

**Illinois Department of Revenue
Regulations**

Title 86 Part 200 Section 200.137 Settlements

TITLE 86: REVENUE

**PART 200
PRACTICE AND PROCEDURE FOR HEARINGS BEFORE
THE ILLINOIS DEPARTMENT OF REVENUE**

Section 200.137 Settlements

- a) Once a protest and request for hearing has been filed, all offers made by taxpayers or their duly authorized representatives for the purpose of settling either all or some part of an outstanding dispute regarding any assessed liability, proposed deficiency or claim for credit or refund must be made in the manner and with the information indicated in subsection (e), below. Additional information may be tendered to the extent it may assist the Department in evaluating the proposal.
- b) Offers shall be made only to the litigator representing the Department on a specific case. If no litigator is assigned, an offer should be made either to the litigation supervisor of the particular tax section or, if unavailable, to the Chief of Tax Litigation. Settlement proposals made by purported representatives without requisite authority on file (i.e., Power of Attorney and/or Appearance) will be rejected summarily. Offers may be made by non-attorney representatives, provided they conform to the provisions of this subsection (b) and subsections (e)(1) through (e)(7) below.
- c) The sole purpose of the format is to allow the Department to analyze the settlement offer and respond to it. Therefore, any statements made by a taxpayer on the settlement form will be considered to be made in the course of good faith negotiations and will not be admissible against the taxpayer in any proceeding.
- d) Any offer once received may be accepted, rejected or countered by the Department and the taxpayer or its representative shall be notified of such in writing.
- e) The minimum information to be supplied upon a settlement offer shall consist of the following:
 - 1) The name, address and telephone number of the person submitting the offer;
 - 2) The complete name, address and identification number (i.e., IBT, FEIN or SS) of the taxpayer(s) for whom the offer is being made;
 - 3) The docket number of the case or cases in the Office of Administrative Hearings to which the offer will pertain;
 - 4) The original amount of the liability/claim and penalty (the latter designated by type) and period involved for each taxpayer within a docketed case;

- 5) The issue or issues involved and whether they are non-recurring;
 - 6) A statement of whether the taxpayer is currently being audited and, if a corporation, whether its parent or subsidiaries are being audited. If such audit is taking place, the name of the related taxpayer and the status of the audit shall be disclosed;
 - 7) The terms of the settlement offer, including specific proposed net dollar amounts, identification of issues to be conceded by either party and the supporting rationale for acceptance of the settlement.
- f) Settlements offered subsequent to the issuance of a notice or order setting a case for hearing shall not be cause to delay the hearing unless, in the discretion of the Administrative Law Judge and on representation of the parties, the offer is likely to finally resolve the controversy at issue. In all other cases, settlement offers which have not been responded to or otherwise resolved within 90 days after being tendered, or within such final extension of time as may thereafter be granted by the presiding Administrative Law Judge, shall cause the case to be restored to the regular hearing calendar.

(Source: Added at 20 Ill. Reg. 888, effective January 1, 1996)