



Sen. Andy Manar

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1 AMENDMENT TO HOUSE BILL 2536

2 AMENDMENT NO. _____. Amend House Bill 2536, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Economic Development for a Growing Economy
6 Tax Credit Act is amended by changing Section 5-15 as follows:

7 (35 ILCS 10/5-15)

8 Sec. 5-15. Tax Credit Awards. Subject to the conditions set
9 forth in this Act, a Taxpayer is entitled to a Credit against
10 or, as described in subsection (g) of this Section, a payment
11 towards taxes imposed pursuant to subsections (a) and (b) of
12 Section 201 of the Illinois Income Tax Act that may be imposed
13 on the Taxpayer for a taxable year beginning on or after
14 January 1, 1999, if the Taxpayer is awarded a Credit by the
15 Department under this Act for that taxable year.

16 (a) The Department shall make Credit awards under this Act

1 to foster job creation and retention in Illinois.

2 (b) A person that proposes a project to create new jobs in
3 Illinois must enter into an Agreement with the Department for
4 the Credit under this Act.

5 (c) The Credit shall be claimed for the taxable years
6 specified in the Agreement.

7 (d) The Credit shall not exceed the Incremental Income Tax
8 attributable to the project that is the subject of the
9 Agreement.

10 (e) Nothing herein shall prohibit a Tax Credit Award to an
11 Applicant that uses a PEO if all other award criteria are
12 satisfied.

13 (f) In lieu of the Credit allowed under this Act against
14 the taxes imposed pursuant to subsections (a) and (b) of
15 Section 201 of the Illinois Income Tax Act for any taxable year
16 ending on or after December 31, 2009, the Taxpayer may elect to
17 claim the Credit against its obligation to pay over withholding
18 under Section 704A of the Illinois Income Tax Act.

19 (1) The election under this subsection (f) may be made
20 only by a Taxpayer that (i) is primarily engaged in one of
21 the following business activities: water purification and
22 treatment, motor vehicle metal stamping, automobile
23 manufacturing, automobile and light duty motor vehicle
24 manufacturing, motor vehicle manufacturing, light truck
25 and utility vehicle manufacturing, heavy duty truck
26 manufacturing, motor vehicle body manufacturing, cable

1 television infrastructure design or manufacturing, or
2 wireless telecommunication or computing terminal device
3 design or manufacturing for use on public networks and (ii)
4 meets the following criteria:

5 (A) the Taxpayer (i) had an Illinois net loss or an
6 Illinois net loss deduction under Section 207 of the
7 Illinois Income Tax Act for the taxable year in which
8 the Credit is awarded, (ii) employed a minimum of 1,000
9 full-time employees in this State during the taxable
10 year in which the Credit is awarded, (iii) has an
11 Agreement under this Act on December 14, 2009 (the
12 effective date of Public Act 96-834), and (iv) is in
13 compliance with all provisions of that Agreement;

14 (B) the Taxpayer (i) had an Illinois net loss or an
15 Illinois net loss deduction under Section 207 of the
16 Illinois Income Tax Act for the taxable year in which
17 the Credit is awarded, (ii) employed a minimum of 1,000
18 full-time employees in this State during the taxable
19 year in which the Credit is awarded, and (iii) has
20 applied for an Agreement within 365 days after December
21 14, 2009 (the effective date of Public Act 96-834);

22 (C) the Taxpayer (i) had an Illinois net operating
23 loss carryforward under Section 207 of the Illinois
24 Income Tax Act in a taxable year ending during calendar
25 year 2008, (ii) has applied for an Agreement within 150
26 days after the effective date of this amendatory Act of

1 the 96th General Assembly, (iii) creates at least 400
2 new jobs in Illinois, (iv) retains at least 2,000 jobs
3 in Illinois that would have been at risk of relocation
4 out of Illinois over a 10-year period, and (v) makes a
5 capital investment of at least \$75,000,000;

6 (D) the Taxpayer (i) had an Illinois net operating
7 loss carryforward under Section 207 of the Illinois
8 Income Tax Act in a taxable year ending during calendar
9 year 2009, (ii) has applied for an Agreement within 150
10 days after the effective date of this amendatory Act of
11 the 96th General Assembly, (iii) creates at least 150
12 new jobs, (iv) retains at least 1,000 jobs in Illinois
13 that would have been at risk of relocation out of
14 Illinois over a 10-year period, and (v) makes a capital
15 investment of at least \$57,000,000; or

16 (E) the Taxpayer (i) employed at least 2,500
17 full-time employees in the State during the year in
18 which the Credit is awarded, (ii) commits to make at
19 least \$500,000,000 in combined capital improvements
20 and project costs under the Agreement, (iii) applies
21 for an Agreement between January 1, 2011 and June 30,
22 2011, (iv) executes an Agreement for the Credit during
23 calendar year 2011, and (v) was incorporated no more
24 than 5 years before the filing of an application for an
25 Agreement.

26 (1.5) The election under this subsection (f) may also

1 be made by a Taxpayer for any Credit awarded pursuant to an
2 agreement that was executed between January 1, 2011 and
3 June 30, 2011, if the Taxpayer (i) is primarily engaged in
4 the manufacture of inner tubes or tires, or both, from
5 natural and synthetic rubber, (ii) employs a minimum of
6 2,400 full-time employees in Illinois at the time of
7 application, (iii) creates at least 350 full-time jobs and
8 retains at least 250 full-time jobs in Illinois that would
9 have been at risk of being created or retained outside of
10 Illinois, and (iv) makes a capital investment of at least
11 \$200,000,000 at the project location.

12 (1.6) The election under this subsection (f) may also
13 be made by a Taxpayer for any Credit awarded pursuant to an
14 agreement that was executed within 150 days after the
15 effective date of this amendatory Act of the 97th General
16 Assembly, if the Taxpayer (i) is primarily engaged in the
17 operation of a discount department store, (ii) maintains
18 its corporate headquarters in Illinois, (iii) employs a
19 minimum of 4,250 full-time employees at its corporate
20 headquarters in Illinois at the time of application, (iv)
21 retains at least 4,250 full-time jobs in Illinois that
22 would have been at risk of being relocated outside of
23 Illinois, (v) had a minimum of \$40,000,000,000 in total
24 revenue in 2010, and (vi) makes a capital investment of at
25 least \$300,000,000 at the project location.

26 (1.7) Notwithstanding any other provision of law, the

1 election under this subsection (f) may also be made by a
2 Taxpayer for any Credit awarded pursuant to an agreement
3 that was executed or applied for on or after July 1, 2011
4 and on or before March 31, 2012, if the Taxpayer is
5 primarily engaged in the manufacture of original and
6 aftermarket filtration parts and products for automobiles,
7 motor vehicles, light duty motor vehicles, light trucks and
8 utility vehicles, and heavy duty trucks, (ii) employs a
9 minimum of 1,000 full-time employees in Illinois at the
10 time of application, (iii) creates at least 250 full-time
11 jobs in Illinois, (iv) relocates its corporate
12 headquarters to Illinois from another state, and (v) makes
13 a capital investment of at least \$4,000,000 at the project
14 location.

15 (1.8) Notwithstanding any other provision of law, the
16 election under this subsection (f) may also be made by a
17 Taxpayer for any Credit awarded pursuant to an agreement
18 that was executed within 150 days after the effective date
19 of this amendatory Act of the 98th General Assembly if the
20 Taxpayer:

21 (A) is primarily engaged in agricultural
22 processing;

23 (B) maintains its corporate headquarters in
24 Illinois;

25 (C) employs and maintains from among its
26 employment base in Illinois a minimum of 200 full-time

1 employees at a global corporate headquarters
2 established in Illinois by the Taxpayer after the
3 effective date of this amendatory Act of the 98th
4 General Assembly; at least 100 of those employees shall
5 be new hires in full-time equivalent jobs; the
6 remainder of those employees shall be employed by the
7 Taxpayer in jobs which would have been at risk of being
8 relocated outside of Illinois;

9 (D) within 5 years after the effective date of this
10 amendatory Act of the 98th General Assembly, relocates
11 at least 100 full-time equivalent positions from a
12 location outside of Illinois to a location in an
13 Illinois municipality that is a county seat and has a
14 population of no fewer than 50,000 inhabitants and no
15 more than 100,000 inhabitants; those positions may be
16 filled by new hires or by current employees of the
17 Taxpayer;

18 (E) in addition to the positions specified in
19 paragraph (D), hires at least 100 full-time equivalent
20 employees annually for a period of 5 years after the
21 effective date of this amendatory Act of the 98th
22 General Assembly, in positions that are new, open, or
23 vacated, in order to support employment levels in the
24 municipality where the Taxpayer's global corporate
25 headquarters were located on the effective date of this
26 amendatory Act of the 98th General Assembly;

1 (F) establishes and maintains an internal
2 committee for a period of 5 years after the effective
3 date of this amendatory Act of the 98th General
4 Assembly to facilitate and promote the creation of
5 positions for new employees and new employment in the
6 municipality where its corporate headquarters were
7 located on the effective date of this amendatory Act of
8 the 98th General Assembly;

9 (G) exported at least \$1,000,000,000 of goods
10 produced in Illinois in 2012; and

11 (H) incurs at least \$20,000,000 in a combination of
12 capital and relocation expenses in connection with the
13 relocation of its global corporate headquarters.

14 (2) An election under this subsection shall allow the
15 credit to be taken against payments otherwise due under
16 Section 704A of the Illinois Income Tax Act during the
17 first calendar year beginning after the end of the taxable
18 year in which the credit is awarded under this Act.

19 (3) The election shall be made in the form and manner
20 required by the Illinois Department of Revenue and, once
21 made, shall be irrevocable.

22 (4) If a Taxpayer who meets the requirements of
23 subparagraph (A) of paragraph (1) of this subsection (f)
24 elects to claim the Credit against its withholdings as
25 provided in this subsection (f), then, on and after the
26 date of the election, the terms of the Agreement between

1 the Taxpayer and the Department may not be further amended
2 during the term of the Agreement.

3 (g) A pass-through entity that has been awarded a credit
4 under this Act, its shareholders, or its partners may treat
5 some or all of the credit awarded pursuant to this Act as a tax
6 payment for purposes of the Illinois Income Tax Act. The term
7 "tax payment" means a payment as described in Article 6 or
8 Article 8 of the Illinois Income Tax Act or a composite payment
9 made by a pass-through entity on behalf of any of its
10 shareholders or partners to satisfy such shareholders' or
11 partners' taxes imposed pursuant to subsections (a) and (b) of
12 Section 201 of the Illinois Income Tax Act. In no event shall
13 the amount of the award credited pursuant to this Act exceed
14 the Illinois income tax liability of the pass-through entity or
15 its shareholders or partners for the taxable year.

16 (Source: P.A. 96-834, eff. 12-14-09; 96-836, eff. 12-16-09;
17 96-905, eff. 6-4-10; 96-1000, eff. 7-2-10; 96-1534, eff.
18 3-4-11; 97-2, eff. 5-6-11; 97-636, eff. 6-1-12.)

19 Section 99. Effective date. This Act takes effect upon
20 becoming law."