

Form CD-1-X General Information

Who must file Form CD-1-X?

You must file Form CD-1-X if you filed Form CD-1, Cannabis Dispensary Tax Return, and you need to

- correct your return, either to pay more tax or to request a credit for overpaid tax;
- respond to a bill or notice; or
- make corrections to line items but not change the amount of tax due.

You must file a separate Form CD-1-X for each filing period you are amending. You cannot file a single CD-1-X to amend multiple filing periods.

Note: Form CD-1-X is only used to amend cannabis sales reported on Form CD-1. If you are filing the CD-1-X to amend your total receipts of cannabis sold, you must also file Form ST-1-X, Amended Sales and Use Tax and E911 Surcharge Return, to amend the corresponding Form ST-1.

Note: If you received a notice from us that your original return is unprocessable, we cannot process an amended return until you respond to the notice. Also, if you are requesting a credit, you will not be able to use it until we notify you that your credit has been approved.

What must I attach to this return?

If you are a business with more than one dispensary, you must attach Schedule CD-2, Sales and Use Tax Multiple Site Form for Cannabis Dispensaries, to calculate the Sales and Use Tax due on sales of adult use and medical cannabis from each dispensing site for your business during the filing period.

If you are a business with more than one dispensary and make sales of adult use cannabis, you must attach Schedule CD-3, Cannabis Purchaser Excise Tax Multiple Site Form for Cannabis Dispensaries, to report sales of adult use cannabis subject to Cannabis Purchaser Excise Tax from each dispensing site for your business during the filing period.

What if I do not attach all applicable schedules to this return?

We will consider your amended return unprocessable and will issue a notice to you if you do not attach all required supporting schedules.

What is the deadline for filing this form?

The period for which you can claim a credit for an overpayment of Cannabis Purchaser Excise Tax or Sales and Use Tax due on cannabis depends on when you file your Form CD-1-X. If you file this amended return between January 1 and June 30 of this year, you may file a claim for credit for the amounts you overpaid during the current year and previous 36 months. Beginning July 1, you may file a claim for the amounts you overpaid during the current year and previous 30 months.

Note: There is no deadline for making additional payments; however, the longer you wait to pay, the more interest and, when applicable, penalty you will owe.

Can I file Form CD-1-X and pay the tax due electronically?

Illinois law requires Form CD-1-X to be filed electronically and the tax to be paid electronically. You must use MyTax Illinois at mytax.illinois.gov to file your Form CD-1-X and pay any tax due. To request a waiver of the electronic payment mandate, complete Form IL-900-EW, Electronic Waiver Request, which is available from the Illinois Department of Revenue by request at **217 782-7897**, **1 800 732-8866**, or **217 782-3336**. If granted and unless renewed, this waiver shall not exceed two years.

What if I fail to file or pay the amount I owe?

You owe a **late-filing penalty** if you do not file a processable return by the due date, a **late-payment penalty** if you do not pay the amount you owe by the payment's due date, a **bad check penalty** if your remittance is not honored by your financial institution, and a **cost of collection fee** if you do not pay the amount you owe within 30 days of the date printed on a bill. Interest is calculated on tax from the day the payment was due through the date you pay the liability. We will bill you for penalty and interest. For more information, see Publication 103, Penalty and Interest for Illinois Taxes, which is available on our website at tax.illinois.gov.

In addition, you will not be entitled to any discounts. See 35 ILCS 120/3 and 410 ILCS 705/65-30 for more information.

What if I need help?

Visit our website at tax.illinois.gov, or call us weekdays between 8:00 a.m. and 4:00 p.m. at **217 782-6045**.

Specific Instructions

Complete the entire Form CD-1-X using figures as they should have been reported. If you are amending information for multiple dispensary sites, you must update Schedule(s) CD-2 and CD-3, as applicable.

When completing this form, you must round to the nearest whole dollar by dropping amounts of less than 50 cents and increasing amounts of 50 cents or more to the next dollar.

Step 1: Figure your Sales and Use Tax due on Cannabis

Part 1 - Figure your Sales and Use Tax taxable receipts

Note: For each line in Part 1, include amounts from all sites, if applicable.

Line 1 - Enter the total receipts from cannabis sold at retail before any deductions. Include both adult use cannabis and medical cannabis.

Line 2a - Enter the amount you refunded to customers returning cannabis products.

Line 2b - Enter the amount you collected from cannabis products you sold to someone who will resell the cannabis at retail. For each sale for resale you make, the buyer must give you an Illinois certificate of resale or have a blanket certificate of resale on file with you.

Line 2c - Enter the amount of taxes collected from sales of cannabis. Include all Sales and Use Tax and Cannabis Purchaser Excise Tax that you collected.

Line 2d - Describe any other deductions that you are claiming and enter the amount you are deducting.

Line 2 - Add Lines 2a, 2b, 2c and 2d. This is your total deductions from cannabis sold.

Line 3 - Subtract Line 2 from Line 1. This is your taxable receipts from cannabis sold.

Part 2 - Figure your Sales and Use Tax due on cannabis

Line 4a - Enter the total taxable receipts from adult use cannabis sold. This amount should reflect any deductions taken. For multiple site businesses, this amount should be the sum of Line 4a totals on all Schedules CD-2. (See CD-2 instructions for more information).

Line 4 - Multiply Line 4a by the correct tax rate. For multiple site businesses, this amount should be the sum of Line 4 totals on all Schedules CD-2. (See CD-2 instructions for more information).

Line 5a - Enter the total taxable receipts from medical cannabis sold. This amount should reflect any deductions taken. For multiple site businesses, this amount should be the sum of Line 5a totals on all Schedules CD-2. (See CD-2 instructions for more information).

Line 5 - Multiply Line 5a by the correct tax rate. For multiple site businesses, this amount should be the sum of Line 5 totals on all Schedules CD-2. (See CD-2 instructions for more information).

Note: The sum of Lines 4a and 5a should equal the amount on Line 3.

Line 6 - Add Lines 4 and 5. This is your Sales and Use Tax due on receipts.

Line 7 - Complete this line **only if** you filed your original return and paid the tax owed by the due date. If you filed and paid on time, figure your discount at the rate of 1.75 percent (.0175) of the amount you paid on time.

If you are increasing the amount of tax due, you **may not** increase the amount of your discount **unless** the increased tax due was paid on or before the due date of the original return.

If you are decreasing the amount of tax due, you **will need** to recalculate the amount of discount to which you are entitled based on your new figures.

Line 8 - Subtract Line 7 from Line 6. This is your net Sales and Use Tax due on receipts.

Step 2: Figure your Cannabis Purchaser Excise Tax

Note: Do not include medical cannabis sales.

Part 1 - Figure your Cannabis Purchaser Excise Tax taxable receipts

Note: For each line in Part 1, include amounts from all sites, if applicable.

Line 9 - Enter the total receipts from adult use cannabis sold at retail before any deductions. Do not include medical cannabis.

Line 10a - Enter the amount you refunded for returned adult use cannabis products.

Line 10b - Enter the amount you collected from adult use cannabis products you sold to someone who will resell the cannabis at retail. For each sale for resale you make, the buyer must give you an Illinois certificate of resale or have a blanket certificate of resale on file with you.

Line 10c - Enter the amount of taxes collected from sales of adult use cannabis. Include all Sales and Use Tax and Cannabis Purchaser Excise Tax that you collected.

Line 10d - Describe any other deductions that you are claiming and enter the amount you are deducting.

Line 10 - Add Lines 10a, 10b, 10c and 10d. This is your total deductions from adult use cannabis sold.

Line 11 - Subtract Line 10 from Line 9. This is your taxable receipts from adult use cannabis sold.

Part 2 - Cannabis Purchaser Excise Tax due on adult use cannabis

Line 12a - Enter the total taxable receipts from adult use cannabis sold with 35 percent THC or less. This amount should reflect any deductions taken. For multiple site businesses, this amount should be the sum of Line 12a totals on all Schedules CD-3. (See CD-3 instructions for more information).

Line 12 - Multiply Line 12a by 10 percent (.10).

Line 13a - Enter the total taxable receipts from adult use cannabis sold with greater than 35 percent THC. This amount should reflect any deductions taken. For multiple site businesses, this amount should be the sum of Line 13a totals on all Schedules CD-3. (See CD-3 instructions for more information).

Line 13 - Multiply Line 13a by 25 percent (.25).

Line 14a - Enter the total taxable receipts from adult use cannabis infused products sold. This amount should reflect any deductions taken. For multiple site businesses, this amount should be the sum of Line 14a totals on all Schedules CD-3. (See CD-3 instructions for more information).

Line 14 - Multiply Line 14a by 20 percent (.20).

Note: The sum of Lines 12a, 13a and 14a should equal the amount on Line 11.

Line 15 - Add Lines 12, 13 and 14. This is your Cannabis Purchaser Excise Tax due.

Line 16 - Complete this line **only if** you filed your original return and paid the tax owed by the due date. If you filed and paid on time, your discount is the lesser of 1.75 percent (.0175) of the amount you paid on time or \$1,000.00.

If you are increasing the amount of tax due, you **may not** increase the amount of your discount **unless** the increased tax due was paid on or before the due date of the original return.

If you are decreasing the amount of tax due, you **will need** to recalculate the amount of discount to which you are entitled based on your new figures.

Note: The discount is only valid for electronically filed returns and electronic payments, unless a payment waiver is in place.

Line 17 - Subtract Line 16 from Line 15. This is your net Cannabis Purchaser Excise Tax due.

Step 3: Figure your total tax and payment due.

Line 18 - Add Lines 8 and 17. This is your combined tax due.

Line 19 - Enter the sum of all quarter-monthly (accelerated) payments that were made for any quarter-month that falls in the filing period of this return.

Line 20 - Subtract Line 19 from Line 18. This is your tax due after quarter-monthly payments.

Line 21 - If you collected more Sales and Use Tax than is due, enter the amount of excess Sales and Use Tax that was collected.

Line 22 - If you collected more Cannabis Purchase Excise Tax than is due, enter the amount of excess Cannabis Purchase Excise Tax that was collected.

Line 23 - Add Lines 20, 21 and 22. This is your total tax due.

Line 24 - If you have a credit memorandum or prior overpayment and you wish to use it toward what you owe, enter the amount you are using.

Line 25 - Subtract Line 24 from Line 23. This is your net tax due.

Line 26 - Enter the total amount paid for this filing period. This figure includes the amount you paid with your original return, any subsequent amended return(s), and any assessment payments you have made. This figure should **not** include any quarter-monthly payments made for this filing period that are included on Line 19. Be sure to reduce the total amount you have paid by any credit or refund of tax you have received for this filing period.

Line 27 - If Line 26 is **greater than** Line 25, enter the difference on Line 27. This is the amount you have overpaid.

Line 28 - If Line 26 is **less than** Line 25, enter the difference on Line 28. This is the amount you have underpaid. Pay this amount when you file this return. We will bill you for any additional tax, penalty, and interest that is due. See Publication 103, Penalties and Interest for Illinois Taxes, for more information.

Step 4: Mark the reason you are filing this amended return

Mark the best description of why you are completing Form CD-1-X. Also, provide any correct information (if applicable).

Note: If you mark "other", and you are a party to a civil suit involving the amount claimed on this return, enter the name of the suit on the line provided.