

1 AN ACT in relation to unemployment insurance.

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

4 Section 5. The Unemployment Insurance Act is amended by  
5 changing Section 235 as follows:

6 (820 ILCS 405/235) (from Ch. 48, par. 345)

7 Sec. 235. The term "wages" does not include:

8 A. That part of the remuneration which, after  
9 remuneration equal to \$6,000 with respect to employment has  
10 been paid to an individual by an employer during any calendar  
11 year after 1977 and before 1980, is paid to such individual  
12 by such employer during such calendar year; and that part of  
13 the remuneration which, after remuneration equal to \$6,500  
14 with respect to employment has been paid to an individual by  
15 an employer during each calendar year 1980 and 1981, is paid  
16 to such individual by such employer during that calendar  
17 year; and that part of the remuneration which, after  
18 remuneration equal to \$7,000 with respect to employment has  
19 been paid to an individual by an employer during the calendar  
20 year 1982 is paid to such individual by such employer during  
21 that calendar year.

22 With respect to the first calendar quarter of 1983, the  
23 term "wages" shall include only the remuneration paid to an  
24 individual by an employer during such quarter with respect to  
25 employment which does not exceed \$7,000. With respect to the  
26 three calendar quarters, beginning April 1, 1983, the term  
27 "wages" shall include only the remuneration paid to an  
28 individual by an employer during such period with respect to  
29 employment which when added to the "wages" (as defined in the  
30 preceding sentence) paid to such individual by such employer  
31 during the first calendar quarter of 1983, does not exceed

1 \$8,000.

2 With respect to the calendar year 1984, the term "wages"  
3 shall include only the remuneration paid to an individual by  
4 an employer during that period with respect to employment  
5 which does not exceed \$8,000; with respect to calendar years  
6 1985, 1986 and 1987, the term "wages" shall include only the  
7 remuneration paid to such individual by such employer during  
8 that calendar year with respect to employment which does not  
9 exceed \$8,500.

10 With respect to the calendar years 1988 through 2003 and  
11 calendar year 2005 and each calendar year thereafter, the  
12 term "wages" shall include only the remuneration paid to an  
13 individual by an employer during that period with respect to  
14 employment which does not exceed \$9,000.

15 With respect to the calendar year 2004, the term "wages"  
16 shall include only the remuneration paid to an individual by  
17 an employer during that period with respect to employment  
18 which does not exceed \$10,000. The remuneration paid to an  
19 individual by an employer with respect to employment in  
20 another State or States, upon which contributions were  
21 required of such employer under an unemployment compensation  
22 law of such other State or States, shall be included as a  
23 part of the remuneration equal to \$6,000, \$6,500, \$7,000,  
24 \$8,000, \$8,500, \$9,000, or \$10,000, as the case may be,  
25 herein referred to. For the purposes of this subsection, any  
26 employing unit which succeeds to the organization, trade, or  
27 business, or to substantially all of the assets of another  
28 employing unit, or to the organization, trade, or business,  
29 or to substantially all of the assets of a distinct severable  
30 portion of another employing unit, shall be treated as a  
31 single unit with its predecessor for the calendar year in  
32 which such succession occurs, and any employing unit which is  
33 owned or controlled by the same interests which own or  
34 control another employing unit shall be treated as a single

1 unit with the unit so owned or controlled by such interests  
2 for any calendar year throughout which such ownership or  
3 control exists. This subsection applies only to Sections  
4 1400, 1405A, and 1500.

5 B. The amount of any payment (including any amount paid  
6 by an employer for insurance or annuities, or into a fund, to  
7 provide for any such payment), made to, or on behalf of, an  
8 individual or any of his dependents under a plan or system  
9 established by an employer which makes provision generally  
10 for individuals performing services for him (or for such  
11 individuals generally and their dependents) or for a class or  
12 classes of such individuals (or for a class or classes of  
13 such individuals and their dependents), on account of (1)  
14 sickness or accident disability (except those sickness or  
15 accident disability payments which would be includable as  
16 "wages" in Section 3306(b)(2)(A) of the Federal Internal  
17 Revenue Code of 1954, in effect on January 1, 1985, such  
18 includable payments to be attributable in such manner as  
19 provided by Section 3306(b) of the Federal Internal Revenue  
20 Code of 1954, in effect on January 1, 1985), or (2) medical  
21 or hospitalization expenses in connection with sickness or  
22 accident disability, or (3) death.

23 C. Any payment made to, or on behalf of, an employee or  
24 his beneficiary which would be excluded from "wages" by  
25 subparagraph (A), (B), (C), (D), (E), (F) or (G), of Section  
26 3306(b)(5) of the Federal Internal Revenue Code of 1954, in  
27 effect on January 1, 1985.

28 D. The amount of any payment on account of sickness or  
29 accident disability, or medical or hospitalization expenses  
30 in connection with sickness or accident disability, made by  
31 an employer to, or on behalf of, an individual performing  
32 services for him after the expiration of six calendar months  
33 following the last calendar month in which the individual  
34 performed services for such employer.

1           E. Remuneration paid in any medium other than cash by an  
2     employing unit to an individual for service in agricultural  
3     labor as defined in Section 214.

4           F. The amount of any supplemental payment made by an  
5     employer to an individual performing services for him, other  
6     than remuneration for services performed, under a shared work  
7     plan approved by the Director pursuant to Section 407.1.

8           G. The amount of remuneration received by an individual  
9     for service as an election judge.

10    (Source: P.A. 90-554, eff. 12-12-97; 91-342, eff. 7-29-99.)

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