

Credits – Other Rulings – General Information. Documentation required to support a claim for the credit for hiring unemployed veterans.

December 14, 2015

Re: Credit for Hiring Qualified Unemployed Veterans

Dear Xxxxx:

This is in response to your letter dated November 18, 2015, in which you request a letter ruling. The nature of your request and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 86 Ill. Adm. Code 1200.120(b) and (c), which may be found on the Department's web site at [www. tax.illinois.gov](http://www.tax.illinois.gov).

In your letter you have stated the following:

I am writing to request a General Information Letter for the Veterans Job Credit for "qualified unemployed veterans". We are seeking guidance on what documentation requirements the Department would consider sufficient for determining whether an employee is "unemployed" for purposes of this credit.

The Veterans Job Credit for "qualified unemployed veterans" requires that the veteran be "unemployed for an aggregate period for 4 weeks or more during the 6-week period ending on the Saturday immediately preceding the date he or she was hired by the taxpayer." 35 ILCS 5/217.1(a). Additionally, "a veteran is 'unemployed' for a week if he or she (i) has received unemployment benefits (as defined in Section 202 of the Unemployment Insurance Act, including but not limited to federally funded unemployment benefits) for the week, or (ii) has not been employed since being honorably discharged." 35 ILCS 5/217.1(b).

Can you provide any guidance regarding what information must be collected and retained by the taxpayer in order to support claiming this tax incentive? May taxpayer rely on a self-attestation provided by the employee that he or she has met the unemployment requirement for this tax credit? If verification by the state unemployment agency is required, can you please provide guidance on the process for requesting and receiving this information?

### **Response**

Section 217.1(b) of the Illinois Income Tax Act (35 ILCS 5/217.1) provides, in part:

A veteran is "unemployed" for a week if he or she (i) has received unemployment benefits (as defined in Section 202 of the Unemployment Insurance Act, including but not limited to federally funded unemployment benefits) for the week, or (ii) has not been employed since being honorably discharged.

No specific documentation or other form of proof that a veteran was "unemployed" under this definition is required by the Illinois Income Tax Act. As evidence that the veteran was receiving unemployment benefits, the veteran can obtain a history of payments received from the Illinois Department of Employment Security on:

[https://benefits.ides.illinois.gov/File4UI/Benefits/profile/responseHandlerAction.do?TAM\\_OP=login&USERNAME=unauthenticated&ERROR\\_CODE=0x00000000&URL=%2FFile4UI%2FBenefits%2Fpayments%2FdirectDeposit.do](https://benefits.ides.illinois.gov/File4UI/Benefits/profile/responseHandlerAction.do?TAM_OP=login&USERNAME=unauthenticated&ERROR_CODE=0x00000000&URL=%2FFile4UI%2FBenefits%2Fpayments%2FdirectDeposit.do)

As stated above, this is a general information letter which does not constitute a statement of policy that applies, interprets or prescribes the tax laws, and it is not binding on the Department. If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of Section 1200.110(b). If you have any further questions, you may contact me at (217) 782-2844.

Sincerely,

Paul S. Caselton  
Deputy General Counsel – Income Tax