



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB4207

Introduced 2/27/2009, by Rep. Dennis M. Reboletti - Franco Coladipietro - Harry R. Ramey, Jr. - JoAnn D. Osmond - Jim Watson, et al.

SYNOPSIS AS INTRODUCED:

35 ILCS 5/217

Amends the Illinois Income Tax Act. Increases the amount of the credit for wages paid to qualified veterans from an amount equal to "5%, but in no event to exceed \$600, of the gross wages paid to a qualified veteran" to either \$1,000, \$1,500, or \$3,000 depending on the number of qualified veterans employed. Effective immediately.

LRB096 05708 RCE 15774 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 217 as follows:

6 (35 ILCS 5/217)

7 Sec. 217. Credit for wages paid to qualified veterans.

8 (a) For each taxable year beginning on or after January 1,
9 2007, each taxpayer who paid wages to a qualified veteran in
10 the course of that veteran's sustained employment during the
11 taxable year is entitled to a credit against the tax imposed by
12 subsections (a) and (b) of Section 201 of this Act in an amount
13 equal to:

14 (1) \$1,000 if one qualified veteran worked an average
15 of at least 40 hours per week;

16 (2) \$1,500 if 2 qualified veterans worked an average of
17 at least 40 hours per week; or

18 (3) \$3,000 if 3 or more qualified veterans worked an
19 average of at least 40 hours per week.

20 ~~5%, but in no event to exceed \$600, of the gross wages paid by~~
21 ~~the taxpayer to a qualified veteran in the course of that~~
22 ~~veteran's sustained employment during the taxable year.~~

23 For partners, shareholders of Subchapter S corporations,

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

8 (b) For purposes of this Section:

9 "Qualified veteran" means an Illinois resident who: (i) was
10 a member of the Armed Forces of the United States, a member of
11 the Illinois National Guard, or a member of any reserve
12 component of the Armed Forces of the United States; (ii) served
13 on active duty in connection with Operation Desert Storm,
14 Operation Enduring Freedom, or Operation Iraqi Freedom; (iii)
15 has provided, to the taxpayer, documentation showing that he or
16 she was honorably discharged; and (iv) was initially hired by
17 the taxpayer on or after January 1, 2007.

18 "Sustained employment" means a period of employment that is
19 not less than 185 days during the taxable year.

20 (c) In no event shall a credit under this Section reduce
21 the taxpayer's liability to less than zero. If the amount of
22 the credit exceeds the tax liability for the year, the excess
23 may be carried forward and applied to the tax liability of the
24 5 taxable years following the excess credit year. The tax
25 credit shall be applied to the earliest year for which there is
26 a tax liability. If there are credits for more than one year

1 that are available to offset a liability, the earlier credit
2 shall be applied first.

3 (Source: P.A. 94-1067, eff. 8-1-06.)

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.