



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

HB2425

Introduced 2/15/2023, by Rep. Martin J. Moylan

#### SYNOPSIS AS INTRODUCED:

35 ILCS 5/234 new

Amends the Illinois Income Tax Act. Creates an income tax credit for taxpayers who employ qualified employees. Provides that the term "qualified employee" means an individual who (i) is employed by the taxpayer as an engineer and (ii) graduated from an engineering program at an accredited institution of higher learning with a Bachelor's degree or higher within the 5 years immediately preceding the taxable year. Provides that the credit shall be equal to (i) 10% of the compensation paid by the taxpayer during the taxable year to qualified employees who graduated from an engineering program at an accredited institution of higher learning in Illinois or (ii) 5% of the compensation paid by the taxpayer during the taxable year to qualified employees who graduated from an engineering program an accredited institution of higher learning not located in Illinois. Effective immediately.

LRB103 30427 HLH 56857 b

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 adding Section 234 as follows:

6 (35 ILCS 5/234 new)

7 Sec. 234. Retaining Illinois Students of Engineering  
8 (RISE) credit.

9 (a) For tax years ending on or after December 31, 2023, a  
10 taxpayer shall be allowed a credit against the tax imposed by  
11 subsections (a) and (b) of Section 201 for compensation paid  
12 to qualified employees during the taxable year. The credit  
13 shall be equal to (i) 10% of the compensation paid by the  
14 taxpayer during the taxable year to qualified employees who  
15 graduated from an engineering program at an accredited  
16 institution of higher learning in Illinois or (ii) 5% of the  
17 compensation paid by the taxpayer during the taxable year to  
18 qualified employees who graduated from an engineering program  
19 at an accredited institution of higher learning not located in  
20 Illinois.

21 (b) The credit or credits may not reduce the taxpayer's  
22 liability to less than zero. If the amount of the credit or  
23 credits exceeds the taxpayer's liability, the excess may be

1 carried forward and applied against the taxpayer's liability  
2 in the following 5 taxable years or until the credit has been  
3 fully used, whichever occurs first.

4 (c) As used in this Section, "qualified employee" means an  
5 individual who (i) is employed by the taxpayer as an engineer  
6 and (ii) graduated from an engineering program at an  
7 accredited institution of higher learning with a Bachelor's  
8 degree or higher within the 5 years immediately preceding the  
9 taxable year for which the credit is claimed.

10 Section 99. Effective date. This Act takes effect upon  
11 becoming law.