

Illinois Department of Revenue  
Roger D. Sweet, Director  
101 West Jefferson Street  
Springfield, Illinois 62794

INFORMATIONAL BULLETIN FY88-7

TO: All Registered Hotel/Motel Operators

SUBJECT: Hotel Operators' Occupation Tax Act Amendments

Effective January 1, 1988, P.A. 85-0650 (SB-542) and P.A. 85-0415 (HB-1167) make certain amendments to the Hotel Operators' Occupation Tax Act affecting the tax returns filed by hotel operators.

COST-OF-COLLECTION DISCOUNT

Beginning with your January return, you may take a cost-of-collection discount of 2.1% or \$25 per calendar year, whichever is greater, of the total state and municipal tax due. This discount is allowed to reimburse taxpayers for expenses incurred in keeping records, preparing and filing returns, paying the tax, and supplying data to the Department on request.

You may take the discount only if you file your return and pay the total tax due BY THE DUE DATE. If a cost-of-collection discount appears on a return filed late, we will disallow the discount and assess the taxpayer for the amount of the discount plus penalty and interest.

The Department has revised the Hotel Operators' Occupation Tax Return (Form RHM-1) to reflect the new cost-of-collection discount. You will receive the revised returns for the filing of your January 1988 liability, which is due by the end of February. Annual filers will be allowed the discount on their 1988 annual returns.

ANNUAL FILERS

Beginning in January 1988, we will allow taxpayers whose average monthly liability has been \$50 or less (formerly \$20 or less) to file an annual return. We will notify you in December if you qualify for annual filing for 1988. If you qualify, we will send you tax return in December 1988, due on or before January 31, 1989.

FOR MORE INFORMATION

If you have questions or need more information, please call or write. The phone numbers and address are provided at the top of this bulletin.

Roger D. Sweet  
Director of Revenue

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