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Bulletin

David Harris, Director

Changes to Individual Income Tax Estimated Payment Requirements

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

For more information

Visit our website at:
tax.illinois.gov

Register and file your return online at:
mytax.illinois.gov

Email us at:
Individual income tax questions:
REV.TA-IIT@illinois.gov

Call us at:
1 800 732-8866 or **217 782-3336**
1 800 544-5304 TDD (telecommunication device for the deaf)

Hours:
Monday through Friday, 8:00 a.m. - 5:00 p.m.
Extended phone hours available:
Friday, May 14, 2021, 8:00 a.m. - 7:00 p.m.
Monday, May 17, 2021, 7:30 a.m. - 7:00 p.m.

Estimated payment allowances

The filing and payment deadline for 2020 income tax returns (IL-1040) originally due April 15, 2021, was extended to May 17, 2021. As a result, a significant number of taxpayers will not be able to accurately calculate and pay their 2021 Illinois estimated income tax.

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 2021 estimated tax payments. Taxpayers are required to estimate their tax liability for the year and make four equal installments. Taxpayers will not be assessed a late estimated payment penalty if the amount of the timely-paid installments equals 90% of actual liability for 2021, or 100% of actual liabilities for 2019 or 2020.

Note: If you plan to base your estimated payments on a previous year's actual liability and have filed your 2020 return, we encourage you to use your actual liability for 2020.

How do I know if I am required to make estimated payments for tax year 2021?

You are required to make estimated payments if your 2021 Illinois individual income tax liability exceeds \$1,000 for the year, after subtracting

- your Illinois withholding,
- pass-through withholding, and
- tax credits for
 - income tax paid to other states,
 - Illinois Property Tax paid,
 - education expenses,
 - the Earned Income Credit, and
 - Schedule 1299-C, Income Tax Subtractions and Credits (for individuals).

If I haven't filed my 2020 return, how do I estimate my payments based upon 100 percent of my 2019 liability?

For individual income tax, use Form IL-1040-ES and base your estimated tax on the amount of tax you owed on your 2019 IL-1040, Illinois Income Tax Return. For more information, see [2021 Form IL-1040-ES](#).

For example, you have not filed your 2020 tax return and your 2019 tax liability was \$1,200 (after subtracting your Illinois withholding, pass-through withholding, and tax credits for income tax paid to other states, Illinois Property Tax paid, education expenses, the Earned Income Credit, and Schedule 1299-C, Income Tax Subtractions and Credits (for individuals)). Your estimated payments should be \$300 each.

What if I have requested an overpayment on my 2020 tax return that I want to carry forward to 2021?

Taxpayers that request a credit carryforward of overpayments, comprised of tax payments received on or before April 15, 2021, will be able to apply this overpayment against the 2021 1st Quarter-required estimated tax installment due on April 15, 2021.

All other requests for credit carryforward amounts that are comprised of payments received after April 15, 2021, will be applied to the quarter in which they would be considered timely paid based upon the date the payment was received.

For questions, contact us by using the information shown on Page 1 in the left column under "For more information."