

AN ACT concerning revenue.

**Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:**

Section 5. The Illinois Income Tax Act is amended by changing Section 210.5 as follows:

(35 ILCS 5/210.5)

Sec. 210.5. Tax credit for employee child care.

(a) Each corporate taxpayer is entitled to a credit against the tax imposed by subsections (a) and (b) of Section 201 in an amount equal to (i) for taxable years ending on or after December 31, 2000 and on or before December 31, 2004 and for taxable years ending on or after December 31, 2007, 30% of the start-up costs expended by the corporate taxpayer to provide a child care facility for the children of its employees and (ii) for taxable years ending on or after December 31, 2000, 5% of the annual amount paid by the corporate taxpayer in providing the child care facility for the children of its employees. The provisions of Section 250 do not apply to the credits allowed under this Section ~~5% credit under item (ii) of this subsection~~. If the 5% credit authorized under item (ii) of this subsection is claimed, the 5% credit authorized under Section 210 cannot also be claimed.

To receive the tax credit under this Section a corporate

taxpayer may either independently provide and operate a child care facility for the children of its employees or it may join in a partnership with one or more other corporations to jointly provide and operate a child care facility for the children of employees of the corporations in the partnership.

(b) The tax credit may not reduce the taxpayer's liability to less than zero. If the amount of the tax credit exceeds the tax liability for the year, the excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit must be applied to the earliest year for which there is a tax liability. If there are credits from more than one tax year that are available to offset a liability, then the earlier credit must be applied first.

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

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

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

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