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Filed: 1/24/2017

Senate Bill 9,
Senate Amendment
2
(same as #1)

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1 AMENDMENT TO SENATE BILL 9

2 AMENDMENT NO. _____. Amend Senate Bill 9 by replacing
3 everything after the enacting clause with the following:

4 "ARTICLE 1. BUSINESS OPPORTUNITY TAX ACT

New Tax

5 Section 1-1. Short title. This Act may be cited as the
6 Business Opportunity Tax Act.

7 Section 1-5. Definitions. As used in this Act:

8 "Compensation" means wages, salaries, commissions, and any
9 other form of remuneration paid to employees or independent
10 contractors for personal services.

11 "Department" means the Department of Revenue.

12 "Illinois payroll" means compensation paid by a qualified
13 business to residents of the State during the taxpayer's
14 taxable year.

15 "Qualified business" means an individual, trust, estate,

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1 partnership, association, firm, company, corporation, or
2 limited liability company that issues a Form W-2 or a Form 1099
3 to a resident of the State.

4 "Resident" has the meaning given to that term in Section
5 1501 of the Illinois Income Tax Act.

6 "Taxable year" has the meaning given to that term in
7 Section 1501 of the Illinois Income Tax Act.

8 Section 1-10. Tax imposed.

9 (a) Beginning on July 1, 2017, a tax is hereby imposed upon
10 each qualified business for the privilege of doing business in
11 the State.

12 (b) The tax under subsection (a) shall be imposed in the
13 following amounts:

14 (1) if the taxpayer's total Illinois payroll for the
15 taxable year is less than \$100,000, then the annual tax is
16 \$225;

17 (2) if the taxpayer's total Illinois payroll for the
18 taxable year is \$100,000 or more but less than \$250,000,
19 then the annual tax is \$750;

20 (3) if the taxpayer's total Illinois payroll for the
21 taxable year is \$250,000 or more but less than \$500,000,
22 then the annual tax is \$3,750;

23 (4) if the taxpayer's total Illinois payroll for the
24 taxable year is \$500,000 or more but less than \$1,500,000,
25 then the annual tax is \$7,500; and

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1 (5) if the taxpayer's total Illinois payroll for the
2 taxable year is \$1,500,000 or more, then the annual tax is
3 \$15,000.

4 Section 1-15. Exemptions. The following are exempt from
5 taxation under this Act:

6 (1) governmental employers described in Section 707 of
7 the Illinois Income Tax Act; and

8 (2) not-for-profit corporations that are exempt from
9 taxation under Sections 501(c) or 501(d) of the Internal
10 Revenue Code or organized under the General Not For Profit
11 Corporation Act of 1986.

12 Section 1-20. Annual return. Taxpayers who are liable for
13 the payment of the tax imposed under this Act may comply with
14 the requirements of this Act by filing an annual return, in the
15 form and manner required by the Department, and paying the
16 taxes required to be paid on or before the 15th day of the
17 fourth month following the close of the taxable year with

18 respect to which the tax under this Act is being paid.

19 Section 1-25. Collection authority. The Department shall
20 collect the taxes imposed by this Act. Money collected pursuant
21 to this Act shall be paid into the General Revenue Fund in the
22 State treasury.

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1 Section 1-30. Applicability of the Illinois Income Tax Act.
2 The provisions of Articles 9, 10, 11, and 12 of the Illinois
3 Income Tax Act (other than Section 901 of the Illinois Income
4 Tax Act) which are not inconsistent with this Act shall apply
5 to the subject matter of this Act to the same extent as if
6 those provisions were included in this Act.

7 Section 1-35. Rulemaking. The Department may adopt, in
8 accordance with the requirements of the Illinois
9 Administrative Procedure Act, any rule that is necessary to
10 implement this Act.

11 ARTICLE 5. STORAGE EXCISE TAX

12 Section 5-1. Short title. This Act may be cited as the
13 Storage Excise Tax Act.

14 Section 5-5. Definitions.

15 "Business" means any person engaged in activities with the
16 object of profit or gain, either directly or indirectly, to the
17 person.

18 "Cost price" means the consideration paid by a provider to
19 a supplier for a purchase of tangible personal property valued
20 in money, whether paid in money or otherwise, including cash,
21 credits and services, and shall be determined without any
22 deduction on account of taxes paid by the provider for the

New Tax
similar new excise
taxes:
- Storage
- Amusement
- Repair &
Maintenance
- Landscaping
- Laundry &
Dry Cleaning

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1 purchase of tangible personal property or on account of any
2 expenses that are part of the selling price of the tangible

* * *

18 that fiscal year or as soon thereafter as possible; except that
19 the final transfer of the fiscal year shall be made as soon as
20 practical after the August 31 following the end of the fiscal
21 year.

22 Before the final transfer for a fiscal year is made, the
23 Comptroller shall reconcile the estimated general funds
24 revenues used in calculating the other transfers under this
25 Section for that fiscal year with the actual general funds
26 revenues for that fiscal year. The final transfer for the

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1 fiscal year shall be adjusted so that the total amount
2 transferred under this Section for that fiscal year is equal to
3 the percentage specified in subsection (b) or (c) of this
4 Section, whichever is applicable, of the actual general funds
5 revenues for that fiscal year. The actual general funds
6 revenues for the fiscal year shall be calculated in a manner
7 consistent with subsection (c) of Section 10 of this Act.
8 (Source: P.A. 94-839, eff. 6-6-06.)

9 Section 30-15. The Illinois Income Tax Act is amended by
10 changing Sections 201, 203, 212, 804, 901, and 1501 and by
11 adding Sections 201.7 and 225 as follows:

12 (35 ILCS 5/201) (from Ch. 120, par. 2-201)

13 Sec. 201. Tax Imposed.

14 (a) In general. A tax measured by net income is hereby
15 imposed on every individual, corporation, trust and estate for
16 each taxable year ending after July 31, 1969 on the privilege
17 of earning or receiving income in or as a resident of this
18 State. Such tax shall be in addition to all other occupation or
19 privilege taxes imposed by this State or by any municipal
20 corporation or political subdivision thereof.

21 (b) Rates. The tax imposed by subsection (a) of this
22 Section shall be determined as follows, except as adjusted by
23 subsection (d-1):

24 (1) In the case of an individual, trust or estate, for

income tax
rates

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1 taxable years ending prior to July 1, 1989, an amount equal
2 to 2 1/2% of the taxpayer's net income for the taxable
3 year.

4 (2) In the case of an individual, trust or estate, for
5 taxable years beginning prior to July 1, 1989 and ending
6 ~~after June 30, 1989, an amount equal to the sum of (i) 2~~

7 1/2% of the taxpayer's net income for the period prior to
8 July 1, 1989, as calculated under Section 202.3, and (ii)
9 3% of the taxpayer's net income for the period after June
10 30, 1989, as calculated under Section 202.3.

11 (3) In the case of an individual, trust or estate, for
12 taxable years beginning after June 30, 1989, and ending
13 prior to January 1, 2011, an amount equal to 3% of the
14 taxpayer's net income for the taxable year.

15 (4) In the case of an individual, trust, or estate, for
16 taxable years beginning prior to January 1, 2011, and
17 ending after December 31, 2010, an amount equal to the sum
18 of (i) 3% of the taxpayer's net income for the period prior
19 to January 1, 2011, as calculated under Section 202.5, and
20 (ii) 5% of the taxpayer's net income for the period after
21 December 31, 2010, as calculated under Section 202.5.

22 (5) In the case of an individual, trust, or estate, for
23 taxable years beginning on or after January 1, 2011, and
24 ending prior to January 1, 2015, an amount equal to 5% of
25 the taxpayer's net income for the taxable year.

26 (5.1) In the case of an individual, trust, or estate,

1 for taxable years beginning prior to January 1, 2015, and
2 ending after December 31, 2014, an amount equal to the sum
3 of (i) 5% of the taxpayer's net income for the period prior
4 to January 1, 2015, as calculated under Section 202.5, and
5 (ii) 3.75% of the taxpayer's net income for the period
6 after December 31, 2014, as calculated under Section 202.5.

7 (5.2) In the case of an individual, trust, or estate,
8 for taxable years beginning on or after January 1, 2015,
9 and ending prior to January 1, 2017 ~~January 1, 2025~~, an
10 amount equal to 3.75% of the taxpayer's net income for the

11 taxable year.

12 (5.3) In the case of an individual, trust, or estate,
13 for taxable years beginning prior to January 1, 2017
14 ~~January 1, 2025~~, and ending after December 31, 2016
15 ~~December 31, 2024~~, an amount equal to the sum of (i) 3.75%
16 of the taxpayer's net income for the period prior to
17 January 1, 2017 ~~January 1, 2025~~, as calculated under
18 Section 202.5, and (ii) 4.99% ~~3.25%~~ of the taxpayer's net
19 income for the period after December 31, 2016 ~~December 31,~~
20 ~~2024~~, as calculated under Section 202.5.

21 (5.4) In the case of an individual, trust, or estate,
22 for taxable years beginning on or after January 1, 2017
23 ~~January 1, 2025~~, an amount equal to 4.99% ~~3.25%~~ of the
24 taxpayer's net income for the taxable year.

25 (6) In the case of a corporation, for taxable years
26 ending prior to July 1, 1989, an amount equal to 4% of the

1 taxpayer's net income for the taxable year.

2 (7) In the case of a corporation, for taxable years
3 beginning prior to July 1, 1989 and ending after June 30,
4 1989, an amount equal to the sum of (i) 4% of the
5 taxpayer's net income for the period prior to July 1, 1989,
6 as calculated under Section 202.3, and (ii) 4.8% of the
7 taxpayer's net income for the period after June 30, 1989,
8 as calculated under Section 202.3.

9 (8) In the case of a corporation, for taxable years
10 beginning after June 30, 1989, and ending prior to January
11 1, 2011, an amount equal to 4.8% of the taxpayer's net
12 income for the taxable year.

13 (9) In the case of a corporation, for taxable years
14 beginning prior to January 1, 2011, and ending after
15 December 31, 2010, an amount equal to the sum of (i) 4.8%
16 of the taxpayer's net income for the period prior to
17 January 1, 2011, as calculated under Section 202.5, and
18 (ii) 7% of the taxpayer's net income for the period after
19 December 31, 2010, as calculated under Section 202.5.

20 (10) In the case of a corporation, for taxable years
21 beginning on or after January 1, 2011, and ending prior to

22 January 1, 2015, an amount equal to 7% of the taxpayer's
23 net income for the taxable year.

24 (11) In the case of a corporation, for taxable years
25 beginning prior to January 1, 2015, and ending after
26 December 31, 2014, an amount equal to the sum of (i) 7% of

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1 the taxpayer's net income for the period prior to January
2 1, 2015, as calculated under Section 202.5, and (ii) 5.25%
3 of the taxpayer's net income for the period after December
4 31, 2014, as calculated under Section 202.5.

5 (12) In the case of a corporation, for taxable years
6 beginning on or after January 1, 2015, and ending prior to
7 January 1, 2017 ~~January 1, 2025~~, an amount equal to 5.25%
8 of the taxpayer's net income for the taxable year.

9 (13) In the case of a corporation, for taxable years
10 beginning prior to January 1, 2017 ~~January 1, 2025~~, and
11 ending after December 31, 2016 ~~December 31, 2024~~, an amount
12 equal to the sum of (i) 5.25% of the taxpayer's net income
13 for the period prior to January 1, 2017 ~~January 1, 2025~~, as
14 calculated under Section 202.5, and (ii) 7% ~~4.8%~~ of the
15 taxpayer's net income for the period after December 31,
16 2016 ~~December 31, 2024~~, as calculated under Section 202.5.

17 (14) In the case of a corporation, for taxable years
18 beginning on or after January 1, 2017 ~~January 1, 2025~~, an
19 amount equal to 7% ~~4.8%~~ of the taxpayer's net income for
20 the taxable year.

21 The rates under this subsection (b) are subject to the
22 provisions of Section 201.5.

23 (c) Personal Property Tax Replacement Income Tax.
24 Beginning on July 1, 1979 and thereafter, in addition to such
25 income tax, there is also hereby imposed the Personal Property
26 Tax Replacement Income Tax measured by net income on every

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1 corporation (including Subchapter S corporations), partnership
2 and trust, for each taxable year ending after June 30, 1979.

* * *

22 taxable year, an amended return shall be filed for such taxable
23 year to reduce the amount of credit claimed.

24 (j) Training expense credit. Beginning with tax years
25 ending on or after December 31, 1986 and prior to December 31,
26 2003, a taxpayer shall be allowed a credit against the tax

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1 imposed by subsections (a) and (b) under this Section for all
2 amounts paid or accrued, on behalf of all persons employed by
3 the taxpayer in Illinois or Illinois residents employed outside
4 of Illinois by a taxpayer, for educational or vocational
5 training in semi-technical or technical fields or semi-skilled
6 or skilled fields, which were deducted from gross income in the
7 computation of taxable income. The credit against the tax
8 imposed by subsections (a) and (b) shall be 1.6% of such
9 training expenses. For partners, shareholders of subchapter S
10 corporations, and owners of limited liability companies, if the
11 liability company is treated as a partnership for purposes of
12 federal and State income taxation, there shall be allowed a
13 credit under this subsection (j) to be determined in accordance
14 with the determination of income and distributive share of
15 income under Sections 702 and 704 and subchapter S of the
16 Internal Revenue Code.

17 Any credit allowed under this subsection which is unused in
18 the year the credit is earned may be carried forward to each of
19 the 5 taxable years following the year for which the credit is
20 first computed until it is used. This credit shall be applied
21 first to the earliest year for which there is a liability. If
22 there is a credit under this subsection from more than one tax
23 year that is available to offset a liability the earliest
24 credit arising under this subsection shall be applied first. No
25 carryforward credit may be claimed in any tax year ending on or
26 after December 31, 2003.

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1 (k) Research and development credit. For tax years ending
2 after July 1, 1990 and prior to December 31, 2003, and
3 beginning again for tax years ending on or after December 31,

4 ~~2004, and ending prior to January 1, 2016,~~ a taxpayer shall be
5 allowed a credit against the tax imposed by subsections (a) and
6 (b) of this Section for increasing research activities in this
7 State. The credit allowed against the tax imposed by
8 subsections (a) and (b) shall be equal to 6 1/2% of the
9 qualifying expenditures for increasing research activities in
10 this State. For partners, shareholders of subchapter S
11 corporations, and owners of limited liability companies, if the
12 liability company is treated as a partnership for purposes of
13 federal and State income taxation, there shall be allowed a
14 credit under this subsection to be determined in accordance
15 with the determination of income and distributive share of
16 income under Sections 702 and 704 and subchapter S of the
17 Internal Revenue Code.

18 For purposes of this subsection, "qualifying expenditures"
19 means the qualifying expenditures as defined for the federal
20 credit for increasing research activities which would be
21 allowable under Section 41 of the Internal Revenue Code and
22 which are conducted in this State, "qualifying expenditures for
23 increasing research activities in this State" means the excess
24 of qualifying expenditures for the taxable year in which
25 incurred over qualifying expenditures for the base period,
26 "qualifying expenditures for the base period" means (i) for tax

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1 years ending prior to December 31, 2017, the average of the
2 qualifying expenditures for each year in the base period; and
3 (2) for tax years ending on or after December 31, 2017, 50% of
4 the average of the qualifying expenditures for each year in the
5 base period, and "base period" means the 3 taxable years
6 immediately preceding the taxable year for which the
7 determination is being made.

8 Any credit in excess of the tax liability for the taxable
9 year may be carried forward. A taxpayer may elect to have the
10 unused credit shown on its final completed return carried over
11 as a credit against the tax liability for the following 5
12 taxable years or until it has been fully used, whichever occurs
13 first; provided that no credit earned in a tax year ending
14 prior to December 31, 2003 may be carried forward to any year
15 ending on or after December 31, 2003.

16 If an unused credit is carried forward to a given year from
17 2 or more earlier years, that credit arising in the earliest
18 year will be applied first against the tax liability for the
19 given year. If a tax liability for the given year still
20 remains, the credit from the next earliest year will then be
21 applied, and so on, until all credits have been used or no tax
22 liability for the given year remains. Any remaining unused
23 credit or credits then will be carried forward to the next
24 following year in which a tax liability is incurred, except
25 that no credit can be carried forward to a year which is more
26 than 5 years after the year in which the expense for which the

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1 credit is given was incurred.

2 No inference shall be drawn from this amendatory Act of the
3 91st General Assembly in construing this Section for taxable
4 years beginning before January 1, 1999.

5 This subsection (k) is exempt from the provisions of
6 Section 250.

7 It is the intent of the General Assembly that the research
8 and development credit under this subsection (k) shall apply
9 continuously for all tax years ending on or after December 31,
10 2004, including, but not limited to, the period beginning on
11 January 1, 2016 and ending on the effective date of this
12 amendatory Act of the 100th General Assembly. All actions taken
13 in reliance on the continuation of the credit under this
14 subsection (k) by any taxpayer are hereby validated.

15 (1) Environmental Remediation Tax Credit.

16 (i) For tax years ending after December 31, 1997 and on
17 or before December 31, 2001, a taxpayer shall be allowed a
18 credit against the tax imposed by subsections (a) and (b)
19 of this Section for certain amounts paid for unreimbursed
20 eligible remediation costs, as specified in this
21 subsection. For purposes of this Section, "unreimbursed
22 eligible remediation costs" means costs approved by the
23 Illinois Environmental Protection Agency ("Agency") under
24 Section 58.14 of the Environmental Protection Act that were
25 paid in performing environmental remediation at a site for
26 which a No Further Remediation Letter was issued by the

* * *

9 accordance with the determination of income and
10 distributive share of income under Sections 702 and 704 and
11 subchapter S of the Internal Revenue Code.

12 (ii) A credit allowed under this subsection that is
13 unused in the year the credit is earned may be carried
14 forward to each of the 5 taxable years following the year

~~for which the credit is first earned until it is used. The~~

15 term "unused credit" does not include any amounts of
16 unreimbursed eligible remediation costs in excess of the
17 maximum credit per site authorized under paragraph (i).
18 This credit shall be applied first to the earliest year for
19 which there is a liability. If there is a credit under this
20 subsection from more than one tax year that is available to
21 offset a liability, the earliest credit arising under this
22 subsection shall be applied first. A credit allowed under
23 this subsection may be sold to a buyer as part of a sale of
24 all or part of the remediation site for which the credit
25 was granted. The purchaser of a remediation site and the
26 tax credit shall succeed to the unused credit and remaining

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1 carry-forward period of the seller. To perfect the
2 transfer, the assignor shall record the transfer in the
3 chain of title for the site and provide written notice to
4 the Director of the Illinois Department of Revenue of the
5 assignor's intent to sell the remediation site and the
6 amount of the tax credit to be transferred as a portion of
7 the sale. In no event may a credit be transferred to any
8 taxpayer if the taxpayer or a related party would not be
9 eligible under the provisions of subsection (i).

10 (iii) For purposes of this Section, the term "site"
11 shall have the same meaning as under Section 58.2 of the
12 Environmental Protection Act.

13 (m) Education expense credit. Beginning with tax years
14 ending after December 31, 1999, a taxpayer who is the custodian
15 of one or more qualifying pupils shall be allowed a credit
16 against the tax imposed by subsections (a) and (b) of this
17 Section for qualified education expenses incurred on behalf of
18 the qualifying pupils. The credit shall be equal to 25% of

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19 qualified education expenses, but in no event may the total
20 credit under this subsection claimed by a family that is the
21 custodian of qualifying pupils exceed (i) \$500 for tax years
22 ending prior to December 31, 2017, and (ii) \$750 for tax years
23 ending on or after December 31, 2017. In no event shall a
24 credit under this subsection reduce the taxpayer's liability
25 under this Act to less than zero. This subsection is exempt
26 from the provisions of Section 250 of this Act.

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1 For purposes of this subsection:

2 "Qualifying pupils" means individuals who (i) are
3 residents of the State of Illinois, (ii) are under the age of
4 21 at the close of the school year for which a credit is
5 sought, and (iii) during the school year for which a credit is
6 sought were full-time pupils enrolled in a kindergarten through
7 twelfth grade education program at any school, as defined in
8 this subsection.

9 "Qualified education expense" means the amount incurred on
10 behalf of a qualifying pupil in excess of \$250 for tuition,
11 book fees, and lab fees at the school in which the pupil is
12 enrolled during the regular school year.

13 "School" means any public or nonpublic elementary or
14 secondary school in Illinois that is in compliance with Title
15 VI of the Civil Rights Act of 1964 and attendance at which
16 satisfies the requirements of Section 26-1 of the School Code,
17 except that nothing shall be construed to require a child to
18 attend any particular public or nonpublic school to qualify for
19 the credit under this Section.

20 "Custodian" means, with respect to qualifying pupils, an
21 Illinois resident who is a parent, the parents, a legal
22 guardian, or the legal guardians of the qualifying pupils.

23 (n) River Edge Redevelopment Zone site remediation tax
24 credit.

25 (i) For tax years ending on or after December 31, 2006,
26 a taxpayer shall be allowed a credit against the tax

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6 institution, an amount equal to the contribution
7 component of the nonqualified withdrawal or refund
8 that was previously deducted from base income under
9 subsection (a)(2)(y) of this Section, provided that
10 the withdrawal or refund did not result from the
11 beneficiary's death or disability;

12 (D-23) An amount equal to the credit allowable to
13 the taxpayer under Section 218(a) of this Act,
14 determined without regard to Section 218(c) of this
15 Act;

16 (D-24) For taxable years beginning on or after
17 January 1, 2017, an amount equal to the deduction
18 allowed under Section 199 of the Internal Revenue Code
19 for the taxable year;

20 and by deducting from the total so obtained the sum of the
21 following amounts:

22 (E) For taxable years ending before December 31,
23 2001, any amount included in such total in respect of
24 any compensation (including but not limited to any
25 compensation paid or accrued to a serviceman while a
26 prisoner of war or missing in action) paid to a
resident by reason of being on active duty in the Armed

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1 Forces of the United States and in respect of any
2 compensation paid or accrued to a resident who as a
3 governmental employee was a prisoner of war or missing
4 in action, and in respect of any compensation paid to a
5 resident in 1971 or thereafter for annual training
6 performed pursuant to Sections 502 and 503, Title 32,
7 United States Code as a member of the Illinois National
8 Guard or, beginning with taxable years ending on or
9 after December 31, 2007, the National Guard of any
10 other state. For taxable years ending on or after
11 December 31, 2001, any amount included in such total in
12 respect of any compensation (including but not limited
13 to any compensation paid or accrued to a serviceman
14 while a prisoner of war or missing in action) paid to a
15 resident by reason of being a member of any component

DPAD
LITA §203(a)(2)
base income
defined --
individuals --
addition modifications

similar provisions
for:
- corporations --
new 203(b)(2)(E-1)
at p. 216
- trusts + estates --
new 203(c)(2)(G-1)
at p. 240
- partnerships --
new 203(d)(2)(D-1)
at p. 258

16 (h) Legislative intention. Except as expressly provided by
17 this Section there shall be no modifications or limitations on
18 the amounts of income, gain, loss or deduction taken into
19 account in determining gross income, adjusted gross income or
20 taxable income for federal income tax purposes for the taxable
21 year, ~~or in the amount of such items entering into the~~
22 computation of base income and net income under this Act for
23 such taxable year, whether in respect of property values as of
24 August 1, 1969 or otherwise.

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1 (Source: P.A. 96-45, eff. 7-15-09; 96-120, eff. 8-4-09; 96-198,
2 eff. 8-10-09; 96-328, eff. 8-11-09; 96-520, eff. 8-14-09;
3 96-835, eff. 12-16-09; 96-932, eff. 1-1-11; 96-935, eff.
4 6-21-10; 96-1214, eff. 7-22-10; 97-333, eff. 8-12-11; 97-507,
5 eff. 8-23-11; 97-905, eff. 8-7-12.)

6 (35 ILCS 5/212)

7 Sec. 212. Earned income tax credit.

8 (a) With respect to the federal earned income tax credit
9 allowed for the taxable year under Section 32 of the federal
10 Internal Revenue Code, 26 U.S.C. 32, each individual taxpayer
11 is entitled to a credit against the tax imposed by subsections
12 (a) and (b) of Section 201 in an amount equal to (i) 5% of the
13 federal tax credit for each taxable year beginning on or after
14 January 1, 2000 and ending prior to December 31, 2012, (ii)
15 7.5% of the federal tax credit for each taxable year beginning
16 on or after January 1, 2012 and ending prior to December 31,
17 2013, ~~and~~ (iii) 10% of the federal tax credit for each taxable
18 year beginning on or after January 1, 2013 and beginning prior
19 to January 1, 2017, and (iv) 15% of the federal tax credit for
20 each taxable year beginning on or after January 1, 2017.

21 . For a non-resident or part-year resident, the amount of the
22 credit under this Section shall be in proportion to the amount
23 of income attributable to this State.

24 (b) For taxable years beginning before January 1, 2003, in
25 no event shall a credit under this Section reduce the

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1 taxpayer's liability to less than zero. For each taxable year
2 beginning on or after January 1, 2003, if the amount of the
3 credit exceeds the income tax liability for the applicable tax
4 year, then the excess credit shall be refunded to the taxpayer.
5 The amount of a refund shall not be included in the taxpayer's
6 income or resources for the purposes of determining eligibility
7 or benefit level in any means-tested benefit program
8 administered by a governmental entity unless required by
9 federal law.

10 (c) This Section is exempt from the provisions of Section
11 250.

12 (Source: P.A. 97-652, eff. 6-1-12.)

13 (35 ILCS 5/225 new)

14 Sec. 225. Credit for instructional materials and supplies.
15 For taxable years beginning on and after January 1, 2017, a
16 taxpayer shall be allowed a credit in the amount paid by the
17 taxpayer during the taxable year for instructional materials
18 and supplies with respect to classroom based instruction in a
19 qualified school, or \$250, whichever is less, provided that the
20 taxpayer is a teacher, instructor, counselor, principal, or
21 aide in a qualified school for at least 900 hours during a
22 school year.

23 The credit may not be carried back and may not reduce the
24 taxpayer's liability to less than zero. If the amount of the
25 credit exceeds the tax liability for the year, the excess may

New
Credit

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

7 For purposes of this Section, the term "materials and
8 supplies" means amounts paid for instructional materials or
9 supplies that are designated for classroom use in any qualified
10 school. For purposes of this Section, the term "qualified

11 school" means a public school or non-public school located in
12 Illinois.

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

14 (35 ILCS 5/804) (from Ch. 120, par. 8-804)

15 Sec. 804. Failure to Pay Estimated Tax.

16 (a) In general. In case of any underpayment of estimated
17 tax by a taxpayer, except as provided in subsection (d) or (e),
18 the taxpayer shall be liable to a penalty in an amount
19 determined at the rate prescribed by Section 3-3 of the Uniform
20 Penalty and Interest Act upon the amount of the underpayment
21 (determined under subsection (b)) for each required
22 installment.

23 (b) Amount of underpayment. For purposes of subsection (a),
24 the amount of the underpayment shall be the excess of:

25 (1) the amount of the installment which would be

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1 required to be paid under subsection (c), over

2 (2) the amount, if any, of the installment paid on or
3 before the last date prescribed for payment.

4 (c) Amount of Required Installments.

5 (1) Amount.

6 (A) In General. Except as provided in paragraphs
7 (2) and (3), the amount of any required installment
8 shall be 25% of the required annual payment.

9 (B) Required Annual Payment. For purposes of
10 subparagraph (A), the term "required annual payment"
11 means the lesser of:

12 (i) 90% of the tax shown on the return for the
13 taxable year, or if no return is filed, 90% of the
14 tax for such year;

15 (ii) for installments due prior to February 1,
16 2011, and after January 31, 2012, 100% of the tax
17 shown on the return of the taxpayer for the
18 preceding taxable year if a return showing a
19 liability for tax was filed by the taxpayer for the
20 preceding taxable year and such preceding year was
21 a taxable year of 12 months; or

22 (iii) for installments due after January 31,

* *

25 (c), the term "tax" means the excess of the tax imposed under
26 Article 2 of this Act, over the amounts credited against such

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~~1 tax under Sections 601(b)(3) and (4).~~

2 (g) Application of Section in case of tax withheld under
3 Article 7. For purposes of applying this Section:

4 (1) tax withheld from compensation for the taxable year
5 shall be deemed a payment of estimated tax, and an equal
6 part of such amount shall be deemed paid on each
7 installment date for such taxable year, unless the taxpayer
8 establishes the dates on which all amounts were actually
9 withheld, in which case the amounts so withheld shall be
10 deemed payments of estimated tax on the dates on which such
11 amounts were actually withheld;

12 (2) amounts timely paid by a partnership, Subchapter S
13 corporation, or trust on behalf of a partner, shareholder,
14 or beneficiary pursuant to subsection (f) of Section 502 or
15 Section 709.5 and claimed as a payment of estimated tax
16 shall be deemed a payment of estimated tax made on the last
17 day of the taxable year of the partnership, Subchapter S
18 corporation, or trust for which the income from the
19 withholding is made was computed; and

20 (3) all other amounts pursuant to Article 7 shall be
21 deemed a payment of estimated tax on the date the payment
22 is made to the taxpayer of the amount from which the tax is
23 withheld.

24 (g-5) Amounts withheld under the State Salary and Annuity
25 Withholding Act. An individual who has amounts withheld under
26 paragraph (10) of Section 4 of the State Salary and Annuity

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1 Withholding Act may elect to have those amounts treated as
2 payments of estimated tax made on the dates on which those
3 amounts are actually withheld.

4 (g-10) Notwithstanding any other provision of law, no
5 penalty shall apply with respect to an underpayment of

*STILL I/TA
§ 804 -
Failure to pay
estimated tax*

6 estimated tax for the first, second, or third quarter of any
7 taxable year beginning on or after January 1, 2017 and
8 beginning prior to January 1, 2018 if (i) the underpayment was
9 due to the changes made by this amendatory Act of the 100th
10 General Assembly, (ii) the payment was otherwise timely made,
11 and (iii) the balance due is included with the taxpayer's
12 estimated tax payment for the fourth quarter.

13 (i) Short taxable year. The application of this Section to
14 taxable years of less than 12 months shall be in accordance
15 with regulations prescribed by the Department.

16 The changes in this Section made by Public Act 84-127 shall
17 apply to taxable years ending on or after January 1, 1986.

18 (Source: P.A. 96-1496, eff. 1-13-11; 97-507, eff. 8-23-11;
19 97-636, eff. 6-1-12.)

20 (35 ILCS 5/901) (from Ch. 120, par. 9-901)

21 Sec. 901. Collection authority.

22 (a) In general.

23 The Department shall collect the taxes imposed by this Act.
24 The Department shall collect certified past due child support
25 amounts under Section 2505-650 of the Department of Revenue Law

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1 (20 ILCS 2505/2505-650). Except as provided in subsections (c),
2 (e), (f), (g), and (h) of this Section, money collected
3 pursuant to subsections (a) and (b) of Section 201 of this Act
4 shall be paid into the General Revenue Fund in the State
5 treasury; money collected pursuant to subsections (c) and (d)
6 of Section 201 of this Act shall be paid into the Personal
7 Property Tax Replacement Fund, a special fund in the State
8 Treasury; and money collected under Section 2505-650 of the
9 Department of Revenue Law (20 ILCS 2505/2505-650) shall be paid
10 into the Child Support Enforcement Trust Fund, a special fund
11 outside the State Treasury, or to the State Disbursement Unit
12 established under Section 10-26 of the Illinois Public Aid
13 Code, as directed by the Department of Healthcare and Family
14 Services.

15 (b) Local Government Distributive Fund.

16 Beginning August 1, 1969, and continuing through June 30,
17 1994, the Treasurer shall transfer each month from the General

✂ ✂ ✂

17 (ii) prepare returns or claims for refunds for
18 the employer by whom he or she is regularly and
19 continuously employed;

20 (iii) prepare as a fiduciary returns or claims
21 for refunds for any person; or

22 (iv) prepare claims for refunds for a taxpayer

~~23 in response to any notice of deficiency issued to~~

24 that taxpayer or in response to any waiver of
25 restriction after the commencement of an audit of
26 that taxpayer or of another taxpayer if a

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1 determination in the audit of the other taxpayer
2 directly or indirectly affects the tax liability
3 of the taxpayer whose claims he or she is
4 preparing.

5 (27) Unitary business group.

6 (A) The term "unitary business group" means a group
7 of persons related through common ownership whose
8 business activities are integrated with, dependent
9 upon and contribute to each other. The group will not
10 include those members whose business activity outside
11 the United States is 80% or more of any such member's
12 total business activity; for purposes of this
13 paragraph and clause (a)(3)(B)(ii) of Section 304,
14 business activity within the United States shall be
15 measured by means of the factors ordinarily applicable
16 under subsections (a), (b), (c), (d), or (h) of Section
17 304 except that, in the case of members ordinarily
18 required to apportion business income by means of the 3
19 factor formula of property, payroll and sales
20 specified in subsection (a) of Section 304, including
21 the formula as weighted in subsection (h) of Section
22 304, such members shall not use the sales factor in the
23 computation and the results of the property and payroll
24 factor computations of subsection (a) of Section 304
25 shall be divided by 2 (by one if either the property or
26 payroll factor has a denominator of zero). The

*LITA
§ 1501 (a) -
definition*

1 computation required by the preceding sentence shall,
2 in each case, involve the division of the member's
3 property, payroll, or revenue miles in the United
4 States, insurance premiums on property or risk in the
5 United States, or financial organization business
6 income from sources within the United States, as the
7 case may be, by the respective worldwide figures for
8 such items. Common ownership in the case of
9 corporations is the direct or indirect control or
10 ownership of more than 50% of the outstanding voting
11 stock of the persons carrying on unitary business
12 activity. Unitary business activity can ordinarily be
13 illustrated where the activities of the members are:
14 (1) in the same general line (such as manufacturing,
15 wholesaling, retailing of tangible personal property,
16 insurance, transportation or finance); or (2) are
17 steps in a vertically structured enterprise or process
18 (such as the steps involved in the production of
19 natural resources, which might include exploration,
20 mining, refining, and marketing); and, in either
21 instance, the members are functionally integrated
22 through the exercise of strong centralized management
23 (where, for example, authority over such matters as
24 purchasing, financing, tax compliance, product line,
25 personnel, marketing and capital investment is not
26 left to each member).

1 (B) In no event, for taxable years beginning prior
2 to January 1, 2017, shall any unitary business group
3 include members which are ordinarily required to
4 apportion business income under different subsections
5 of Section 304 except that for tax years ending on or
6 after December 31, 1987 this prohibition shall not
7 apply to a holding company that would otherwise be a
8

*repeals
non-combination
rule*

9 member of a unitary business group with taxpayers that
10 apportion business income under any of subsections
11 (b), (c), (c-1), or (d) of Section 304. If a unitary
12 business group would, but for the preceding sentence,
13 include members that are ordinarily required to
14 apportion business income under different subsections
15 of Section 304, then for each subsection of Section 304
16 for which there are two or more members, there shall be
17 a separate unitary business group composed of such
18 members. For purposes of the preceding two sentences, a
19 member is "ordinarily required to apportion business
20 income" under a particular subsection of Section 304 if
21 it would be required to use the apportionment method
22 prescribed by such subsection except for the fact that
23 it derives business income solely from Illinois. As
24 used in this paragraph, the phrase "United States"
25 means ~~only~~ the 50 states and the District of Columbia
26 and, but does not include any territory or possession
of the United States, but, for taxable years ending on

*outer
continental
shelf
"loophole"
eliminated*

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1 or after December 31, 2017, does include ~~or~~ any area
2 over which the United States has asserted jurisdiction
3 or claimed exclusive rights with respect to the
4 exploration for or exploitation of natural resources.

5 (C) Holding companies.

6 (i) For purposes of this subparagraph, a
7 "holding company" is a corporation (other than a
8 corporation that is a financial organization under
9 paragraph (8) of this subsection (a) of Section
10 1501 because it is a bank holding company under the
11 provisions of the Bank Holding Company Act of 1956
12 (12 U.S.C. 1841, et seq.) or because it is owned by
13 a bank or a bank holding company) that owns a
14 controlling interest in one or more other
15 taxpayers ("controlled taxpayers"); that, during
16 the period that includes the taxable year and the 2
17 immediately preceding taxable years or, if the
18 corporation was formed during the current or

#

20 (2) "Company" or "association" as including successors
21 and assigns. The word "company" or "association", when used
22 in reference to a corporation, shall be deemed to embrace
23 the words "successors and assigns of such company or
24 association", and in like manner as if these last-named
25 words, or words of similar import, were expressed.

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1 (3) Other terms. Any term used in any Section of this
2 Act with respect to the application of, or in connection
3 with, the provisions of any other Section of this Act shall
4 have the same meaning as in such other Section.

5 (Source: P.A. 99-213, eff. 7-31-15.)

6 Section 30-20. The Film Production Services Tax Credit Act
7 of 2008 is amended by changing Section 42 as follows:

8 (35 ILCS 16/42)

9 Sec. 42. Sunset of credits. The application of credits
10 awarded pursuant to this Act shall be limited by a reasonable
11 and appropriate sunset date. A taxpayer shall not be entitled
12 to take a credit awarded pursuant to this Act for tax years
13 beginning on or after January 1, 2027 ~~10 years after the~~
14 ~~effective date of this amendatory Act of the 97th General~~
15 ~~Assembly. After the initial 10 year sunset, the General~~
16 ~~Assembly may extend the sunset date by 5 year intervals.~~

17 (Source: P.A. 97-2, eff. 5-6-11; 97-3, eff. 5-6-11.)

18 Section 30-25. The Use Tax Act is amended by changing
19 Sections 3-5, 3-50, and 10 and by adding Sections 3-6.5, 3-6.6,
20 3-6.7, 3-6.8, and 3-6.9 as follows:

21 (35 ILCS 105/3-5)

22 Sec. 3-5. Exemptions. Use of the following tangible

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1 personal property is exempt from the tax imposed by this Act:

2 (1) Personal property purchased from a corporation,
3 society, association, foundation, institution, or

*Film
Credit
extended
to
2027*

24 contractual, grantor-grantee, or licensor-licensee
25 relationship, from a fee-based or similar relationship,
26 from statute or regulation, or from the retention of any

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1 overpayment.

2 (4) The term "material" means having a natural tendency
3 to influence, or be capable of influencing, the payment or
4 receipt of money or property.

5 (c) Exclusion. This Section does not apply to any taxes
6 imposed, collected, or administered by the State of Illinois
7 ~~claims, records, or statements made under the Illinois Income~~
8 ~~Tax Act.~~

9 (Source: P.A. 95-128, eff. 1-1-08; 96-1304, eff. 7-27-10.)

10 Section 30-70. The Business Corporation Act of 1983 is
11 amended by changing Sections 13.70, 14.30, 15.35, 15.65, 15.97,
12 and 16.05 as follows:

13 (805 ILCS 5/13.70) (from Ch. 32, par. 13.70)

14 Sec. 13.70. Transacting business without authority.

15 (a) No foreign corporation transacting business in this
16 State without authority to do so is permitted to maintain a
17 civil action in any court of this State, until the corporation
18 obtains that authority. Nor shall a civil action be maintained
19 in any court of this State by any successor or assignee of the
20 corporation on any right, claim or demand arising out of the
21 transaction of business by the corporation in this State, until
22 authority to transact business in this State is obtained by the
23 corporation or by a corporation that has acquired all or
24 substantially all of its assets.

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1 (b) The failure of a foreign corporation to obtain
2 authority to transact business in this State does not impair
3 the validity of any contract or act of the corporation, and
4 does not prevent the corporation from defending any action in
5 any court of this State.

33 of
False Claims
Act -
740 ILCS 175/3

6 (c) A foreign corporation that transacts business in this
7 State without authority is liable to this State, for the years
8 or parts thereof during which it transacted business in this
9 State without authority, in an amount equal to all fees,
10 franchise taxes, penalties and other charges that would have
11 been imposed by this Act upon the corporation had it duly
12 applied for and received authority to transact business in this
13 State as required by this Act, but failed to pay the franchise
14 taxes that would have been computed thereon, and thereafter
15 filed all reports required by this Act; and, if a corporation
16 fails to file an application for authority within 60 days after
17 it commences business in this State, in addition thereto it is
18 liable for a penalty of either 10% of the filing fee, license
19 fee and franchise taxes or ~~\$500 \$200~~ plus ~~\$25 \$5.00~~ for each
20 month or fraction thereof in which it has continued to transact
21 business in this State without authority therefor, whichever
22 penalty is greater. The Attorney General shall bring
23 proceedings to recover all amounts due this State under this
24 Section.

*Increased
penalty for
foreign corps
not filing*

25 (d) The Attorney General shall bring an action to restrain
26 a foreign corporation from transacting business in this State,

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1 if the authority of the foreign corporation to transact
2 business has been revoked under subsection (m) of Section 13.50
3 of this Act.

4 (Source: P.A. 95-515, eff. 8-28-07.)

5 (805 ILCS 5/14.30) (from Ch. 32, par. 14.30)

6 Sec. 14.30. Cumulative report of changes in issued shares
7 or paid-in capital.

8 (a) Each domestic corporation and each foreign
9 corporation authorized to transact business in this State that
10 effects any change in the number of issued shares or the amount
11 of paid-in capital prior to July 1, 2017 that has not
12 theretofore been reported in any report other than an annual
13 report, interim annual report, or final transition annual
14 report, shall execute and file, in accordance with Section 1.10
15 of this Act, a report with respect to the changes in its issued
16 shares or paid-in capital:

*Franchise
Tax
cumulative
change
report
not due after
7/1/2017*

17 (1) that have occurred subsequent to the last day of
18 the third month preceding its anniversary month in the
19 preceding year and prior to the first day of the second
20 month immediately preceding its anniversary month in the
21 current year; or

22 (2) in the case of a corporation that has established
23 ~~an extended filing month, that have occurred during its~~
24 fiscal year; or

25 (3) in the case of a statutory merger or consolidation

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1 or an amendment to the corporation's articles of
2 incorporation that affects the number of issued shares or
3 the amount of paid-in capital, that have occurred between
4 the last day of the third month immediately preceding its
5 anniversary month and the date of the merger,
6 consolidation, or amendment or, in the case of a
7 corporation that has established an extended filing month,
8 that have occurred between the first day of its fiscal year
9 and the date of the merger, consolidation, or amendment; or

10 (4) in the case of a statutory merger or consolidation
11 or an amendment to the corporation's articles of
12 incorporation that affects the number of issued shares or
13 the amount of paid-in capital, that have occurred between
14 the date of the merger, consolidation, or amendment (but
15 not including the merger, consolidation, or amendment) and
16 the first day of the second month immediately preceding its
17 anniversary month in the current year, or in the case of a
18 corporation that has established an extended filing month,
19 that have occurred between the date of the merger,
20 consolidation or amendment (but not including the merger,
21 consolidation or amendment) and the last day of its fiscal
22 year.

23 (b) The corporation shall file the report required under
24 subsection (a) not later than (i) the time its annual report is
25 required to be filed in 1992 and in each subsequent year and
26 (ii) not later than the time of filing the articles of merger,

1 consolidation, or amendment to the articles of incorporation
2 that affects the number of issued shares or the amount of
3 paid-in capital of a domestic corporation or the certified copy
4 of merger of a foreign corporation.

5 (c) The report shall net decreases against increases that
6 occur during the same taxable period. The report shall set
7 forth:

8 (1) The name of the corporation and the state or
9 country under the laws of which it is organized.

10 (2) A statement of the aggregate number of shares which
11 the corporation has authority to issue, itemized by classes
12 and series, if any, within a class.

13 (3) A statement of the aggregate number of issued
14 shares as last reported to the Secretary of State in any
15 document required or permitted by this Act to be filed,
16 other than an annual report, interim annual report or final
17 transition annual report, itemized by classes and series,
18 if any, within a class.

19 (4) A statement, expressed in dollars, of the amount of
20 paid-in capital of the corporation as last reported to the
21 Secretary of State in any document required or permitted by
22 this Act to be filed, other than an annual report, interim
23 annual report or final transition annual report.

24 (5) A statement, if applicable, of the aggregate number
25 of shares issued by the corporation not theretofore
26 reported to the Secretary of State as having been issued,

1 and a statement, expressed in dollars, of the value of the
2 entire consideration received, less expenses, including
3 commissions, paid or incurred in connection with the
4 issuance, for, or on account of, the issuance of the
5 shares, itemized by classes, and series, if any, within a
6 class; and in the case of shares issued as a share
7 dividend, the amount added or transferred to the paid-in
8 capital of the corporation for, or on account of, the
9 issuance of the shares; provided, however, that the report

10 shall also include the date of each issuance made prior to
11 the current reporting period, and the number of issued
12 shares and consideration received in each case.

13 (6) A statement, if applicable, expressed in dollars,
14 of the amount added or transferred to paid-in capital of
15 the corporation without the issuance of shares; provided,

~~16 however, that the report shall also include the date of~~
17 each increase made prior to the current reporting period,
18 and the consideration received in each case.

19 (7) In case of an exchange or reclassification of
20 issued shares resulting in an increase in the amount of
21 paid-in capital, a statement of the manner in which it was
22 effected, and a statement, expressed in dollars, of the
23 amount added or transferred to the paid-in capital of the
24 corporation as a result thereof, except any portion thereof
25 reported under any other subsection of this Section as a
26 part of the consideration received by the corporation for,

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1 or on account of, its issued shares; provided, however,
2 that the report shall also include the date of each
3 exchange or reclassification made prior to the current
4 reporting period and the consideration received in each
5 case.

6 (8) If the consideration received for the issuance of
7 any shares not theretofore reported as having been issued
8 consists of labor or services performed or of property,
9 other than cash, then a statement, expressed in dollars, of
10 the value of that consideration as fixed by the board of
11 directors.

12 (9) In the case of a cancellation of shares or a
13 reduction in paid-in capital made pursuant to Section 9.20,
14 the aggregate reduction in paid-in capital; provided,
15 however, that the report shall also include the date of
16 each reduction made prior to the current reporting period.

17 (10) A statement of the aggregate number of issued
18 shares itemized by classes and series, if any, within a
19 class, after giving effect to the changes reported.

20 (11) A statement, expressed in dollars, of the amount

21 of paid-in capital of the corporation after giving effect
22 to the changes reported.

23 (d) No additional license fees or franchise taxes shall be
24 payable upon the filing of the report to the extent that
25 license fees or franchise taxes shall have been previously paid
26 by the corporation in respect of shares previously issued which

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1 are being exchanged for the shares the issuance of which is
2 being reported, provided those facts are shown in the report.

3 (e) The report shall be made on forms prescribed and
4 furnished by the Secretary of State.

5 (f) Until the report under this Section or a report under
6 Section 14.25 shall have been filed in the Office of the
7 Secretary of State showing a reduction in paid-in capital, the
8 basis of the annual franchise tax payable by the corporation
9 shall not be reduced, provided, however, in no event shall the
10 annual franchise tax for any taxable year be reduced if the
11 report is not filed prior to the first day of the anniversary
12 month or, in the case of a corporation which has established an
13 extended filing month, the extended filing month of the
14 corporation of that taxable year and before payment of its
15 annual franchise tax.

16 (Source: P.A. 90-421, eff. 1-1-98.)

17 (805 ILCS 5/15.35) (from Ch. 32, par. 15.35)

18 Sec. 15.35. Franchise taxes payable by domestic
19 corporations. For the privilege of exercising its franchises in
20 this State, each domestic corporation shall pay to the
21 Secretary of State the following franchise taxes, computed on
22 the basis, at the rates and for the periods prescribed in this
23 Act:

24 (a) An initial franchise tax at the time of filing its
25 first report of issuance of shares.

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1 (b) An additional franchise tax at the time of filing (1) a
2 report of the issuance of additional shares, or (2) a report of

3 an increase in paid-in capital without the issuance of shares,
4 or (3) an amendment to the articles of incorporation or a
5 report of cumulative changes in paid-in capital, whenever any
6 amendment or such report discloses an increase in its paid-in
7 capital over the amount thereof last reported in any document,
8 other than an annual report, interim annual report or final
9 ~~transition annual report required by this Act to be filed in~~

10 the office of the Secretary of State.

11 (c) An additional franchise tax at the time of filing a
12 report of paid-in capital following a statutory merger or
13 consolidation, which discloses that the paid-in capital of the
14 surviving or new corporation immediately after the merger or
15 consolidation is greater than the sum of the paid-in capital of
16 all of the merged or consolidated corporations as last reported
17 by them in any documents, other than annual reports, required
18 by this Act to be filed in the office of the Secretary of
19 State; and in addition, the surviving or new corporation shall
20 be liable for a further additional franchise tax on the paid-in
21 capital of each of the merged or consolidated corporations as
22 last reported by them in any document, other than an annual
23 report, required by this Act to be filed with the Secretary of
24 State from their taxable year end to the next succeeding
25 anniversary month or, in the case of a corporation which has
26 established an extended filing month, the extended filing month

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1 of the surviving or new corporation; however if the taxable
2 year ends within the 2 month period immediately preceding the
3 anniversary month or, in the case of a corporation which has
4 established an extended filing month, the extended filing month
5 of the surviving or new corporation the tax will be computed to
6 the anniversary month or, in the case of a corporation which
7 has established an extended filing month, the extended filing
8 month of the surviving or new corporation in the next
9 succeeding calendar year.

10 (d) An annual franchise tax payable each year with the
11 annual report which the corporation is required by this Act to
12 file.

13 (e) The provisions of this Section shall not apply to
14 require the payment of any franchise tax that would otherwise

*No franchise
tax (domestic corp)
after 7/1/2017*

15 have been due and payable on or after July 1, 2017. There shall
16 be no refunds or proration of franchise tax for any taxes due
17 and payable prior to July 1, 2017 on the basis that a portion
18 of the corporation's taxable year extends beyond July 1, 2017.
19 This amendatory Act of the 100th General Assembly shall not
20 affect any right accrued or established, or any liability or
21 penalty incurred prior to July 1, 2017.

22 (Source: P.A. 86-985.)

23 (805 ILCS 5/15.65) (from Ch. 32, par. 15.65)
24 Sec. 15.65. Franchise taxes payable by foreign
25 corporations. For the privilege of exercising its authority to

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1 transact such business in this State as set out in its
2 application therefor or any amendment thereto, each foreign
3 corporation shall pay to the Secretary of State the following
4 franchise taxes, computed on the basis, at the rates and for
5 the periods prescribed in this Act:

6 (a) An initial franchise tax at the time of filing its
7 application for authority to transact business in this State.

8 (b) An additional franchise tax at the time of filing (1) a
9 report of the issuance of additional shares, or (2) a report of
10 an increase in paid-in capital without the issuance of shares,
11 or (3) a report of cumulative changes in paid-in capital or a
12 report of an exchange or reclassification of shares, whenever
13 any such report discloses an increase in its paid-in capital
14 over the amount thereof last reported in any document, other
15 than an annual report, interim annual report or final
16 transition annual report, required by this Act to be filed in
17 the office of the Secretary of State.

18 (c) Whenever the corporation shall be a party to a
19 statutory merger and shall be the surviving corporation, an
20 additional franchise tax at the time of filing its report
21 following merger, if such report discloses that the amount
22 represented in this State of its paid-in capital immediately
23 after the merger is greater than the aggregate of the amounts
24 represented in this State of the paid-in capital of such of the
25 merged corporations as were authorized to transact business in
26 this State at the time of the merger, as last reported by them

1 in any documents, other than annual reports, required by this
 2 Act to be filed in the office of the Secretary of State; and in
 3 ~~addition, the surviving corporation shall be liable for a~~
 4 further additional franchise tax on the paid-in capital of each
 5 of the merged corporations as last reported by them in any
 6 document, other than an annual report, required by this Act to
 7 be filed with the Secretary of State, from their taxable year
 8 end to the next succeeding anniversary month or, in the case of
 9 a corporation which has established an extended filing month,
 10 the extended filing month of the surviving corporation; however
 11 if the taxable year ends within the 2 month period immediately
 12 preceding the anniversary month or the extended filing month of
 13 the surviving corporation, the tax will be computed to the
 14 anniversary or, extended filing month of the surviving
 15 corporation in the next succeeding calendar year.

16 (d) An annual franchise tax payable each year with any
 17 annual report which the corporation is required by this Act to
 18 file.

19 (e) The provisions of this Section shall not apply to
 20 require the payment of any franchise tax that would otherwise
 21 have been due and payable on or after July 1, 2017. There shall
 22 be no refunds or proration of franchise tax for any taxes due
 23 and payable prior to July 1, 2017 on the basis that a portion
 24 of the corporation's taxable year extends beyond July 1, 2017.
 25 This amendatory Act of the 100th General Assembly shall not
 26 affect any right accrued or established, or any liability or

*no franchise
 tax (foreign
 corp) after
 7/1/2017*

1 penalty incurred prior to July 1, 2017.

2 (Source: P.A. 92-33, eff. 7-1-01.)

3 (805 ILCS 5/15.97) (from Ch. 32, par. 15.97)

4 Sec. 15.97. Corporate Franchise Tax Refund Fund.

5 (a) Beginning July 1, 1993, a percentage of the amounts
 6 collected under Sections 15.35, 15.45, 15.65, and 15.75 of this
 7 Act shall be deposited into the Corporate Franchise Tax Refund

8 Fund, a special Fund hereby created in the State treasury. From
9 July 1, 1993, until December 31, 1994, there shall be deposited
10 into the Fund 3% of the amounts received under those Sections.
11 Beginning January 1, 1995, and for each fiscal year beginning
12 thereafter, 2% of the amounts collected under those Sections
13 during the preceding fiscal year shall be deposited into the
14 Fund.

15 (b) Beginning July 1, 1993, moneys in the Fund shall be
16 expended exclusively for the purpose of paying refunds payable
17 because of overpayment of franchise taxes, penalties, or
18 interest under Sections 13.70, 15.35, 15.45, 15.65, 15.75, and
19 16.05 of this Act and making transfers authorized under this
20 Section. Refunds in accordance with the provisions of
21 subsections (f) and (g) of Section 1.15 and Section 1.17 of
22 this Act may be made from the Fund only to the extent that
23 amounts collected under Sections 15.35, 15.45, 15.65, and 15.75
24 of this Act have been deposited in the Fund and remain
25 available. On or before August 31 of each year, the balance in

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1 the Fund in excess of \$100,000 shall be transferred to the
2 General Revenue Fund. Notwithstanding the above, for the period
3 commencing on the effective date of this amendatory Act of the
4 100th General Assembly and continuing through December 31,
5 2019, amounts in the fund shall not be transferred to the
6 General Revenue Fund and shall be used to pay refunds in
7 accordance with the provisions of this Act. Within a reasonable
8 time after January 1, 2020, the Secretary of State shall direct
9 and the Comptroller shall order transferred to the General
10 Revenue Fund all amounts remaining in the fund.

11 (c) This Act shall constitute an irrevocable and continuing
12 appropriation from the Corporate Franchise Tax Refund Fund for
13 the purpose of paying refunds upon the order of the Secretary
14 of State in accordance with the provisions of this Section.
15 (Source: P.A. 99-620, eff. 1-1-17.)

16 (805 ILCS 5/16.05) (from Ch. 32, par. 16.05)

17 Sec. 16.05. Penalties and interest imposed upon
18 corporations.

19 (a) Each corporation, domestic or foreign, that fails or

20 refuses to file any annual report or report of cumulative
21 changes in paid-in capital and pay any franchise tax due
22 pursuant to the report prior to the first day of its
23 anniversary month or, in the case of a corporation which has
24 established an extended filing month, the extended filing month
25 of the corporation shall pay a penalty of 10% of the amount of

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1 any delinquent franchise tax due for the report. From February
2 1, 2008 through March 15, 2008, no penalty shall be imposed
3 with respect to any amount of delinquent franchise tax paid
4 pursuant to the Franchise Tax and License Fee Amnesty Act of
5 2007. Notwithstanding the above, commencing on July 1, 2017,
6 each corporation, domestic or foreign, that fails or refuses to
7 file any annual report prior to the first day of its
8 anniversary month, or in the case of a corporation which has
9 established an extended filing month, the extended filing month
10 of the corporation, shall, for each report, pay a one-time
11 penalty of \$50, plus an additional penalty of \$10 for each
12 calendar month or part of the month that the report is
13 delinquent.

14 (b) Each corporation, domestic or foreign, that fails or
15 refuses to file a report of issuance of shares or increase in
16 paid-in capital within the time prescribed by this Act is
17 subject to a penalty on any obligation occurring prior to
18 January 1, 1991, and interest on those obligations on or after
19 January 1, 1991, for each calendar month or part of month that
20 it is delinquent in the amount of 2% of the amount of license
21 fees and franchise taxes provided by this Act to be paid on
22 account of the issuance of shares or increase in paid-in
23 capital. From February 1, 2008 through March 15, 2008, no
24 penalty shall be imposed, or interest charged, with respect to
25 any amount of delinquent license fees and franchise taxes paid
26 pursuant to the Franchise Tax and License Fee Amnesty Act of

*failure to
File penalty
in \$ amounts
instead of %*

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1 2007.

2 (c) Each corporation, domestic or foreign, that fails or

3 refuses to file a report of cumulative changes in paid-in
4 capital or report following merger within the time prescribed
5 by this Act is subject to interest on or after January 1, 1992,
6 for each calendar month or part of month that it is delinquent,
7 in the amount of 2% of the amount of franchise taxes provided
8 by this Act to be paid on account of the issuance of shares or
9 increase in paid-in capital disclosed on the report of
10 cumulative changes in paid-in capital or report following
11 merger, or \$1, whichever is greater. From February 1, 2008
12 through March 15, 2008, no interest shall be charged with
13 respect to any amount of delinquent franchise tax paid pursuant
14 to the Franchise Tax and License Fee Amnesty Act of 2007.

15 Notwithstanding the above, commencing on July 1, 2017, each
16 corporation, domestic or foreign, that fails or refuses to file
17 any report following merger within the time prescribed by this
18 Act, shall, for each report, pay a one-time penalty of \$50,
19 plus an additional penalty of \$10 for each calendar month or
20 part of the month that the report is delinquent.

21 (d) If the annual franchise tax, or the supplemental annual
22 franchise tax for any 12-month period commencing July 1, 1968,
23 or July 1 of any subsequent year through June 30, 1983,
24 assessed in accordance with this Act, is not paid by July 31,
25 it is delinquent, and there is added a penalty prior to January
26 1, 1991, and interest on and after January 1, 1991, of 2% for

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1 each month or part of month that it is delinquent commencing
2 with the month of August, or \$1, whichever is greater. From
3 February 1, 2008 through March 15, 2008, no penalty shall be
4 imposed, or interest charged, with respect to any amount of
5 delinquent franchise taxes paid pursuant to the Franchise Tax
6 and License Fee Amnesty Act of 2007.

7 (e) If the supplemental annual franchise tax assessed in
8 accordance with the provisions of this Act for the 12-month
9 period commencing July 1, 1967, is not paid by September 30,
10 1967, it is delinquent, and there is added a penalty prior to
11 January 1, 1991, and interest on and after January 1, 1991, of
12 2% for each month or part of month that it is delinquent
13 commencing with the month of October, 1967. From February 1,
14 2008 through March 15, 2008, no penalty shall be imposed, or

15 interest charged, with respect to any amount of delinquent
16 franchise taxes paid pursuant to the Franchise Tax and License
17 Fee Amnesty Act of 2007.

18 (f) If any annual franchise tax for any period beginning on
19 or after July 1, 1983, is not paid by the time period herein
20 prescribed, it is delinquent and there is added a penalty prior
21 to January 1, 1991, and interest on and after January 1, 1991,

22 of 2% for each month or part of a month that it is delinquent
23 commencing with the anniversary month or in the case of a
24 corporation that has established an extended filing month, the
25 extended filing month, or \$1, whichever is greater. From
26 February 1, 2008 through March 15, 2008, no penalty shall be

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1 imposed, or interest charged, with respect to any amount of
2 delinquent franchise taxes paid pursuant to the Franchise Tax
3 and License Fee Amnesty Act of 2007.

4 (g) Any corporation, domestic or foreign, failing to pay
5 the prescribed fee for assumed corporate name renewal when due
6 and payable shall be given notice of nonpayment by the
7 Secretary of State by regular mail; and if the fee together
8 with a penalty fee of \$5 is not paid within 90 days after the
9 notice is mailed, the right to use the assumed name shall
10 cease.

11 (h) Any corporation which (i) puts forth any sign or
12 advertisement, assuming any name other than that by which it is
13 incorporated or otherwise authorized by law to act or (ii)
14 violates Section 3.25, shall be guilty of a Class C misdemeanor
15 and shall be deemed guilty of an additional offense for each
16 day it shall continue to so offend.

17 (i) Each corporation, domestic or foreign, that fails or
18 refuses (1) to answer truthfully and fully within the time
19 prescribed by this Act interrogatories propounded by the
20 Secretary of State in accordance with this Act or (2) to
21 perform any other act required by this Act to be performed by
22 the corporation, is guilty of a Class C misdemeanor.

23 (j) Each corporation that fails or refuses to file articles
24 of revocation of dissolution within the time prescribed by this
25 Act is subject to a penalty for each calendar month or part of
26 the month that it is delinquent in the amount of \$50.

1 (Source: P.A. 95-233, eff. 8-16-07; 95-707, eff. 1-11-08;
2 96-1121, eff. 1-1-11.)

3 Section 30-75. The Limited Liability Company Act is amended
4 by changing Section 50-10 as follows:

5 (805 ILCS 180/50-10)

6 (Text of Section before amendment by P.A. 99-637)

7 Sec. 50-10. Fees.

8 (a) The Secretary of State shall charge and collect in
9 accordance with the provisions of this Act and rules
10 promulgated under its authority all of the following:

11 (1) Fees for filing documents.

12 (2) Miscellaneous charges.

13 (3) Fees for the sale of lists of filings and for
14 copies of any documents.

15 (b) The Secretary of State shall charge and collect for all
16 of the following:

17 (1) Filing articles of organization (domestic),
18 application for admission (foreign), and restated articles
19 of organization (domestic), ~~\$39~~ ~~\$500~~. Notwithstanding the
20 foregoing, the fee for filing articles of organization
21 (domestic), application for admission (foreign), and
22 restated articles of organization (domestic) in connection
23 with a limited liability company with ability to establish
24 series pursuant to Section 37-40 of this Act is ~~\$59~~ ~~\$750~~.

*Some
LLC Fees ↓*

1 (2) Filing articles of amendment or an amended
2 application for admission, \$150.

3 (3) Filing articles of dissolution or application for
4 withdrawal, \$100.

5 (4) Filing an application to reserve a name, \$300.

6 (5) Filing a notice of cancellation of a reserved name,
7 \$100.

8 (6) Filing a notice of a transfer of a reserved name,

9 \$100.

10 (7) Registration of a name, \$300.

11 (8) Renewal of registration of a name, \$100.

12 (9) Filing an application for use of an assumed name
13 under Section 1-20 of this Act, \$150 for each year or part
14 thereof ending in 0 or 5, \$120 for each year or part

~~15 thereof ending in 1 or 6, \$90 for each year or part thereof~~

16 ending in 2 or 7, \$60 for each year or part thereof ending
17 in 3 or 8, \$30 for each year or part thereof ending in 4 or
18 9, and a renewal for each assumed name, \$150.

19 (10) Filing an application for change or cancellation
20 of an assumed name, \$100.

21 (11) Filing an annual report of a limited liability
22 company or foreign limited liability company, \$250, if
23 filed as required by this Act, plus a penalty if
24 delinquent. Notwithstanding the foregoing, the fee for
25 filing an annual report of a limited liability company or
26 foreign limited liability company with ability to

*annual LLC
Fee
unchanged*

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1 establish series is \$250 plus \$50 for each series for which
2 a certificate of designation has been filed pursuant to
3 Section 37-40 of this Act and active on the last day of the
4 third month preceding the company's anniversary month,
5 plus a penalty if delinquent.

6 (12) Filing an application for reinstatement of a
7 limited liability company or foreign limited liability
8 company \$500.

9 (13) Filing Articles of Merger, \$100 plus \$50 for each
10 party to the merger in excess of the first 2 parties.

11 (14) Filing an Agreement of Conversion or Statement of
12 Conversion, \$100.

13 (15) Filing a statement of change of address of
14 registered office or change of registered agent, or both,
15 or filing a statement of correction, \$25.

16 (16) Filing a petition for refund, \$15.

17 (17) Filing any other document, \$100.

18 (18) Filing a certificate of designation of a limited
19 liability company with the ability to establish series

20 pursuant to Section 37-40 of this Act, \$50.

21 (c) The Secretary of State shall charge and collect all of
22 the following:

23 (1) For furnishing a copy or certified copy of any
24 document, instrument, or paper relating to a limited
25 liability company or foreign limited liability company, or
26 for a certificate, \$25.

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1 (2) For the transfer of information by computer process
2 media to any purchaser, fees established by rule.

3 (Source: P.A. 97-839, eff. 7-20-12.)

4 (Text of Section after amendment by P.A. 99-637)
5 Sec. 50-10. Fees.

6 (a) The Secretary of State shall charge and collect in
7 accordance with the provisions of this Act and rules
8 promulgated under its authority all of the following:

9 (1) Fees for filing documents.

10 (2) Miscellaneous charges.

11 (3) Fees for the sale of lists of filings and for
12 copies of any documents.

13 (b) The Secretary of State shall charge and collect for all
14 of the following:

15 (1) Filing articles of organization (domestic),
16 application for admission (foreign), and restated articles
17 of organization (domestic), ~~\$39~~ ~~\$500~~. Notwithstanding the
18 foregoing, the fee for filing articles of organization
19 (domestic), application for admission (foreign), and
20 restated articles of organization (domestic) in connection
21 with a limited liability company with a series or the
22 ability to establish a series pursuant to Section 37-40 of
23 this Act is ~~\$59~~ ~~\$750~~.

24 (2) Filing amendments (domestic or foreign), \$150.

25 (3) Filing a statement of termination or application

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for withdrawal, \$25.

2 (4) Filing an application to reserve a name, \$300.

3 (5) Filing a notice of cancellation of a reserved name,
4 \$100.

5 (6) Filing a notice of a transfer of a reserved name,
6 \$100.

7 (7) Registration of a name, \$300.

8 (8) Renewal of registration of a name, \$100.

9 (9) Filing an application for use of an assumed name
10 under Section 1-20 of this Act, \$150 for each year or part
11 thereof ending in 0 or 5, \$120 for each year or part
12 thereof ending in 1 or 6, \$90 for each year or part thereof
13 ending in 2 or 7, \$60 for each year or part thereof ending
14 in 3 or 8, \$30 for each year or part thereof ending in 4 or
15 9, and a renewal for each assumed name, \$150.

16 (10) Filing an application for change or cancellation
17 of an assumed name, \$100.

18 (11) Filing an annual report of a limited liability
19 company or foreign limited liability company, \$250, if
20 filed as required by this Act, plus a penalty if
21 delinquent. Notwithstanding the foregoing, the fee for
22 filing an annual report of a limited liability company or
23 foreign limited liability company is \$250 plus \$50 for each
24 series for which a certificate of designation has been
25 filed pursuant to Section 37-40 of this Act and is in
26 effect on the last day of the third month preceding the

1 company's anniversary month, plus a penalty if delinquent.

2 (12) Filing an application for reinstatement of a
3 limited liability company or foreign limited liability
4 company \$500.

5 (13) Filing articles of merger, \$100 plus \$50 for each
6 party to the merger in excess of the first 2 parties.

7 (14) Filing articles of conversion, \$100.

8 (15) Filing a statement of change of address of
9 registered office or change of registered agent, or both,
10 or filing a statement of correction, \$25.

11 (16) Filing a petition for refund, \$15.

12 (17) Filing a certificate of designation of a limited
13 liability company with a series pursuant to Section 37-40
14 of this Act, \$50.

15 (18) Filing articles of domestication, \$100.

16 (19) Filing, amending, or cancelling a statement of
17 authority, \$50.

18 (20) Filing, amending, or cancelling a statement of
19 denial, \$10.

20 (21) Filing any other document, \$100.

21 (c) The Secretary of State shall charge and collect all of
22 the following:

23 (1) For furnishing a copy or certified copy of any
24 document, instrument, or paper relating to a limited
25 liability company or foreign limited liability company, or
26 for a certificate, \$25.

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1 (2) For the transfer of information by computer process
2 media to any purchaser, fees established by rule.

3 (Source: P.A. 99-637, eff. 7-1-17.)

4 ARTICLE 95. NO ACCELERATION OR DELAY

5 Section 95-995. No acceleration or delay. Where this Act
6 makes changes in a statute that is represented in this Act by
7 text that is not yet or no longer in effect (for example, a
8 Section represented by multiple versions), the use of that text
9 does not accelerate or delay the taking effect of (i) the
10 changes made by this Act or (ii) provisions derived from any
11 other Public Act.

12 ARTICLE 99. EFFECTIVE DATE

13 Section 99-999. Effective date. This Act takes effect upon
14 becoming law, but this Act does not take effect at all unless
15 Senate Bills 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, and 13 of the
16 100th General Assembly become law."

*Linkage to
other bills*