

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 Department of Commerce and Community  
5 Affairs Law of the Civil Administrative Code of Illinois is  
6 amended by adding Section 605-390 as follows:

7 (20 ILCS 605/605-390 new)

8 Sec. 605-390. Business losses due to terrorism. The  
9 Department shall determine whether a business has suffered a  
10 loss as a result of terrorism that makes the business  
11 eligible for a tax credit under Section 213 of the Illinois  
12 Income Tax Act. The Department shall provide application  
13 forms for business owners to apply for a certification of  
14 eligibility for the credit. The Department shall determine by  
15 rule what business losses qualify for certification of  
16 eligibility for the tax credit.

17 Section 10. The Illinois Income Tax Act is amended by  
18 adding Section 213 as follows:

19 (35 ILCS 5/213 new)

20 Sec. 213. Tax credit for business losses due to  
21 terrorism. For taxable years ending on or after December 31,  
22 2001 and on or before December 30, 2006, each taxpayer is  
23 entitled to a credit against the tax imposed by subsections  
24 (a), (b), (c), and (d) of Section 201 for business losses  
25 suffered in the taxable year as a result of terrorism. As  
26 used in this Section, "terrorism" means activities that  
27 involve a violent act or acts directed against United States  
28 residents that (i) are dangerous to human life and that would  
29 be a felony under the laws of the State of Illinois if

1 committed within the jurisdiction of the State of Illinois  
2 and (ii) are intended to intimidate or coerce a civilian  
3 population, influence the policy of a government by  
4 intimidation or coercion, or affect the conduct of government  
5 by assassination or kidnapping.

6 To be eligible for the credit a taxpayer must be  
7 certified as having eligible business losses by the  
8 Department of Commerce and Community Affairs. The taxpayer  
9 must apply for a certificate of eligibility to the Department  
10 of Commerce and Community Affairs on forms prescribed by the  
11 Department of Commerce and Community Affairs. The Department  
12 of Commerce and Community Affairs shall determine by rule  
13 what business losses qualify under this Section.

14 The credit shall be equal to 25% of the taxpayer's tax  
15 liability for the taxable year.

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