



informational

Bulletin

David Harris, Director

Illinois Creates a Water and Sewer Assistance Charge

To: Water and Sewer Providers

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

For information or forms

Visit our website at:
tax.illinois.gov

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

Call us at:
1 217 782-5906

Hours:
Monday through Friday,
8:00 a.m. - 4:30 p.m.

Effective January 1, 2022, water and sewer providers may choose to voluntarily participate in a new program to provide low-income households with water and sewer assistance. The Water and Sewer Financial Assistance Act (Public Act 102-0262) allows participating providers to assess and collect a new Water and Sewer Assistance Charge from their customers. Revenue collected from the charge must be remitted to the Illinois Department of Revenue (IDOR) for deposit into the newly created Water and Sewer Low-Income Assistance Fund.

What is the Water and Sewer Assistance Charge?

The Water and Sewer Assistance Charge is an amount that water and sewer providers collect monthly from each of their customers.

The monthly charge is:

- **\$0.10** per month for each account for residential water service;
- **\$0.10** per month for each account for residential sewer service;
- **\$5.00** per month for each account for non-residential water service; and
- **\$5.00** per month for each account for non-residential sewer service.

What is a “water or sewer provider”?

“Water or sewer provider” means:

- any public utility providing water or sewer services under the jurisdiction of the Illinois Commerce Commission,
- any other utility providing water or sewer service owned by a municipality, township, county, or other political subdivision of this State, or
- any other entity that is not a public utility under the jurisdiction of the Illinois Commerce Commission that regularly provides water or sewer service.

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What is “residential service”?

“Residential service” is a utility service for household purposes delivered to a dwelling

- of two or fewer units that is billed under a residential rate; or
- unit or units that are billed under a residential rate and are registered by a separate meter for each dwelling unit.

What is “nonresidential service”?

“Nonresidential service” is all utility service that is not residential service.

Is the Water and Sewer Assistance Charge mandatory?

No. The Water and Sewer Assistance Charge is a voluntary charge. Water or sewer providers must determine if they want to impose the Water and Sewer Assistance Charge on their customers. The revenue collected will assist low-income households in their customer base. Providers may choose to collect the charge from all of its water customers, sewer customers, or both.

Providers electing to participate can do so by adding a new “Water/Sewer Assistance Charge” account. When adding a new account, providers will mark that they are “voluntarily collecting” the Water and Sewer Assistance Charge from their water customers, sewer customers, or both. Following notification of its affirmative decision to voluntarily collect the charge, providers must assess and collect the Water and Sewer Assistance Charge from all of its water and/or sewer customers. For example, if a provider notifies IDOR that they will collect the charge from their water customers, they must assess and collect the charge from all of their water customers, both residential and non-residential.

Will the money collected from my customers be used to assist low-income households that are not my customers?

No. The revenue collected from the Water and Sewer Assistance Charge is deposited into the Water and Sewer Low-Income Assistance Fund and is only used to assist low-income households that are your customers.

Low-income households that are not your customers will only benefit from funds in the Water and Sewer Low-Income Assistance Fund if the funds come from

- federal funds,
- donations or fundraisers, or
- funds raised from their own provider’s voluntarily assessment and collection of the Water and Sewer Assistance Charge.

How do I register to collect the Water and Sewer Assistance Charge?

Register with IDOR electronically using MyTax Illinois, available at mytax.illinois.gov:

- To register a new business, from the panel that says “Registration”, click “Register a New Business (Form REG-1)” to complete Form REG-1, Illinois Business Registration Application. Be sure to check that you will voluntarily collect the Water and Sewer Assistance Charge. After you receive an email that the application has been processed, allow one business day before signing up for MyTax Illinois. To create a MyTax Illinois account, click on “Sign up” at the bottom of the logon panel, and submit the requested information.
- If you already have a MyTax Illinois account, you can register for new tax types by logging into your MyTax Illinois account, clicking on “more”, and clicking on “Register for New Tax Accounts” in the registration information panel to complete the registration.

Additionally, you can register using Form REG-1, Illinois Business Registration Application, available on our website at tax.illinois.gov.

Contact our Central Registration Division at **217 785-3707** for information or assistance with registering your business.

Note: There is no charge to register with IDOR.

How do I report and pay the Water and Sewer Assistance Charge to IDOR?

You must file Form RWS-1, Water and Sewer Assistance Charge Return, if you provide water or sewer service in Illinois and you collect the Water and Sewer Assistance Charge from your customers.

Form RWS-1 must be filed on or before the 20th day of the month to report and pay the total amount of Water and Sewer Assistance Charge you collected from your customers during the preceding month.

We encourage you to file and pay electronically on MyTax Illinois, available at mytax.illinois.gov.

Where can I get additional information on the Water and Sewer Assistance Charge?

If you have any questions, write to us at:

**ASSISTANCE CHARGES
ILLINOIS DEPARTMENT OF REVENUE
PO BOX 19013
SPRINGFIELD IL 62794-9013**

You can also call weekdays between 8:00 a.m. and 4:30 p.m. at **217 782-5906** or visit our website at tax.illinois.gov.