

**Illinois Department of Revenue
Regulations**

Title 86 Part 422 Section 115 Returns and Payment of Tax

**TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUE
PART 422
CANNABIS CULTIVATION PRIVILEGE TAX**

Section 422.115 Returns and Payment of Tax

- a) *Each person who is required to pay the Tax imposed by the Law shall make a return to the Department on or before the 20th day of each month for the preceding calendar month stating the following:*
- 1) *the taxpayer's name;*
 - 2) *the address of the taxpayer's principal place of business and the address of the principal place of business (if that is a different address) from which the taxpayer is engaged in the business of cultivating cannabis subject to the Tax;*
 - 3) *the total amount of receipts received by the taxpayer during the preceding calendar month, from sales of cannabis subject to the Tax, by the taxpayer during the preceding calendar month;*
 - 4) *the total amount received by the taxpayer during the preceding calendar month, on charge and time sales of cannabis subject to the Tax, by the taxpayer before the month for which the return is filed;*
 - 5) *deductions allowed by law;*
 - 6) *gross receipts that were received by the taxpayer during the preceding calendar month and upon the basis of which the Tax is imposed;*
 - 7) *the amount of Tax due;*
 - 8) *the signature of the taxpayer; and*
 - 9) *any other information the Department may reasonably require.*
- b) *All returns required to be filed and payments required to be made under the Law shall be by electronic means. Taxpayers who demonstrate hardship in*

paying electronically may petition the Department to waive the electronic payment requirement. Taxpayers may not petition the Department for a waiver of the requirement to file all returns by electronic means.

- c) *The taxpayer making the return provided for in this Section shall also pay to the Department, in accordance with this Section, the amount of Tax, less a discount of 1.75%, but not to exceed \$1,000 per return period, which is allowed to reimburse the taxpayer for the expenses incurred in keeping records, collecting Tax, preparing and filing returns, remitting the Tax, and supplying data to the Department upon request. No discount may be claimed by a taxpayer on returns not timely filed and for taxes not timely remitted. No discount may be claimed by a taxpayer for any return that is not filed electronically. No discount may be claimed by a taxpayer for any payment that is not made electronically, unless a waiver has been granted under subsection (b).*
- d) *Any amount that is required to be shown or reported on any return or other document under the Law shall, if the amount is not a whole-dollar amount, be increased to the nearest whole-dollar amount if the fractional part of a dollar is \$0.50 or more and decreased to the nearest whole-dollar amount if the fractional part of a dollar is less than \$0.50. If a total amount of less than \$1 is payable, refundable, or creditable, the amount shall be disregarded if it is less than \$0.50 and shall be increased to \$1 if it is \$0.50 or more.*
- e) *Notwithstanding any other provision of the Law concerning the time within which a taxpayer may file a return, any taxpayer who ceases to engage in the kind of business that makes the person responsible for filing returns under the Law shall file a final return under the Law with the Department within one month after discontinuing business.*
- f) *Each taxpayer under the Law shall make estimated payments to the Department on or before the 7th, 15th, 22nd, and last day of the month during which Tax liability to the Department is incurred. The payments shall be in an amount not less than the lower of either 22.5% of the taxpayer's actual Tax liability for the month or 25% of the taxpayer's actual Tax 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. If any quarter-monthly payment is not paid at the time or in the amount required by this subsection, then the taxpayer shall be liable for penalties and interest on the difference between the minimum amount due as a payment and the amount of the quarter-monthly payment actually and timely paid, except insofar as the taxpayer has previously made payments for that month to the Department in excess of the minimum payments previously due as provided in this subsection.*

- g) *If any payment provided for in this Section exceeds the taxpayer's liabilities under the Law, as shown on an original monthly return, the Department shall, if requested by the taxpayer, issue to the taxpayer a credit memorandum no later than 30 days after the date of payment. The credit evidenced by the credit memorandum may be assigned by the taxpayer to a similar taxpayer under the Law, in accordance with 86 Ill. Adm. Code 130.1505. If no such request is made, the taxpayer may credit the excess payment against Tax liability subsequently to be remitted to the Department under the Law. 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, if necessary, to reflect the difference between the credit taken and that actually due, and that taxpayer shall be liable for penalties and interest on the difference.*
- h) *If a taxpayer fails to sign a return within 30 days after the proper notice and demand for signature by the Department is received by the taxpayer, the return shall be considered valid and any amount shown to be due on the return shall be deemed assessed. [410 ILCS 705/60-20]*

(SOURCE: Adopted at 44 Ill. Reg.10732, effective June 02, 2020.)