



2023 Schedule WC Instructions

What's new for 2023

The Organ Donation Credit (Code 3000) is effective for reporting periods beginning on or after January 1, 2023.

General Information

Complete this schedule if you are filing Form IL-941, Illinois Withholding Income Tax Return, or Form IL-941-X, Amended Illinois Withholding Income Tax Return, and are entitled to any of the credits listed on Schedule WC-I, Withholding Income Tax Credits Information.

This schedule must be completed if you earned or carried credits this reporting period.

What if I need additional assistance or forms?

- Visit our website, tax.illinois.gov, for assistance, forms or schedules.
- Write us at:
ILLINOIS DEPARTMENT OF REVENUE
PO BOX 19001
SPRINGFIELD IL 62794-9001
- Call **1 800 732-8866** or **217 782-3336** (TDD, telecommunications device for the deaf, at **1 800 544-5304**).
- Visit a taxpayer assistance office - 8:00 a.m. to 5:00 p.m. (Springfield office) and 8:30 a.m. to 5:00 p.m. (all other offices), Monday through Friday.

Organ Donation Credit Information

The Organ Donation Credit (Credit Code 3000) was created by Public Act 102-700 and is effective for reporting periods beginning on or after January 1, 2023. Private employers are entitled to the credit if they grant all of their employees the option to take a paid leave of absence of at least 30 days for the purpose of serving as an organ donor or bone marrow donor. The credit is equal to the amount withheld with respect to wages paid while the employee is on organ donation leave, not to exceed \$1,000. To be eligible for the credit, the leave of absence must be taken without loss of pay, vacation time, compensatory time, personal days, or sick time for at least the first 30 days of the leave of absence. As part of the leave policy, the employer must adopt rules governing organ donation leave, including rules that:

- establish conditions and procedures for requesting and approving leave, and
- require medical documentation of the proposed organ or bone marrow donation before leave is approved by the private employer.

After the leave has started, the employer is required to obtain from the employee, documentation from the employee's medical provider that verifies the employee's organ donation. The employer must obtain permission from the employee to share the medical documentation, if needed, with the Illinois Department of Revenue (IDOR). If the employee will not provide the required medical documentation or does not consent to share it with IDOR, the employer is not eligible for the credit for that employee.

By claiming the Organ Donor Credit on the Schedule WC and signing Form IL-941, Illinois Withholding Income Tax Return, or Form IL-941-X, Amended Illinois Withholding Income Tax Return, you are certifying, as the employer that:

- a policy is in place which allows all employees the option of taking a paid leave of absence from work for at least 30 days to serve as an organ or bone marrow donor,
- each employee for which a credit is claimed took organ or bone marrow donation leave after the policy became effective,
- each employee for which a credit is claimed provided documentation from a medical provider that an organ or bone marrow donation procedure occurred and agreed to allow, if needed, for the applicable medical records to be disclosed to IDOR, **and**
- you will maintain the associated employee medical records as required by IDOR.

In addition to medical documentation, IDOR may request information such as

- employee name,
- employee Social Security number,
- start date of organ donation leave,
- end date of organ donation leave (if applicable),
- total wages paid to the employee during organ donation leave, and
- total Illinois withholding paid on the employee's behalf during organ donation leave.

Note: Failure to provide supporting documentation, if requested by IDOR, may result in the denial of the Organ Donation credit.

Minimum Wage Credit Information

For reporting periods beginning on or after January 1, 2020, and ending on or before December 31, 2027, each employer with 50 or fewer full-time equivalent employees during the reporting period may claim the Minimum Wage credit (Credit Code 0900) against the withholding payments due for each qualified employee in an amount equal to the maximum credit allowable.

EDGE Credit Information

You may take this credit if

- you have entered into an agreement with DCEO, either under the Economic Development for a Growing Economy (EDGE) Tax Credit Act or the Corporate Headquarters Relocation Act, and
- you meet the conditions stated in your agreement with DCEO.

DCEO is responsible for issuing this credit. Enter the amount of EDGE credit carried forward from a previous quarter in Column E of your Schedule WC and Credit Code 5900 in Column B.

For more information on the calculation of these credits, please see the Schedule WC-I, Withholding Income Tax Credits Information.

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Specific Instructions

All figures should be rounded to whole dollars. To do this, you should drop any amount less than 50 cents and increase any amount of 50 cents or more to the next higher dollar.

Figure your withholding income tax credit

You must list **all** credits that are available this reporting period, including any carried forward credits and new credits. This schedule must be completed if you earned or carried credits this reporting period.

If you have more qualifying credits than space provided on Schedule WC, complete a separate schedule in the same format. Attach the additional schedule(s) to your Schedule WC and enter the total credit you may claim on your original Schedule WC, Line 7. **Do not enter the total on your additional schedules.**

Follow the instructions to complete Schedule WC. To determine the correct amount to list in Schedule WC, Column D, use the Schedule WC-I instructions.

Lines 1 through 4 - Enter your credits

Column A - Years Left to Carry

Write the number of years the credit has left to carry before it is fully used. For the first year the credit is claimed, enter 0, 3, or 5, depending on the number of years the credit can be carried forward.

If the amount of credit exceeds the tax liability for the year, the excess may be carried and applied to the tax liability for the 3 or 5 taxable years following the excess credit year. For example, in the first year the Organ Donation Credit is claimed, enter 3 for the number of years the credit can be carried forward. In the second year the credit is carried forward, enter 2. In the third year the credit carried forward, enter 1. For the last year the credit is carried forward, enter 0.

Note: The Minimum Wage credit has no carryforward so it should be listed first on your Schedule WC and show 0 in Column A.

Column B - Credit Code

Credit Code **Withholding Income Tax Credit Name**
Active Credits

0900	Minimum Wage
3000	Organ Donation
5900	EDGE

Column C - IL Quarter Ending Credit Earned

Write the four-digit year and two-digit month of the quarter ending during which the credit was first earned. Separate the year and the month with a dash (YYYY-MM). Use the last month of the quarter for reporting purposes.

Example: You earned a \$257 Minimum Wage credit in the third quarter of 2023. Enter 2023-09 in Column C.

Column D - Credit Earned

Follow the instructions in Schedule WC-I to determine the correct amount of credit to report in this column.

Column E - Credit Carried

Enter the Organ Donation or EDGE credit carried from a previous quarter. For the Minimum Wage credit, always enter zero.

Column F - Total Credit

Add Columns D and E for each line and enter in Column F.

Line 7 - This is your Schedule WC Credit. Enter this amount on your Form IL-941, Step 5, Line 3, or on your Form IL-941-X, Step 5, Line 5.

See **the example** below for additional information.

How to calculate your credit available to carry forward

EXAMPLE:

	A Years Left to Carry	B Credit Code	C Quarter Ending Credit Earned	D Credit Earned	E Credit Carried	F Total Credit
1	<u>0</u>	<u>0900</u>	<u>2023-06</u>	<u>\$257.00</u>		<u>\$257.00</u>
2	<u>3</u>	<u>3000</u>	<u>2023-06</u>	<u>\$400.00</u>		<u>\$400.00</u>
3	<u>3</u>	<u>3000</u>	<u>2023-03</u>		<u>\$450.00</u>	<u>\$450.00</u>
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- Add Column F, Lines 1 through 4. This is your **total available credit**. \$1,107.00
- Enter the total tax amount from Form IL-941, Step 4, Line 2, or Form IL-941-X, Step 4, Line 2. \$879.00
- Compare Lines 5 and 6, and enter the lesser amount here. This is the amount available as credit for this reporting period. Enter this amount on Form IL-941, Step 5, Line 3, or on Form IL-941-X, Step 5, Line 5. \$879.00

In the above example, you will subtract \$879 from \$1107, leaving a balance of \$228 that can be carried forward to the next reporting period.