

HB4454



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB4454

by Rep. John M. Cabello

SYNOPSIS AS INTRODUCED:

35 ILCS 5/224 new

Amends the Illinois Income Tax Act. Provides that each small business is entitled to a credit equal to 50% of its Illinois income tax liability. Provides that "small business" means a business with fewer than 50 employees. Provides that the credit is exempt from the Act's automatic sunset provision. Effective immediately.

LRB098 17183 HLH 52271 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 224 as follows:

6 (35 ILCS 5/224 new)

7 Sec. 224. Small business tax credit. For taxable years
8 beginning on or after January 1, 2014, each small business is
9 entitled to a credit against the tax imposed under subsections
10 (a) and (b) of Section 201 in an amount equal to 50% of the tax
11 imposed against that small business under subsections (a) and
12 (b) of Section 201.

13 For partners, shareholders of Subchapter S corporations,
14 and owners of limited liability companies, if the liability
15 company is treated as a partnership for purposes of federal and
16 State income taxation, there shall be allowed a credit under
17 this Section to be determined in accordance with the
18 determination of income and distributive share of income under
19 Sections 702 and 704 and Subchapter S of the Internal Revenue
20 Code.

21 For the purposes of this Section, "small business" means a
22 business with fewer than 50 employees.

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

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.