

# AN ACT TO AMEND THE “ILLINOIS INCOME TAX ACT” RELATING TO THE UNIVERSAL CHARITABLE CREDIT.

## 1 SYNOPSIS AS INTRODUCED:

2  
3 35 ILCS 5/211.5

4 Amends the [Illinois Income Tax Act](#) by establishing Section 211.5 which creates a credit  
5 against the income tax liability to permit taxpayers to direct a portion of their state  
6 income tax liability to “qualified charitable organizations” designated exempt from  
7 federal income taxation under [section 501\(c\)\(3\) in the Internal Revenue Code](#). Effective  
8 immediately.

9  
10 FISCAL NOTE ACT MAY

11 APPLY

12  
13 A BILL FOR

14  
15 AN ACT concerning a universal income tax credit.

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

18 **Section 5.** The Illinois Income Tax Act is amended by adding Section 211.5 as  
19 follows:

20 [\(35 ILCS 5/211.5\)](#)

21 Sec. 211.5. Universal Charitable Credit

22 (a) Establishment. The Universal Charitable Credit is created to permit  
23 taxpayers to direct a portion of their state income tax liability to “qualified  
24 charitable organizations” designated exempt from federal income taxation

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1 under [section 501\(c\)\(3\) in the Internal Revenue Code](#).

2 (b) A credit is allowed against the taxes imposed by this title for voluntary  
3 cash contributions by the taxpayer or on the taxpayer's behalf during the  
4 taxable year to qualified charitable organizations not to exceed:

5 a. One thousand, one hundred twenty-five dollars in any  
6 taxable year for a taxpayer who files as: single individual, head  
7 of household or married filing separately.

8 b. Two thousand, two hundred fifty dollars in any taxable year  
9 for a married couple filing a joint return.

10 (c) The credit allowed by this section is in lieu of a deduction pursuant to  
11 [section 170 of the internal revenue code](#) and taken for state tax purposes.

12 (d) Taxpayers taking a credit authorized by this section shall provide the  
13 names of the qualifying charitable organizations and the amount of the  
14 contributions to the department of revenue on forms provided by the  
15 department.

16 (e) The department of revenue shall compile and make available to the  
17 public a list of qualified charitable organizations.

18 (f) For the purposes of this section:

19 a. "Qualified charitable organizations" means charitable organizations  
20 that are exempt from federal income taxation under [section 501\(c\)\(3\) of](#)  
21 [the internal revenue code](#), not under suspension per [section 501\(p\) of](#)  
22 [the internal revenue code](#), or revocation per the [Internal Revenue](#)  
23 [Bulletin](#) at the time of the contribution, incorporated in the State of

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1 Illinois, and in good standing with the Illinois Department of Revenue.

2 b. Taxpayers choosing to make voluntary cash contributions through  
3 an umbrella charitable organization that collects donations on behalf of  
4 member charities shall designate that the donations be directed only to  
5 member charitable organizations that would qualify under this section  
6 on a stand-alone basis.

7 (g) Carryover.

8 a. The allowable credit shall be applied against the qualified tax  
9 liability for the year in which it is claimed, but shall not exceed the  
10 total liability of the taxpayer for that year.

11 b. A credit granted under this article shall not be carried back or  
12 refunded.

13 (h) Notwithstanding any other provision of law, the department of  
14 revenue shall settle, assess or determine the tax of an applicant under this  
15 subsection within 90 days of the filing of all required final returns or  
16 reports in accordance with [Title 30 of the Illinois Code](#).

17 (i) Retroactivity. This act applies retroactively to taxable years beginning  
18 from and after December 31, 2016.”

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

20  
21 - END -  
22