

Illinois Department of Revenue
101 West Jefferson Street
Springfield, Illinois 62708

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IMPORTANT NOTICE

Please disregard the toll-free number 1 800 642-8866 outlined on the NUC-16 and NUC-542 forms included in your booklet.

The correct phone numbers are shown to the upper right of this notice.

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INFORMATIONAL BULLETIN FY86-33

TO: Registered Withholding Agents of Illinois Income Tax

SUBJECT: Withholding Tax Coupon Booklet for 1986
Changes in Withholding Tax Law for 1986

Here is your 1986 Withholding Tax Coupon Booklet. Please take a moment to check it over to make sure that your forms show your correct name, address, and employer identification number.

If your employer identification number is wrong, please notify us immediately so that we may have our vendor prepare a new booklet for you. Do not use the coupons in the enclosed booklet.

If your name or address is wrong, please send us the correct information on the enclosed Form NUC-16. You may, however, go ahead and use the coupons in this booklet.

CHANGES IN WITHHOLDING TAX LAW

Effective January 1, 1986, you be able to pay withholding tax (and file returns) less often than before.

Taxpayers who before were required to make as many as four payments a month may now be eligible to make only one payment a month. Other taxpayers may be eligible to pay (and file a return) only once a year. For a complete explanation of the new requirements, please read the instructions beginning on page 2 in the coupon booklet.

NOTE: WE HAVE USED THESE NEW WITHHOLDING REQUIREMENTS IN FIGURING HOW MANY PAYMENT FORMS (IL-501'S) TO INCLUDE IN YOUR BOOKLET. THEREFORE, YOU MAY HAVE FEWER IL-501'S FOR 1986 THAN YOU DID FOR 1985. YOU MAY EVEN HAVE NONE AT ALL.

IF YOU DON'T HAVE ENOUGH IL-501'S IN YOUR BOOKLET

There are generally two reasons why you may find that you need more

payment forms (IL-501's than you booklet contains:

- EITHER the size of your withholding increases during the year so that you are required to make more frequent payments,
- OR you make payments more often than you are legally required to.

You are especially likely to fall into the second category if you have several payrolls registered as a single account and use a separate IL-501 to accompany the withholding from each payroll. If you have such an account, you may wish to have us send you a separate coupon booklet for each payroll. In order to get several booklets for a single account (FEIN), please call us at 217 785-2889 and ask about filing and paying withholding tax under separate "sequence numbers." NOTE TO QUARTER-MONTHLY FILERS: WE HAVE INCLUDED SOME EXTRA IL-501'S IN YOUR BOOKLET SO THAT YOU WILL BE LESS LIKELY TO RUN OUT OF THEM, EVEN IF YOU MAKE MORE FREQUENT PAYMENTS THAN YOU ARE REQUIRED TO.

If you need more IL-501's and you don't want to obtain sequence numbers OR if you need more IL-501's because you increase the amount of your withholding, you may get more forms simply by asking us to send you another booklet. Please allow 30 days for your new booklet to arrive. If your original coupon booklet does not contain any IL-501's, tell us that and we will have a new booklet prepared which contains the forms you need.

A FEW REMINDERS

Following is a summary of some items that have accounted for many of the errors we are finding on withholding tax forms. Please take a moment to look them over.

- Remember to file a quarterly return - Form IL-941 - for each quarter (unless you qualify to file only once a year). You must file the IL-941 even if you have already paid all your withholding for the quarter on IL-501's.

If you pay withholding once a month, you should make your third payment of each quarter accompanied by Form IL-941 instead of Form IL-501.

- Be sure that you file the correct IL-941 for each quarter. Each form is dated and applies to a specific calendar quarter in 1986. If you are an annual filer, please file the IL-941 designated for the fourth quarter and ignore the other three forms.
- Please make sure that your IL-941's and IL-W-3 are signed by a person authorized to do so on behalf of the business. (You don't have to sign IL-501's.)
- Be sure to use the return mailing labels that are provided in your coupon booklet. Different labels are provided for IL-501's and IL-

941's.

- Be sure to make your check payable to the Illinois Department of

Revenue.

If you have any questions or need more information on withholding tax, please call or write. Telephone numbers and an address are at the top of this bulletin.

J. Thomas Johnson
Director of Revenue

Issued: December 1985

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