



■ Withholding Quarter-monthly Payments

TO: Withholding Agents and Tax Practitioners

This bulletin reiterates the quarter-monthly payment requirements for Illinois Income Tax you withhold from your employees' pay.

What are quarter-monthly payments?

Quarter-monthly payments are payments that must be made as often as four times a month instead of being remitted four times a year with your Form IL-941, Illinois Quarterly Withholding Income Tax Return. The quarter monthly periods end on the 7th, 15th, 22nd, and last day of each month.

Who must make quarter-monthly payments?

You must make a payment at any time you have accumulated more than \$1,000 at the end of a quarter-monthly period.

When are the quarter-monthly payments due?

If you are required to pay on a quarter-monthly basis, you must pay the accumulated tax withheld to us on or before the third banking day following the close of the quarter-monthly period.

Note: Banking days do not include Saturdays, Sundays, legal holidays, or local bank holidays.

What if I do not pay the tax I owe by the required date?

If you are required to make quarter-monthly tax payments and fail to do so, or fail to pay the required amount by the payment due date, you will owe a late-payment penalty. For tax years ending on or after January 1, 1998, the amount of the late-payment penalty is **20 percent** of the amount required to be shown due on your return minus any timely payments and credits. For additional information on penalties, see Publication 103, Uniform Penalties and Interest.

What method must I use to make my quarter-monthly payments?

Certain taxpayers are required to make their tax payments using electronic funds transfer (EFT). If you have an average monthly liability of \$50,000 or more, you must make your quarter-monthly payments by EFT. If your average liability is less, you may voluntarily participate in our EFT program. For additional information about EFT, see Booklet EFT-8, Electronic Funds Transfer Guide.

Otherwise, you may send us your payment by mail using the U.S. Postal Service. If you do send your payment by mail, be sure it is postmarked on or before the date the payment is due.

Questions?

If you have questions or need more information, please call or write us. Our telephone numbers and address are printed at the bottom of this bulletin.

For information or forms...

Call us at 1 800 732-8866 or 217 782-3336.

Call our TDD (telecommunications device for the deaf) at 1 800 544-5304.

Write us at Illinois Department of Revenue, P.O. Box 19044, Springfield, IL 62794-9044.

Visit our Web site at <www.revenue.state.il.us>.

Call "Illinois Tax Fax," our fax-on-demand service, at 217 785-3400.

Call our 24-hour Forms Order Line at 1 800 356-6302.

