

# SB2097



## 104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2097

Introduced 2/6/2025, by Sen. Erica Harriss

### SYNOPSIS AS INTRODUCED:

35 ILCS 5/246 new

Amends the Illinois Income Tax Act. Creates an income tax credit in an amount equal to the foster care expenses, not to exceed \$1,000 in any taxable year, paid or incurred by the taxpayer with respect to a qualified dependent child. Provides that the credit may be prorated. Effective immediately.

LRB104 09844 HLH 19912 b

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  
5 adding Section 246 as follows:

6 (35 ILCS 5/246 new)

7 Sec. 246. Foster care credit.

8 (a) For taxable years beginning on or after January 1,  
9 2025, there shall be allowed a credit against the tax imposed  
10 by subsections (a) and (b) of Section 201 of this Act in an  
11 amount equal to the foster care expenses paid or incurred, not  
12 to exceed \$1,000 in any taxable year, for each qualifying  
13 dependent child legally cared for by the foster care parent in  
14 Illinois. The tax credit under this Section may be claimed for  
15 the taxable year in which the foster care parent becomes the  
16 legal guardian of a foster child. The taxpayer must be under  
17 contract with the Department of Children and Family Services  
18 and providing care to the qualifying dependent child for at  
19 least 6 months during the taxable year to receive the full  
20 credit. If the taxpayer is under contract with the Department  
21 of Children and Family Services and providing care to the  
22 qualifying dependent child for less than 6 months during the  
23 taxable year, then the taxpayer is entitled to a credit in an

1 amount equal to: the lesser of (i) the foster care expenses  
2 paid or incurred by the taxpayer or (ii) \$1,000; multiplied by  
3 a fraction the numerator of which is the number of days during  
4 the taxable year during which the taxpayer is under contract  
5 with the Department of Children and Family Services and  
6 providing care to the qualifying dependent child and the  
7 denominator of which is 365.

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

17 (c) The Department of Children and Family Services, in  
18 collaboration with the Department of Revenue, shall adopt any  
19 necessary rules to implement this Section.

20 (d) As used in this Section, "qualifying dependent child"  
21 means a person who is an Illinois resident in the custody of  
22 the Department of Children and Family Services who is the  
23 foster child of the taxpayer seeking a credit under this  
24 Section.

25 (e) This Section is exempt from the provisions of Section  
26 250.

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