

**SB3992**



**101ST GENERAL ASSEMBLY**

**State of Illinois**

**2019 and 2020**

**SB3992**

Introduced 5/20/2020, by Sen. Ram Villivalam

**SYNOPSIS AS INTRODUCED:**

35 ILCS 5/232 new

Amends the Illinois Income Tax Act. Creates an income tax credit for employers who hire residents of the State to work in the fields of technology, health care, or manufacturing if those residents were unemployed as a result of the COVID-19 pandemic. Sets forth the amount of the credit. Effective immediately.

LRB101 21500 HLH 72202 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. Employment credit; COVID-19.

8 (a) For taxable years that begin on or after January 1,  
9 2020 and begin prior to January 1, 2025, each employer is  
10 entitled to a credit against the taxes imposed by subsections  
11 (a) and (b) of Section 201 for each qualified employee hired by  
12 the employer to work at a location in the State during the  
13 taxable year. If the taxpayer employs an average of more than  
14 500 employees during the taxable year, then the amount of the  
15 credit shall be \$1,500 per qualified employee. If the taxpayer  
16 employs an average of 500 or fewer employees, but more than 100  
17 employees, during the taxable year, then the amount of the  
18 credit shall be \$2,500 per qualified employee. If the taxpayer  
19 employs an average of 100 or fewer employees during the taxable  
20 year, then the amount of the credit shall be \$5,000 per  
21 qualified employee.

22 (b) For partners, shareholders of subchapter S  
23 corporations, and members of limited liability companies, if

1 the liability company is treated as a partnership for purposes  
2 of federal and State income taxation, there shall be allowed a  
3 credit under this Section to be determined in accordance with  
4 the determination of income and distributive share of income  
5 under Sections 702 and 704 and subchapter S of the Internal  
6 Revenue Code.

7 (c) The credit or credits may not reduce the taxpayer's  
8 liability to less than zero. If the amount of the credit or  
9 credits exceeds the taxpayer's liability, the excess may be  
10 carried forward and applied against the taxpayer's liability  
11 for up to 5 succeeding taxable years. The credit or credits  
12 shall be applied to the earliest year for which there is a tax  
13 liability. If there are credits from more than one taxable year  
14 that are available to offset a liability, the earlier credit  
15 shall be applied first.

16 (d) As used in this Section, "qualified employee" means a  
17 resident of the State who is employed by the taxpayer in the  
18 fields of technology, health care, or manufacturing and was  
19 unemployed as a result of the COVID-19 pandemic immediately  
20 prior to the date he or she was hired by the taxpayer.

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