

# SB3874



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

SB3874

Introduced 2/14/2020, by Sen. Ram Villivalam

#### SYNOPSIS AS INTRODUCED:

35 ILCS 5/232 new

Amends the Illinois Income Tax Act. Creates an income tax credit for taxpayers who employ individuals working within the engineering sector who graduated from an accredited institution of higher learning with a Bachelor's degree or higher. Provides that the credit shall be equal to 10% of the compensation paid for the first through fifth years of employment in the engineering sector if the qualified employee graduated from an institution located in Illinois or 5% of the compensation paid for the first through fifth years of employment in the engineering sector if the qualified employee graduated from an institution not located in Illinois. Effective immediately.

LRB101 18626 HLH 68081 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 232 as follows:

6 (35 ILCS 5/232 new)

7 Sec. 232. Retaining Illinois Students of Engineering  
8 (RISE) credit.

9 (a) For tax years ending on or after December 31, 2020, a  
10 taxpayer shall be allowed a credit against the tax imposed by  
11 subsections (a) and (b) of Section 201 for compensation paid to  
12 a qualified employee. The credit shall be equal to 10% of the  
13 compensation paid for the first through fifth years of  
14 employment in the engineering sector if the qualified employee  
15 graduated from an institution located in Illinois or 5% of the  
16 compensation paid for the first through fifth years of  
17 employment in the engineering sector if the qualified employee  
18 graduated from an institution not located in Illinois.

19 (b) The credit or credits may not reduce the taxpayer's  
20 liability to less than zero. If the amount of the credit or  
21 credits exceeds the taxpayer's liability, the excess may be  
22 carried forward and applied against the taxpayer's liability in  
23 the following 5 taxable years or until the credit has been

1 fully used, whichever occurs first.

2 (c) As used in this Section, "qualified employee" means an  
3 employee working within the engineering sector who graduated  
4 from an accredited institution of higher learning with a  
5 Bachelor's degree or higher.

6 Section 99. Effective date. This Act takes effect upon  
7 becoming law.