

1 AN ACT concerning taxation.

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 210.5 as follows:

6 (35 ILCS 5/210.5)

7 Sec. 210.5. Tax credit for employee child care.

8 (a) For taxable years ending on or after December 31,
9 2000, each corporate taxpayer is entitled to a credit against
10 the tax imposed by subsections (a) and (b) of Section 201 in
11 an amount equal to (i) ~~for taxable years ending on or after~~
12 ~~December 31, 2000 and on or before December 31, 2004,~~ 30% of
13 the start-up costs expended by the corporate taxpayer to
14 provide a child care facility for the children of its
15 employees and (ii) ~~for taxable years ending on or after~~
16 ~~December 31, 2000,~~ 5% of the annual amount paid by the
17 corporate taxpayer in providing the child care facility for
18 the children of its employees. The provisions of Section 250
19 do not apply to the 5% credit under item (ii) of this
20 subsection. If the 5% credit authorized under item (ii) of
21 this subsection is claimed, the 5% credit authorized under
22 Section 210 cannot also be claimed.

23 To receive the tax credit under this Section a corporate
24 taxpayer may either independently provide and operate a child
25 care facility for the children of its employees or it may
26 join in a partnership with one or more other corporations to
27 jointly provide and operate a child care facility for the
28 children of employees of the corporations in the partnership.

29 (b) The tax credit may not reduce the taxpayer's
30 liability to less than zero. If the amount of the tax credit
31 exceeds the tax liability for the year, the excess may be

1 carried forward and applied to the tax liability of the 5
2 taxable years following the excess credit year. The credit
3 must be applied to the earliest year for which there is a tax
4 liability. If there are credits from more than one tax year
5 that are available to offset a liability, then the earlier
6 credit must be applied first.

7 (c) As used in this Section, "start-up costs" means
8 planning, site-preparation, construction, renovation, or
9 acquisition of a child care facility. As used in this
10 Section, "child care facility" is limited to a child care
11 facility located in Illinois.

12 (d) A corporate taxpayer claiming the credit provided by
13 this Section shall maintain and record such information as
14 the Department may require by rule regarding the child care
15 facility for which the credit is claimed.

16 (Source: P.A. 91-930, eff. 12-15-00.)

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.