (whether or not the taxpayer determines taxable income  
6 under subsection (b) of Section 63 of the Internal Revenue  
7 Code) with respect to the qualified property under Section 165  
8 of the Internal Revenue Code, determined without regard to the  
9 limitations imposed under subsection (h) of that Section.

10 For taxable years that begin on or after January 1, 2019  
11 and begin prior to January 1, 2020, each taxpayer who owns  
12 qualified real property located in a county in Illinois that  
13 was declared a State disaster area by the Governor due to  
14 tornadoes in 2018 is entitled to a credit against the taxes  
15 imposed by subsections (a) and (b) of Section 201 of this Act  
16 in an amount equal to the lesser of \$750 or the deduction  
17 allowed (whether or not the taxpayer determines taxable income  
18 under subsection (b) of Section 63 of the Internal Revenue  
19 Code) with respect to the qualified property under Section 165  
20 of the Internal Revenue Code, determined without regard to the  
21 limitations imposed under subsection (h) of that Section.

22 The township assessor or, if the township assessor is  
23 unable, the chief county assessment officer of the county in  
24 which the property is located, shall issue a certificate to the  
25 taxpayer identifying the taxpayer's property as damaged as a  
26 result of the natural disaster. The certificate shall include

1 the name and address of the property owner, as well as the  
2 property index number or permanent index number (PIN) of the  
3 damaged property. The taxpayer shall attach a copy of such  
4 certificate to the taxpayer's return for the taxable year for  
5 which the credit is allowed.

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

15 (c) If the taxpayer is a partnership or Subchapter S  
16 corporation, the credit shall be allowed to the partners or  
17 shareholders 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.

20 (d) A taxpayer is not entitled to the credit under this  
21 Section if the taxpayer receives a Natural Disaster Homestead  
22 Exemption under Section 15-173 of the Property Tax Code with  
23 respect to the qualified real property as a result of the  
24 natural disaster.

25 (e) The township assessor or, if the township assessor is  
26 unable to certify, the chief county assessment officer of the

1 county in which the property is located, shall certify to the  
2 Department a listing of the properties located within the  
3 county that have been damaged as a result of the natural  
4 disaster (including the name and address of the property owner  
5 and the property index number or permanent index number (PIN)  
6 of each damage property).

7 (f) As used in this Section:

8 (1) "Qualified real property" means real property that  
9 is: (i) the taxpayer's principal residence or owned by a  
10 small business; (ii) damaged during the taxable year as a  
11 result of a disaster; and (iii) not used in a rental or  
12 leasing business.

13 (2) "Small business" has the meaning given to that term  
14 in Section 1-75 of the Illinois Administrative Procedure  
15 Act.

16 (g) Nothing in this Act prohibits the disclosure of  
17 information by officials of a county or municipality involving  
18 reports of damaged property or the owners of damaged property  
19 if that disclosure is made to a township or county assessment  
20 official in connection with a credit obtained or sought under  
21 this Section.

22 (Source: P.A. 100-555, eff. 11-16-17; 100-587, eff. 6-4-18;  
23 100-731, eff. 1-1-19; revised 8-30-18.)

24 Section 99. Effective date. This Act takes effect upon  
25 becoming law.