



Rep. Arthur Turner

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LRB098 10416 HLH 46763 a

1 AMENDMENT TO SENATE BILL 1659

2 AMENDMENT NO. _____. Amend Senate Bill 1659, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois Income Tax Act is amended by
6 changing Section 216 as follows:

7 (35 ILCS 5/216)

8 Sec. 216. Credit for wages paid to ex-felons.

9 (a) For each taxable year beginning on or after January 1,
10 2007, each taxpayer is entitled to a credit against the tax
11 imposed by subsections (a) and (b) of Section 201 of this Act
12 in an amount equal to 5% of qualified wages paid by the
13 taxpayer during the taxable year to one or more Illinois
14 residents who are qualified ex-offenders. The total credit
15 allowed to a taxpayer with respect to each qualified
16 ex-offender may not exceed \$1,500 ~~\$600~~ for all taxable years.

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

8 (b) For purposes of this Section, "qualified wages":

9 (1) includes only wages that are subject to federal
10 unemployment tax under Section 3306 of the Internal Revenue
11 Code, without regard to any dollar limitation contained in
12 that Section;

13 (2) does not include any amounts paid or incurred by an
14 employer for any period to any qualified ex-offender for
15 whom the employer receives federally funded payments for
16 on-the-job training of that qualified ex-offender for that
17 period; and

18 (3) includes only wages attributable to service
19 rendered during the one-year period beginning with the day
20 the qualified ex-offender begins work for the employer.

21 If the taxpayer has received any payment from a program
22 established under Section 482(e)(1) of the federal Social
23 Security Act with respect to a qualified ex-offender, then, for
24 purposes of calculating the credit under this Section, the
25 amount of the qualified wages paid to that qualified
26 ex-offender must be reduced by the amount of the payment.

1 (c) For purposes of this Section, "qualified ex-offender"
2 means any person who:

3 (1) has been convicted of a crime in this State or of
4 an offense in any other jurisdiction, not including any
5 offense or attempted offense that would subject a person to
6 registration under the Sex Offender Registration Act ~~is an~~
7 ~~eligible offender, as defined under Section 5-5.5-5 of the~~
8 ~~Unified Code of Corrections;~~

9 (2) was sentenced to a period of incarceration in an
10 Illinois adult correctional center; and

11 (3) was hired by the taxpayer within 3 years ~~one year~~
12 after being released from an Illinois adult correctional
13 center.

14 (d) In no event shall a credit under this Section reduce
15 the taxpayer's liability to less than zero. If the amount of
16 the credit exceeds the tax liability for the year, the excess
17 may be carried forward and applied to the tax liability of the
18 5 taxable years following the excess credit year. The tax
19 credit shall be applied to the earliest year for which there is
20 a tax liability. If there are credits for more than one year
21 that are available to offset a liability, the earlier credit
22 shall be applied first.

23 (e) This Section is exempt from the provisions of Section
24 250.

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

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