

IL S 3359, Introduced

Illinois

SUMMARY: Amends the Income Tax Act; provides that, upon the transfer of a film production services credit, the taxpayer shall pay to the Department of Commerce and Economic Opportunity 1.5% of the credit amount, which shall be deposited into the Film Workforce Training and Diversity Fund; amends the State Finance Act to create the Film Workforce Training and Diversity Fund; provides that moneys in the Fund shall be used to provide grants to certain organizations and institutions to administer workforce development/.

Legislative History and Analysis Changes in Bill text reflected as:

~~Text Deleted~~

Text Added

~~Text Vetoed~~

Current Legislative Status 02/14/2020 INTRODUCED.

02/14/2020 To SENATE Committee on ASSIGNMENTS.

session: Illinois 101st General Assembly cite: 2019 IL S 3359

Introduced February 14, 2020 Sims

101ST GENERAL ASSEMBLY

State of Illinois 2019 and 2020 SB3359

Introduced 2/11/2020, by Sen. Elgie R. Sims, Jr. SYNOPSIS AS INTRODUCED:

35 ILCS 5/213

30 ILCS 105/5.930 new

30 ILCS 105/6z-114 new

Amends the Illinois Income Tax Act. Provides that, upon the transfer of a film production services credit, the taxpayer shall pay to the Department of Commerce and Economic Opportunity 1.5% of the credit amount, which shall be deposited into the Film Workforce Training and Diversity Fund. Amends the State Finance Act to create the Film Workforce Training and Diversity Fund. Provides that moneys in the Fund shall be used to provide grants to certain organizations and institutions to administer workforce development and training programs that support efforts to recruit, hire, promote, retain, develop, and train a diverse and inclusive workforce in the film industry. Effective immediately.

FISCAL NOTE ACT MAY APPLY A BILL FOR

AN ACT concerning revenue.

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

Section 5. The Illinois Income Tax Act is amended by changing Section 213 as follows:

(35 ILCS 5/213)

Sec. 213. Film production services credit. For tax years beginning on or after January 1, 2004, a taxpayer who has been awarded a tax credit under the Film Production Services Tax Credit Act or under the Film Production Services Tax Credit Act of 2008 is entitled to a credit against the taxes imposed under subsections (a) and (b) of Section 201 of this Act in an amount determined by the Department of Commerce and Economic Opportunity under those Acts. If the taxpayer is a partnership or Subchapter S corporation, the credit is allowed to the partners or shareholders in accordance with the determination of income and distributive share of income under Sections 702 and 704 and Subchapter S of the Internal Revenue Code.

A transfer of this credit may be made by the taxpayer earning the credit within one year after the credit is awarded in accordance with rules adopted by the Department of Commerce and Economic Opportunity. ***Beginning July 1, 2020, if a credit is transferred under this Section by the taxpayer, then the transferor taxpayer shall pay to the Department 1.5% of the credit amount, which shall be deposited into the Film Workforce Training and Diversity Fund.***

The Department, in cooperation with the Department of Commerce and Economic Opportunity, must prescribe rules to enforce and administer the provisions of this Section. This Section is exempt from the provisions of Section 250 of this Act.

The credit may not be carried back. If the amount of the credit exceeds the tax liability for the year, the excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a tax liability. If there are credits from more than one tax year that are available to offset a liability, the earlier credit shall be applied first. In no event shall a credit under this Section reduce the taxpayer's liability to less than zero.

(Source: P.A. 94-171, eff. 7-11-05; 95-720, eff. 5-27-08.)

Section 10. The State Finance Act is amended by adding Sections 5.930 and 6z-114 as follows:

(30 ILCS 105/5.930 new)

Sec. 5.930. The Film Workforce Training and Diversity Fund.

(30 ILCS 105/6z-114 new)

Sec. 6z-114. The Film Workforce Training and Diversity Fund.

The Film Workforce Training and Diversity Fund is created as a special fund in the State treasury. Beginning July 1, 2020, amounts paid to the Department of Commerce and Economic

Opportunity upon the transfer of a film production services credit shall be deposited into the Fund. The Fund shall be used exclusively to provide grants to community-based organizations, labor organizations, private and public universities, community colleges, and other organizations and institutions as deemed appropriate by the Department of Commerce and Economic Opportunity to administer workforce development and training programs that support efforts to recruit, hire, promote, retain, develop, and train a diverse and inclusive workforce in the film industry.

The Department of Commerce and Economic Opportunity may adopt rules necessary to administer the provisions of this Section.

Notwithstanding any other law to the contrary, the Film Workforce Training and Diversity Fund is not subject to sweeps, administrative charge-backs, or any other fiscal or budgetary maneuver that would in any way transfer any amounts from the Film Workforce Training and Diversity Fund.

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