

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 Illinois Income Tax Act is amended by
5 changing Section 212 as follows:

6 (35 ILCS 5/212)

7 (Section scheduled to be repealed on June 1, 2003)

8 Sec. 212. Earned income tax credit.

9 (a) With respect to the federal earned income tax credit
10 allowed for the taxable year under Section 32 of the federal
11 Internal Revenue Code, 26 U.S.C. 32, each individual taxpayer
12 is entitled to a credit against the tax imposed by
13 subsections (a) and (b) of Section 201 in an amount equal to
14 5% of the federal tax credit for each taxable year beginning
15 on or after January 1, 2000 and ending on or before December
16 31, 2001 2002. With respect to the federal earned income tax
17 credit allowed for the taxable year under Section 32 of the
18 federal Internal Revenue Code, 26 U.S.C. 32, each individual
19 taxpayer is entitled to a credit against the tax imposed by
20 subsections (a) and (b) of Section 201 in an amount equal to
21 10% of the federal tax credit for each taxable year beginning
22 on or after January 1, 2002.

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

26 (b) If the amount of the credit exceeds the tax
27 liability for the year, then the excess credit shall be
28 refunded to the taxpayer. The amount of a refund shall not
29 be included in the taxpayer's income or resources for the
30 purposes of determining eligibility or benefit level in any
31 means-tested benefit program administered by a governmental

1 entity unless required by federal law. In no event shall a
2 credit under this Section reduce the taxpayer's liability to
3 less than zero.

4 (c) This Section is exempt from the provisions of
5 Section 250 repealed on June 17, 2003.

6 (Source: P.A. 91-700, eff. 5-11-00.)

7 Section 99. Effective date. This Act takes effect upon
8 becoming law.