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HEALTH LAW NEWS

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2025 ILLINOIS TAX AMNESTY PROGRAM PROVIDES CHANCE TO ELIMINATE PENALTIES AND INTEREST ON OUTSTANDING TAX LIABILITIES

The Illinois Department of Revenue ("IDOR") has announced the 2025 Illinois Tax Amnesty Program (the "Program"), authorized by the Illinois Tax Delinquency Amnesty Act. This limited-time program offers taxpayers a valuable opportunity to pay Eligible Tax Liabilities and have penalties and interest forgiven on taxes paid in full during the amnesty period, **which runs from October 1, 2025, through November 17, 2025** (the "Amnesty Period").

ELIGIBLE TAX LIABILITIES

The Program applies to most IDOR-administered taxes, including individual and corporate income tax, sales and use tax, and other similar taxes, for periods ending **after June 30, 2018, and before July 1, 2024.**

BENEFITS OF PARTICIPATION

Under the Program, taxpayers who pay Eligible Tax Liabilities in full will receive a full waiver of penalties and interest regardless of whether the liabilities arose from non-filed returns, underreported amounts or previously assessed balances.

INELIGIBLE TAX LIABILITIES

The Program applies only to taxes collected by the IDOR. Amnesty is not available for:

- Taxes collected by other agencies or local governments, such as property, estate, franchise and insurance taxes;
- Balances on returns for periods ending before July 1, 2028, or after June 30, 2024;
- Motor Fuel Use Tax or International Fuel Tax Agreement liabilities; and
- Most non-tax liabilities, such as licensing fees, permits, surcharges and other penalties and fees that are not based on a tax liability.

SPECIAL CONSIDERATIONS

- **Audits or Appeals**: Taxpayers with an open or recently completed audit or appeal may still qualify for amnesty by paying the tax balance in full during the Amnesty Period.
- **Bankruptcy**: Amnesty is possible but may require bankruptcy court approval.
- **Pending Cases**: Taxpayers involved in criminal or certain civil proceedings related to IDOR-administered taxes may not participate in amnesty.
- **Separate Payments**: Separate payments for each tax liability being paid are encouraged.

The Program is a rare opportunity to wipe the slate clean, save money and prevent additional penalties and interest from piling up. Hall Render's team is available and would welcome the opportunity to discuss how you can benefit during the Amnesty Period.

For more information, please contact:

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Special thanks to Summer Associate Landon McCall for his assistance with the preparation of this article.

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