

1 AN ACT in relation to 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 adding Section 213 as follows:

6 (35 ILCS 5/213 new)

7 Sec. 213. Credit for certain real property donations.

8 (a) Any corporate taxpayer that makes a qualified
9 donation of an interest in real property located in Illinois
10 during the taxable year that is useful for public beach
11 access or use, public access to public waters or trails, fish
12 and wildlife conservation, or other similar land conservation
13 purposes is allowed a credit against the tax imposed by
14 subsections (a) and (b) of Section 201 equal to 25% of the
15 fair market value of the donated property interest.

16 To be eligible for this credit, the interest in real
17 property must be donated to and accepted by either the State,
18 a unit of local government, or a body that is both organized
19 to receive and administer lands for conservation purposes and
20 qualified to receive charitable contributions under Illinois
21 law. Lands required to be dedicated pursuant to local
22 governmental regulation or ordinance and dedications made to
23 increase building density levels permitted under a regulation
24 or ordinance are not eligible for this credit. The credit
25 allowed under this subsection (a) may not exceed \$500,000.
26 To support the credit allowed under this subsection (a), the
27 taxpayer must file with its income tax return, for the
28 taxable year in which the credit is claimed, a certification
29 by the Department of Natural Resources that the property
30 donated is suitable for one or more of the valid public
31 benefits set forth in this subsection (a).

1 (1) The credit allowed by this subsection (a) may
2 not exceed the amount of tax imposed by subsections (a)
3 and (b) of Section 201 for the taxable year reduced by
4 the sum of all credits allowed, except payments of tax
5 made by or on behalf of the taxpayer.

6 (2) Any unused portion of this credit may be
7 carried forward for the next succeeding 5 years. The
8 credit shall be applied to the earliest year for which
9 there is a tax liability. If there are credits from more
10 than one tax year that are available to offset liability,
11 the earlier credit shall be applied first.

12 (b) An individual taxpayer who makes a qualified
13 donation of an interest in real property located in Illinois
14 during the taxable year that is useful for public beach
15 access or use, public access to public waters or trails, fish
16 and wildlife conservation, or other similar land conservation
17 purposes is allowed a credit against the tax imposed by
18 subsections (a) and (b) of Section 201 equal to 25% of the
19 fair market value of the donated property interest.

20 To be eligible for this credit, the interest in property
21 must be donated to and accepted by either the State, a unit
22 of local government, or a body that is both organized to
23 receive and administer lands for conservation purposes and
24 qualified to receive charitable contributions under Illinois
25 law. Lands required to be dedicated pursuant to local
26 governmental regulation or ordinance and dedications made to
27 increase building density levels permitted under a regulation
28 or ordinance are not eligible for this credit. The credit
29 allowed under this subsection (b) may not exceed \$250,000.
30 To support the credit allowed under this subsection (b), the
31 taxpayer must file with the income tax return for the taxable
32 year in which the credit is claimed a certification by the
33 Department of Natural Resources that the property donated is
34 suitable for one or more of the valid public benefits set

1 forth in this subsection (b).

2 (1) The credit allowed by this subsection (b) may
3 not exceed the amount of tax imposed by subsections (a)
4 and (b) of Section 201 for the taxable year reduced by
5 the sum of all credits allowed, except payments of tax
6 made by or on behalf of the taxpayer.

7 (2) Any unused portion of this credit may be
8 carried forward for the next succeeding 5 years. The
9 credit shall be applied to the earliest year for which
10 there is a tax liability. If there are credits from more
11 than one tax year that are available to offset liability,
12 the earlier credit shall be applied first.

13 (3) In the case of property owned by a married
14 couple, if both spouses are required to file Illinois
15 income tax returns, the credit allowed by this subsection
16 (b) may be claimed only if the spouses file a joint
17 return. If only one spouse is required to file an
18 Illinois income tax return, that spouse may claim the
19 credit allowed by this subsection (b) on a separate
20 return.