

# ILLINOIS DEPARTMENT OF REVENUE

COVID-19 UPDATES

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# INDIVIDUAL INCOME TAX

## DUE DATE

The State of Illinois has extended the income tax filing deadline until July 15, 2020.

This extension does not apply to any estimated payment due dates. Those payments are still due April 15, June 15, September 15, and January 15, 2021.

This extension also does not include any extension on the extended due date. The extended due date will remain October 15, 2020.

More information can be found in our Informational Bulletins FY 2020-24 & FY 2020-26

## ESTIMATED PAYMENTS

Since the filing and payment deadline for income tax returns due April 15, 2020, was extended to July 15, 2020, a significant number of taxpayers will not be able to accurately calculate and pay their 2020 Illinois estimated income tax.

## ESTIMATED PAYMENTS-CONTINUED

Since taxpayers may not know their prior year's tax liability if they do not file by the original due date, the Department is providing for an additional option upon which taxpayers can base their 2020 estimated tax payments. For 2020, estimated tax payments can be based upon either:

- 100 percent of their estimated liability for the year 2020,
- 100 percent of their actual liability for year 2019, or
- 100 percent of their actual liability for year 2018.

**Note:** If you plan to base your estimated payments on a previous year's actual liability and have filed your 2019 return, we encourage you to use your actual liability for 2019.

## ESTIMATED PAYMENTS-CONTINUED

### **What if I have requested an overpayment on my 2019 tax return that I want to carry forward to 2020?**

Taxpayers that request a credit carryforward of overpayments, comprised of tax payments received on or before April 15, 2020, will be able to apply this overpayment against the 2020 1st Quarter-required estimated tax installment due on April 15, 2020.

All other requests for credit carryforward amounts that are comprised of payments received after April 15, 2020, will be applied to the quarter in which they would be considered timely paid based upon the date the payment was received.

## ESTIMATED PAYMENTS-CONTINUED

### Estimated Payment Reminders:

For individuals, you are required to make estimated payments if your Illinois individual income tax liability exceeds \$1,000 for the year.



# BUSINESS INCOME TAX

## INFORMATIONAL BULLETIN 2020-24

Entities filing as Corporations, Trusts, Individuals, and Sole Proprietors that file income tax returns with an original due date of 04/15/2020 have had that original due date extended to 07/15/2020.

- Includes taxpayers filing Form IL-1120, IL-1041, and IL-1040.
- Other business entities, such as partnerships (Form IL-1065) and S-Corps (Form IL-1120-ST) **are not** included in the extension. Due dates for Partnerships and S-corporation remain unaltered.
- Fiscal filers whose original due date was not April 15, 2020 have also not been extended.
- Does not extend any automatic extended due date.

## INFORMATIONAL BULLETIN 2020-26

The income tax filing extension also did not extend the due date for estimated payments that are due April 15, June 15, September 15, and December 15, however, the Department has made changes to how required estimated payment can be calculated. For 2020, estimated tax payments can be based upon either:

- 100 percent of their estimated liability for the year 2020,
- 100 percent of their actual liability for year 2019, or
- 100 percent of their actual liability for year 2018.

# WITHHOLDING INCOME TAX

## INFORMATIONAL BULLETIN 2020-29

Employee compensation is subject to Illinois Income Tax Withholding when the employee has performed normal work duties in Illinois for more than 30 working days.

- If an Illinois resident employee has performed work for more than 30 working days from their home in Illinois for an out-of-state employer, the employer may be required to register with the Illinois Department of Revenue (IDOR) and withhold Illinois Income Tax from the employee.

## INFORMATIONAL BULLETIN 2020-29 (CONTINUED)

Although there are certain exemptions to Illinois withholding obligations, most employers must register. To register a business with IDOR, businesses may choose one of the following options:

- Register electronically using MyTax Illinois.
- Complete and mail Form REG-1, Illinois Business Registration Application.

For more information about who is required to withhold, see Publication 130, Who Is Required to Withhold Illinois Income Tax.

## INFORMATIONAL BULLETIN 2020-29 (CONTINUED)

IDOR will waive penalties and interest for out-of-state employers who fail to withhold Illinois income taxes for Illinois employees where the sole reason for the Illinois withholding obligation is that the employee is working from home due to the COVID-19 pandemic.

IDOR encourages all employers that have withholding requirements to register with IDOR and withhold Illinois Income Tax as soon as applicable to avoid processing delays and increased correspondence.

# SALES TAX UPDATES



FY 2020-23

## **Short-Term Relief from Penalties for Late Sales Tax Payments Due to COVID-19 Virus Outbreak**

### **Who is a qualified taxpayer eligible for relief?**

- Taxpayers who are eligible for relief from penalties and interest on late Sales Tax payments are those operating eating and drinking establishments that incurred a total Sales Tax liability of less than \$75,000 in calendar year 2019.

FY 2020-23

**What are the reporting periods for which qualified taxpayers are allowed relief?**

- Qualified taxpayers will not be charged penalties or interest on late payments for Sales Tax liabilities reported on Form ST-1, Sales and Use Tax and E911 Surcharge Return, that are due for the February, March, and April 2020 reporting periods.

## FY 2020-23

### **What are the four dates when my payments are due?**

- **The required payment schedule for liabilities reported on Form ST-1 is as follows:**
- One quarter (1/4) of the liability for the February, March, and April 2020 reporting periods is due May 20, 2020.
- One quarter (1/4) of the liability for the February, March, and April 2020 reporting periods is due June 22, 2020.
- One quarter (1/4) of the liability for the February, March, and April 2020 reporting periods is due July 20, 2020.
- One quarter (1/4) of the liability for the February, March, and April 2020 reporting periods is due August 20, 2020.

## WHERE CAN I GET HELP:

If you are needing assistance you can call our Taxpayer Assistance line. Due to limited staffing on the phones, hold and wait times may be longer than normal.

1 800-732-8866      Taxpayer Assistance

1 217-782-3336      Taxpayer Assistance

1 217-524-4772      Business Hotline

For additional contact information visit our website at: [www.tax.illinois.gov](http://www.tax.illinois.gov)