

Descriptions of all three payment and return schedules

Semi-weekly

Taxpayers who, during the “look-back” period, reported more than \$12,000 in withholding, are assigned to the semi-weekly payment and quarterly return schedule.

Note Illinois follows the federal rule that allows you at least 3 banking days to make your payments after you withhold tax.

For example, if you withhold tax on a Friday and Monday is a holiday, your payment is due on Thursday rather than Wednesday.

Semi-weekly Payment and Quarterly Return Schedule	
Pay electronically or use Form IL-501 by	File your return electronically or use Form IL-941 by
Wednesday for amounts withheld on the preceding Wednesday, Thursday, or Friday, and Friday for amounts withheld on the preceding Saturday, Sunday, Monday, or Tuesday.	the last day of April, July, October, and January.

Monthly

Taxpayers who, during the “look-back” period, reported more than \$1,000, but no more than \$12,000 in withholding, are assigned to the monthly payment and quarterly return schedule.

If you exceed \$12,000 in withholding during any quarter, you must file Form IL-941 and pay

- all withholding income tax from January 1 to the end of this quarter, using that quarter’s due date, and
- using the semi-weekly payment and quarterly return schedule in the following quarter, the remainder of the year, and the subsequent year.

Monthly Payment and Quarterly Return Schedule	
Pay electronically or use Form IL-501 by	File your return electronically or use Form IL-941 by
15th of each month for amounts withheld on the preceding month.	the last day of April, July, October, and January.

Annual

Taxpayers who, during the “look-back” period, reported \$1,000 or less in withholding and are in good standing with the department are assigned to the annual payment and return schedule.

Note You must use Form IL-941-A, Illinois Yearly Withholding Income Tax Return, (not IL-941) to file **and pay** your total withholding tax by January 31 of the following year.

Annual Payment and Return Schedule
You must file and pay by
January 31 of the following year for amounts withheld the entire year.

If we assign you to the annual payment and return schedule for 2010, we will mail you a letter with your personalized Form IL-941-A, Illinois Yearly Income Tax Return, in November of 2010.

If you exceed \$12,000 in withholding during any quarter, you must file Form IL-941 and pay

- all withholding income tax from January 1 to the end of this quarter, using that quarter’s due date, and
- using the semi-weekly payment and quarterly return schedule in the following quarter, the remainder of the year, and the subsequent year.

If you are assigned to the annual payment and return schedule, you may **elect to file** quarterly returns and make monthly payments. To do so, you must file Form IL-941, for any quarter of the year and pay all amounts withheld from January 1 through the end of that quarter. You then must begin making monthly payments and filing quarterly returns for the remainder of the year. Please remember to continue following this schedule or you may be subject to penalties. For more information about penalties and interest, see Publication 103, Penalties and Interest for Illinois Taxes.

For example: ABC Corporation was assigned to the annual payment and return schedule based on the look-back period. However, in January of 2009, the corporation grew by a substantial amount.

1st quarter: ABC withheld	\$11,500
2nd quarter: ABC withheld	\$11,000
3rd quarter: ABC withheld	<u>\$12,500</u>
	\$35,000

ABC Corporation must pay us \$35,000 by the 3rd quarter’s due date of October 31 and file Form IL-941 reporting the first 3 quarters. The corporation then must begin to use the semi-weekly payment and quarterly return schedule for the 4th quarter and subsequent year.