

Taxpayers' Federation of Illinois
Spring Legislative Webinar
April 28, 2020

Illinois Department of Revenue Update
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- I. COVID-19 information page
 - A. Informational Bulletins
 - B. IDOR contacts while offices closed

- II. Taxpayer relief
 - A. Informational Bulletins
 1. 2020-23 Relief for sales tax liabilities of eating and drinking establishments
 2. 2020-24 Income tax filing and payment extension until July 15 for April 15 due dates
 3. 2020-25 Exemption certificates expiration extended for 90 days
 4. 2020-26 Estimated payments alternate computation
 - B. IRS Notice 2020-23 filing and payment extension for fiscal filers
 1. due after April 1 and before July 15
 2. 86 Ill. Admin. Code sections 100.5020, 100.6000
 - C. Executive Order 2020-25
 1. Suspending wage garnishments, bank levies, federal offsets
 2. Duration of Gubernatorial Disaster Proclamation

- III. Legislation
 - A. IDOR proposals
 1. Redefine Unitary Business Group (HB 4544)
Amend the Illinois Income Tax Act (35 ILCS 5/1501) to amend the definition of unitary business group to provide that companies headquartered in the United States cannot be excluded as an 80/20 company.
 2. Interim Use and Demonstration Use Exemption (HB 4840)
Amend the Use Tax Act (35 ILCS 105/2) and the Service Use Tax Act (35 ILCS 110/2) to change the current demonstration use and interim use exclusion to an exemption and provide that use is limited to 18 months for all tangible personal property (TPP) not just for watercraft and aircraft in order to qualify for the exemption.
 3. Winnings from Sports Wagering (SB 3334)
Amend the Illinois Income Tax Act (35 ILCS 5/303, 5/304, and 5/710) to provide that winnings from sports wagering in Illinois is allocable to Illinois and to require withholding on winnings if withholding is required federally.
 4. Diabetic Testing Materials (HB 4487)
Amend the various "Sales Tax" Acts (Use Tax Act (35 ILCS 105/), Service Use Tax Act (35 ILCS 110/), Service Occupation Tax Act (35 ILCS 115/), Retailers' Occupation Tax Act (35 ILCS 120/)), to provide all types of diabetic testing materials qualify for the low rate (1%) of tax.
 5. Pollution Control Facility Certificate (HB 4660)
Amend the Property Tax Code (35 ILCS 200/11-25) to provide the effective date of the pollution control facility's certificate is the date of the last submission of documentation that finalizes the application or the final date of construction, whichever is later.

- B. Other legislative issues
 - 1. Cannabis Regulation and Tax Act
 - 2. Level the Playing Field for Illinois Retail Act

- IV. Rulemaking
 - A. Recently adopted rules
 - 1. Updates to income tax credits and exemptions
44 Ill. Reg. 3282 (2/14/2020)
 - 2. Updates to motor fuel tax implementing P.A. 100-0009 and P.A. 101-0032
44 Ill. Reg. 3282 (2/21/2020)
 - B. Second Notice
 - 1. Parking excise tax (Second Notice ends 5/12/2020)
 - 2. Cannabis related taxes (Second Notice ends 5/16/2020)
 - 3. Amnesty Program (Second Notice ends 5/17/2020)
 - 4. Noncombination rule repeal implementation (to JCAR on 4/16/2020)
 - 5. Compensation paid in Illinois (to JCAR on 4/22/2020)
 - C. First Notice
 - 1. Hotel Tax (2/14/2020)
 - 2. Minimum wage credit (3/20/2020)
 - 3. Marketplace facilitators final rules (5/1/2020)

- V. Miscellaneous items
 - A. General operations
 - B. Expansion of Audit Fast Track Resolution program
 - C. Updated protest forms and website information page
 - D. Retailers subject to ROT and marketplace facilitators
 - E. CARES Act potential state impacts
 - 1. Partial above-the-line deduction for charitable contributions
 - 2. Exclusion for employer student loan payments
 - 3. Net operating loss carryback provisions for individuals
 - 4. Excess business loss limitation repeal
 - 5. Business interest limitation increase from 30% to 50% of adjusted taxable income
 - 6. Qualified improvement property included in bonus depreciation