

**Illinois Department of Revenue
Regulations**

Title 86 Part 700 Section 700.105 General Provisions

Section 700.105 General Provisions

- a) Definitions of Specific Terms. Except as otherwise expressly provided in the UPIA or in this Part, or as clearly appearing from the context, for purposes of this Part:

"Accelerated Tax Payment" means any deposit or payment of tax that is due prior to the unextended due date for filing of the return on which the tax liability is reported, and includes, without limitation:

payments of occupation, use and excise taxes due on the 7th, 15^h, 22nd and last day of each month under Section 3 of the Retailers' Occupation Tax Act [35 ILCS 120] (ROTA) or any similar provision;

payments of estimated tax under IITA Section 803; and

monthly and semi-weekly deposits of income tax withholding under IITA Section 704 or IITA Section 704A.

"Admitted Liability" means a tax liability reported by the taxpayer on an original or amended return.

"Claim for Refund" includes an original or amended return on which an overpayment of tax is reported and a refund or credit of the overpayment is requested.

"Date of Overpayment" means the date on which the total amounts paid by or collected from the taxpayer with respect to a tax liability exceed the liability, net of allowable credits, provided that:

in the case of an overpayment attributable to the carryback of an Illinois net loss under IITA Section 207, the date of overpayment is the date on which the total payments and collections exceed the tax liability or the last day of the taxable year in which the loss was incurred, whichever is later (see UPIA Section 3-2(d));

in the case of an overpayment attributable to the carryback of a federal net operating loss or capital loss, the date of overpayment is the date on which the total payments and collections exceed the tax liability or the due date (without regard to extensions) for filing the federal income tax return for the taxable year in which the loss was incurred, whichever is later (see IRC section 6621(f)); and

in the case of an overpayment of Retailers' Occupation Tax attributable to a bad debt, the date of overpayment is the date on which the taxpayer files the original or amended federal income tax return on which the deduction for the bad debt is reported. (See 86 Ill. Adm. Code 130.1960(d)(2)(C) and (d)(5)(C).)

"Date of Underpayment" means the date on which a liability becomes both due and unpaid. (See *Avon Products, Inc. v. United States*, 588 F.2d 342 (2d Cir. 1978).) The

due date for payment of a tax is determined without regard to any extensions of time for filing of a return. (See IITA Section 601(a).)

"Federal Change" means a change to a federal income tax item that is subject to the reporting provisions of IITA Section 506(b).

"Final Assessment" means a liability that has become final under ROTA Section 4 or any similar provision, after the conclusion of a hearing granted to a taxpayer who has protested a notice of tax liability or after the period for protesting a notice of tax liability has expired without a protest being filed. (See UPIA Section 3-3(b)(2).)

"Information Return" means *any return required by a tax Act to be filed with the Department that does not, by law, require the payment of a tax liability.* (UPIA Section 3-4(c))

"Notice and Demand" means a bill or other request for payment issued by the Department for an assessed amount of tax, penalty or interest.

"Notice of Arithmetic Error" means a notice of mathematical error issued under IITA Section 903(a)(1), ROTA Section 4, or any similar provision.

"Notice of Tax Liability" means:

a protestable notice issued by the Department that asserts an unpaid liability for tax, penalty, or interest that will become a final assessment if not protested or, if protested, after hearing, as provided in ROTA Section 4 or any similar provision;
or

a protestable notice of deficiency issued under the IITA.

"Return" or "Tax Return" means a return required to be filed with the Department, other than an information return. The terms "return" and "tax return" refer only to an original return, and not an amended return. (See *Badaracco v. Commissioner*, 464 US 386 (1984) and *Hillsboro National Bank v. Commissioner*, 460 US 370 (1983).)

"Unprocessable Return" means any filing that purports to be a return, but is not on a *form prescribed or approved by the Department for the tax liability being reported, is not signed by the person authorized by law, or does not contain all information, schedules, and support documents necessary to determine the tax due and to make allocations of tax as prescribed by law.* (UPIA Section 3-2(d))

- b) Other Terms. Except as provided in subsection (a) or as clearly appearing from the context, any term used in this Part has the same meaning as when used in the act imposing the tax to which the this Part is being applied.
- c) Assessment, Protest, Collections and Refunds of Penalty and Interest. Except as otherwise expressly provided in the UPIA or in this Part, the procedures for assessments, protests, collections and refunds of any item of penalty or interest under the UPIA are the procedures for assessments, protests, collections and refunds of the tax to which the item of penalty or interest relates.

(Source: Added at 43 Ill. Reg.14342, effective November 26, 2019)