



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4286

Introduced 1/5/2022, by Rep. Steven Reick

SYNOPSIS AS INTRODUCED:

35 ILCS 5/208

from Ch. 120, par. 2-208

Amends the Illinois Income Tax Act. Provides that, if the amount of the credit for residential real property taxes exceeds the taxpayer's liability, that amount shall be refunded if the taxpayer is 65 years or older and has a federal adjusted gross income of not more than \$50,000. Provides that the credit is exempt from the Act's automatic sunset provision. Effective immediately.

LRB102 21200 HLH 30259 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
5 changing Section 208 as follows:

6 (35 ILCS 5/208) (from Ch. 120, par. 2-208)

7 Sec. 208. Tax credit for residential real property taxes.
8 Beginning with tax years ending on or after December 31, 1991,
9 every individual taxpayer shall be entitled to a tax credit
10 equal to 5% of real property taxes paid by such taxpayer during
11 the taxable year on the principal residence of the taxpayer.
12 In the case of multi-unit or multi-use structures and farm
13 dwellings, the taxes on the taxpayer's principal residence
14 shall be that portion of the total taxes which is attributable
15 to such principal residence. Notwithstanding any other
16 provision of law, for taxable years beginning on or after
17 January 1, 2017, no taxpayer may claim a credit under this
18 Section if the taxpayer's adjusted gross income for the
19 taxable year exceeds (i) \$500,000, in the case of spouses
20 filing a joint federal tax return, or (ii) \$250,000, in the
21 case of all other taxpayers.

22 For taxable years beginning on or after January 1, 2022,
23 if the amount of the credit exceeds the taxpayer's income tax

1 liability for the applicable tax year, then the excess credit
2 shall be refunded to the taxpayer if (i) the taxpayer is 65
3 years old or older and (ii) has a federal adjusted gross income
4 not greater than \$50,000. The amount of a refund shall not be
5 included in the taxpayer's income or resources for the
6 purposes of determining eligibility or benefit level in any
7 means-tested benefit program administered by a governmental
8 entity unless required by federal law.

9 This Section is exempt from the provisions of Section 250.

10 (Source: P.A. 101-8, see Section 99 for effective date;
11 102-558, eff. 8-20-21.)

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.