



# *i*nformational

## Bulletin

David Harris, Director

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This bulletin is written to inform you of recent changes; it does not replace statutes, rules and regulations, or court decisions.

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**For information or forms**  
Visit our website at:  
[tax.illinois.gov](http://tax.illinois.gov)

File your return online at:  
[mytax.illinois.gov](http://mytax.illinois.gov)

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

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

## Illinois Earned Income Tax Credit (EIC) Updates and New Letter

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### To: All tax practitioners and individuals eligible for the Illinois Earned Income Tax Credit (EIC)

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**Important:** Illinois taxpayers may be eligible for a refund of up to \$1,157, if they did not claim their Illinois EIC. Governor JB Pritzker and the Illinois Department of Revenue have created a new outreach initiative to help make sure taxpayers are not missing out on this opportunity.

### *What is the Illinois EIC?*

The Illinois EIC is a benefit for working people with low to moderate income that reduces the amount of tax owed and may result in a refund. To qualify for the Illinois EIC, you must meet certain requirements and file an Illinois tax return, even if you do not owe any tax or are not required to file.

The Illinois EIC is calculated as a percentage of your federal Earned Income Tax Credit (EITC). In general, if you qualified for a federal EITC, you also qualify for the Illinois EIC.

Federally, you qualify for EITC if:

- you have earned income and adjusted gross income within certain limits;  
AND
- you meet certain basic rules; AND
- you either:
  - meet the rules for those without a qualifying child; OR
  - have a child that meets all the qualifying child rules for you, or your spouse if you file a joint return.

Instructions to claim the Illinois EIC are found later in this bulletin.

For more information about qualifying and claiming

- federal EITC, go to the IRS website at [irs.gov](http://irs.gov).
- Illinois EIC, go to our website at [tax.illinois.gov](http://tax.illinois.gov).

### *What is the State of Illinois doing to make sure taxpayers are receiving this credit?*

New this year, the Illinois Department of Revenue Federal State Exchange Unit (FSEU) is reviewing reports from the IRS to find taxpayers who received a federal EITC, but did not file an Illinois income tax return and may qualify for this credit. Once identified, these taxpayers will be sent a letter informing them of this credit and possible refund (details on this new outreach are on the next page).

**Note:** This process is dependent upon when the information provided to IDOR by the IRS is available. This information typically does not become available to IDOR until several years after returns are filed or examined by the IRS.

## **What kind of letters may I receive regarding Illinois EIC?**

You may receive a variety of letters from IDOR regarding your Illinois EIC. Make sure to respond to the address listed on the letter with all of the information requested.

### **If you did not file your Illinois income tax return and are identified by the FSEU as qualifying for the EIC -**

For our new outreach initiative, you will receive the following two letters sent in the same envelope.

1. The **Notice of Unclaimed Earned Income Credit - Illinois Individual Income Tax Refund Eligibility (ITR-61-EIC)** is a notification issued regarding information we have available that indicates there is a potential tax refund due to an unclaimed Illinois Earned Income Tax Credit (EIC) and includes information on when and how to respond. Enclosed with the Notice of Unclaimed Earned Income Credit - Illinois Individual Income Tax Refund Eligibility is an EDA-131, Examiner's Report.
2. The **Examiner's Report (EDA-131)**, is a detailed notification of the proposed changes made to your Illinois Income Tax Return. The information in this report should be compared to your federal and state tax records for accuracy. If you agree to the proposed tax due or to claim the proposed refund, sign this document and return it to the IDOR. If you disagree, see below.

### **If you filed your IL-1040 but did not claim your EIC or we need to verify your information -**

We send a letter from our individual processing department that may:

- Ask you to send information to verify your federal EITC claim,
- Ask you to send additional information to confirm your claim,
- Ask you to send information to verify your business income and expenses,
- Provide important information about your claim, or
- Ask you to provide additional information such as copies of:
  - your city-, state-, or county-issued professional license, registration, or certification (if required for your occupation)
  - sales, business, or withholding tax registration forms
  - your federal return
  - your federal Schedule C or Schedule C-EZ
  - your federal Form 8867 (if you used a paid preparer to file your return)

- documents you used to calculate your business income and expenses (ledger, spreadsheet, journal, sales slips, receipts, etc.)

Please do not attach this information to your originally-filed Form IL-1040, Individual Income Tax Return, unless it is requested in the instructions. If necessary, we will send you a letter requesting additional documents in order to verify your EIC.

## **What do I need to do to claim my Illinois EIC and receive my payment?**

### **If you received a letter about Illinois EIC -**

Review the letters, which include information obtained from your federal income tax return for the reporting period. These letters will serve as your return and claim for refund. Sign the Signature Authorization Page if you agree with the amount of the refund. If this letter is addressed to two individuals, each person named in this letter must sign to ensure your form is processed.

If you disagree with the information in the letter or you feel you qualify for other credits, you may file a Form IL-1040-X, Illinois Amended Individual Income Tax Return, with all required schedules and attachments. All forms and schedules are available on our website at [tax.illinois.gov](http://tax.illinois.gov).

### **If you did not receive a letter but you think you may qualify for the EIC credit -**

If you have not filed, you must file a separate IL-1040 for each year you qualify.

If you already filed your IL-1040, you must file Form IL-1040-X, Amended Illinois Income Tax Return, to claim the credit. For more information, see the Instructions for the IL-1040-X.

**Note:** Errors can delay your refund or result in the Illinois Department of Revenue denying your EIC claim. Avoid the following common errors:

- Claiming a child who does not meet the requirements for age, relationship and residency.
- Social Security number or last name mismatches.
- Filing as single or head of household when married.
- Over or under reporting of income or expenses.
- Entering the incorrect amount of federal EITC credit.

## **Where can I get more information?**

For information on the Illinois EIC and the Federal State Exchange Unit, go to our website at [tax.illinois.gov](http://tax.illinois.gov).

If you receive a letter and have questions, contact us using the contact information listed on the letter.