

**Illinois Department of Revenue
Regulations**

Title 86 Part 195 Section 125 FILING OF RETURNS

**TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUE**

**PART 195
PARKING EXCISE TAX**

Section 195.125 Filing of Returns

- a) Except as otherwise provided in this Section, *on or before the last day of each calendar month, every operator engaged in the business of providing to purchasers parking areas and garages in this State during the preceding calendar month shall file a return with the Department stating:*
- 1) *the name of the operator;*
 - 2) *the address of its principal place of business;*
 - 3) *the total amount of receipts received by the operator during the preceding calendar month for sales of parking spaces to purchasers in parking areas or garages;*
 - 4) *deductions allowed by law;*
 - 5) *the total amount of receipts received by the operator during the preceding calendar month or period upon which the tax was computed;*
 - 6) *the amount of tax due; and*
 - 7) *such other reasonable information as the Department may require.*
- b) *If an operator ceases to engage in the kind of business that makes it responsible for filing returns under the Act, then that operator shall file a final return under the Act with the Department on or before the last day of the month after discontinuing that business.*
- c) *All returns required to be filed and payments required to be made under the Act shall be by electronic means. Taxpayers who demonstrate hardship in filing or paying electronically may petition the Department to waive the electronic filing or payment requirement, or both.*

- d) *If the same person has more than one business registered with the Department under separate registrations under the Act, that person shall not file each return that is due as a single return covering all such registered businesses but shall file separate returns for each such registered business. If the operator is a corporation, the return filed on behalf of that corporation shall be signed by the president, vice-president, secretary, or treasurer, or by a properly accredited agent of the corporation.* When an operator operates multiple parking areas or garages under one business registration, the operator shall file one return. Upon request of the Department, an operator must provide a list of all locations where the operator engages in the business of operating a parking area or garage.
- e) The operator filing the return under the Act shall, at the time of filing the return, pay to the Department the amount of tax imposed by the Act less a discount of 1.75%, not to exceed \$1,000 per month, which is allowed to reimburse the operator for the expenses incurred in keeping records, preparing and filing returns, remitting the tax, and supplying data to the Department on request. The discount is allowed for each return that is filed pursuant to the Act and is allowed only for returns that are filed in the manner required by subsection (c).
- f) *If the Department subsequently determines that all or any part of the credit taken was not actually due to the taxpayer, the taxpayer's discount shall be reduced by an amount equal to the difference between the discount as applied to the credit taken and that actually due, and that taxpayer shall be liable for penalties and interest on that difference* (Section 10-15 of the Act).
- g) Except as otherwise provided in subsection (k), each operator for the first year is required to file a return for each month, regardless of the fact that he or she may not have any tax liability to pay for that month. At the end of the first year, the Department will determine whether the taxpayer shall file on a quarterly or an annual basis, pursuant to subsections (h) and (i).
- h) If, after one year, the operator's average monthly tax liability to the Department does not exceed \$200, the Department will allow the operator's returns to be filed on a quarter annual basis, with: the return for January, February and March of a given year being due on or before the last day of April of that year; the return for April, May and June of a given year being due on or before the last day of July of that year; the return for July, August and September of a given year being due on or before the last day of October of that year; and the return for October, November and December of a given year being due on or before the last day of January of the following year. Quarter annual returns, as to form and substance, shall be subject to the same requirements as monthly returns. The Department will periodically review taxpayer information, including returns filed by the taxpayer, to determine if any changes have occurred that require the

taxpayer to file returns on other than a monthly or quarterly basis. If the Department determines that a change is required in filing frequency, it will notify the taxpayer of its determination.

- i) If, after one year, the operator's average monthly tax liability with the Department does not exceed \$50, the Department will allow the operator's returns to be filed on an annual basis, with the return for a given year being due on or before the last day of January of the following year. Annual returns, as to form and substance, shall be subject to the same requirements as monthly returns. The Department will periodically review taxpayer information, including returns filed by the taxpayer, to determine if any changes have occurred that require the taxpayer to file returns on other than a quarterly basis. If the Department determines that a change is required in filing frequency, it will notify the taxpayer of its determination.
- j) Beginning January 1, 2021, if the taxpayer's average monthly tax liability to the Department under the Act was \$20,000 or more during the preceding 4 complete calendar quarters, he or she shall file a return with the Department each month by the last day of the month next following the month during which the tax liability is incurred and shall make payment to the Department on or before the 7th, 15th, 22nd and last day of the month during which the liability is incurred. Each payment shall be in an amount equal to 22.5% of the taxpayer's actual liability for the month or 25% of the taxpayer's liability for the same calendar month of the preceding year. The amount of the quarter monthly payments shall be credited against the final tax liability of the taxpayer's return for that month filed under this Section. Once applicable, the requirement of the making of quarter monthly payments to the Department pursuant to this Section shall continue until the taxpayer's average monthly prepaid tax collections during the preceding 4 complete calendar quarters (excluding the month of highest liability and the month of lowest liability) is less than \$19,000 or until the taxpayer's average monthly liability to the Department, as computed for each calendar quarter of the 4 preceding complete calendar quarters, is less than \$20,000. If any such quarter monthly payment is not paid at the time or in the amount required, the taxpayer shall be liable for penalties and interest on the difference, except insofar as the taxpayer has previously made payments for that month in excess of the minimum payments previously due.
- k) An operator that will rent parking spaces in a parking area or garage for 14 days or less in a calendar year may file returns and remit tax on an annual basis.

(SOURCE: Adopted at 44 Ill. Reg.9222, effective May 13, 2020.)