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Bulletin

David Harris, Director

Short-Term Relief from Penalties for Late Sales Tax Payments Due to COVID-19 Virus Outbreak

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

To: All Registered Illinois Retailers Operating Eating and Drinking Establishments

For information or forms
Visit our website at:
tax.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

In an effort to assist eating and drinking establishments impacted by the COVID-19 outbreak, effective immediately, the Illinois Department of Revenue (IDOR) is waiving any penalty and interest that would have been imposed on late Sales Tax payments from qualified taxpayers.

Who is a qualified taxpayer eligible for relief?

Taxpayers who are eligible for relief from penalties and interest on late Sales Tax payments are those operating eating and drinking establishments that incurred a total Sales Tax liability of less than \$75,000 in calendar year 2019.

What are the reporting periods for which qualified taxpayers are allowed relief?

Qualified taxpayers will not be charged penalties or interest on late payments for Sales Tax liabilities reported on Form ST-1, Sales and Use Tax and E911 Surcharge Return, that are due for the February, March, and April 2020 reporting periods.

What must qualified taxpayers do to request relief?

For most qualified taxpayers, IDOR will automatically waive penalties and interest. If you receive a notice from IDOR that imposes penalties and interest that you believe should have qualified for a waiver, you can respond to the notice to indicate that you believe you should have qualified for relief. IDOR will review the response and grant relief, if appropriate.

Qualified taxpayers are required to file Form ST-1 for each reporting period by their original due dates, even if they are unable to make a payment. To qualify for relief, taxpayers must pay their liabilities due in March, April, and May 2020

on four dates starting on May 20, 2020.

What are the four dates when my payments are due?

The required payment schedule for liabilities reported on Form ST-1 is as follows:

- One quarter (1/4) of the liability for the February, March, and April 2020 reporting periods is due May 20, 2020.
- One quarter (1/4) of the liability for the February, March, and April 2020 reporting periods is due June 22, 2020.
- One quarter (1/4) of the liability for the February, March, and April 2020 reporting periods is due July 20, 2020.
- One quarter (1/4) of the liability for the February, March, and April 2020 reporting periods is due August 20, 2020.

See the example in following chart:

<u>Reporting Period</u>	<u>Liability Amount</u>	<u>Payment Amount</u>	<u>Due date</u>
February 2020	\$1,000	\$250	May 20, 2020
		\$250	June 22, 2020
		\$250	July 20, 2020
		\$250	August 20, 2020
March 2020*	\$1,000	\$250	May 20, 2020
		\$250	June 22, 2020
		\$250	July 20, 2020
		\$250	August 20, 2020
April 2020	\$1,000	\$250	May 20, 2020
		\$250	June 22, 2020
		\$250	July 20, 2020
		\$250	August 20, 2020

*Includes quarterly filers reporting liabilities on Form ST-1 for January, February, and March.

Note that you must begin making full payment on the scheduled due date for liabilities beginning with the May 2020 reporting period, which is due June 22, 2020, and all reporting periods following.

What if I have questions?

Taxpayers with questions should visit the IDOR website at tax.illinois.gov or email us at REV.TA-Sales@illinois.gov.