

**Illinois Department of Revenue
Regulations**

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| Title 86 Part 700 Section 700.310 Penalty for Failure to File Correct Information Returns |
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TITLE 86: REVENUE

**PART 700
UNIFORM PENALTY AND INTEREST ACT**

Section 700.310 Penalty for Failure to File Correct Information Returns

- a) *An information return is any return required by a tax Act to be filed with the Department that does not, by law, require the payment of a tax liability. (Section 3-4(c) of the Act) Examples of information returns are the information returns that the Department may require of retailers pursuant to Section 3 of the Retailers' Occupation Tax Act. An information return is not a tax return with a zero balance. For example, the filing of a Form ST-1 by a retailer who had no gross receipts for the period covered by the filing of the return is not an information return. Similarly, the filing of Form IL-941, IL-W-3 or RC-6 is not an information return as defined in Section 3-4(c) of the Act.*

- b) *Unless otherwise provided in a tax Act, in the case of a failure, described in subsection (c) of this Section, by any person with respect to an information return, that person shall pay a penalty of \$5 for each return or statement with respect to which the failure occurs, but the total amount imposed on that person for all such failures during any calendar year shall not exceed \$25,000. (Section 3-4(a)(1) of the Act)*

- c) *The following failures are subject to the \$5 penalty:*
 - 1) *Any failure to file an information return with the Department on or before the required filing date, or*
 - 2) *Any failure to include all of the information required to be shown on the return or the inclusion of incorrect information. (Section 3-4(a)(2) of the Act)*

- d) *If any failure described in subsection (c) is corrected within 60 days after the required filing date:*
 - 1) *The penalty imposed by the Act, and quoted in subsection (c) above, shall be reduced by 50%; and*
 - 2) *The total amount imposed on the person for all such failures during any calendar year which are so corrected shall not exceed 50% of the maximum prescribed in subsection (b)(2). (Section 3-4(b) of the Act)*
 - 3) *A corrected information return is a return that includes all information required to be included on the return and all the information is correct.*

- 4) A corrected information return will be deemed to have been filed with and received by the Department within 60 days if the date shown by the post office cancellation mark stamped upon the envelope or other appropriate wrapper containing the return is dated within 60 days of the due date of the return, or actual receipt by the Department if deliveries are made by means other than the U.S. Postal Service.