



# *i*nformational

## *Bulletin*

David Harris, Director

## Changes to Estimated Payment Requirements 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.

### Estimated payment allowances

Due to the COVID-19 virus pandemic and the subsequent Emergency Declaration of Disaster by Governor JB Pritzker, the filing and payment deadline for income tax returns due April 15, 2020, was extended to July 15, 2020. As a result, a significant number of taxpayers will not be able to accurately calculate and pay their 2020 Illinois estimated income tax.

### For more information

Visit our website at:  
[tax.illinois.gov](http://tax.illinois.gov)

Register and file your return online at:  
[mytax.illinois.gov](http://mytax.illinois.gov)

#### Email us at:

- Individual income tax questions:  
[REV.TA-IIT@illinois.gov](mailto:REV.TA-IIT@illinois.gov)
- Business and withholding income tax questions:  
[REV.TA-BIT-WIT@illinois.gov](mailto:REV.TA-BIT-WIT@illinois.gov)

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 2020 estimated tax payments. For 2020, estimated tax payments can be based upon either:

- 100 percent of their estimated liability for the year 2020,
- 100 percent of their actual liability for year 2019, or
- 100 percent of their actual liability for year 2018.

**Note:** If you plan to base your estimated payments on a previous year's actual liability and have filed your 2019 return, we encourage you to use your actual liability for 2019.

If taxpayers timely pay in four equal installments, the lesser of 90 percent of their liability for the year 2020 or 100 percent of their liability for the years 2019 or 2018, they can avoid estimated late payment penalties.

### How do I know if I am required to make estimated payments for tax year 2020?

For individuals, you are required to make estimated payments if your Illinois individual income tax liability exceeds \$1,000 for the year.

For businesses, you are required to make estimated payments if you are a corporation and you reasonably expect your Illinois Income and Replacement

tax and surcharge liability to be more than \$400 for the tax year. For Illinois tax purposes, partnerships, trusts and estates, and small business corporations are not required to make estimated tax payments.

## **How do I estimate my payments based upon 100 percent of my 2018 liability if I haven't filed my 2019 return?**

For individual income tax, use Form IL-1040-ES and base your estimated tax on the amount of tax you owed on your 2018 IL-1040, Illinois Income Tax Return. For more information, see [2020 Form IL-1040-ES](#).

For business income tax, see the Form IL-1120 instructions, Appendix B, or IL-990-T instructions, Appendix A, to calculate your estimated payment amount and base your estimated tax on the amount of tax you owed on your 2018 return.

## **What if I have requested an overpayment on my 2019 tax return that I want to carry forward to 2020?**

Taxpayers that request a credit carryforward of overpayments, comprised of tax payments received on or before April 15, 2020, will be able to apply this overpayment against the 2020 1st Quarter-required estimated tax installment due on April 15, 2020.

All other requests for credit carryforward amounts that are comprised of payments received after April 15, 2020, 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."**