

**Illinois Department of Revenue
Regulations**

Title 86 Part 100 Section 100.8000 Payment of Estimated Tax (IITA Section 803)

TITLE 86: REVENUE

**PART 100
INCOME TAX**

SUBPART U: ESTIMATED TAX PAYMENTS

Section 100.8000 Payment of Estimated Tax (IITA Section 803)

- a) Requirement to Pay Estimated Tax. *Every taxpayer other than an estate, trust, partnership, subchapter S corporation or farmer is required to pay estimated tax for the taxable year, in such amount and with such forms as the Department shall prescribe, if the amount payable as estimated tax can reasonably be expected to be more than:*
 - 1) *\$250 for taxable years ending before December 31, 2001 and \$500 for taxable years ending on or after December 31, 2001; or*
 - 2) *\$400 for corporations. (IITA Section 803(a))*

- b) Definitions. For purposes of this Section:
 - 1) The term "estimated tax" means the excess of the total regular income tax and replacement taxes expected to be imposed for the taxable year under IITA Section 201, including the amount of any credit required to be recaptured under the IITA, over the sum of:
 - A) the total amount expected to be withheld against that tax under IITA Article 7; plus
 - B) the total estimated credits against those taxes allowable for the taxable year.
 - 2) *The term "farmer" means an individual whose gross income from farming for the taxable year is at least $\frac{2}{3}$ of total gross income for that year. (IITA Section 803(e)) A taxpayer has "gross income from farming" for the taxable year to the extent the taxpayer has gross income from farming for the current taxable year under Internal Revenue Code section 6654(i)(2).*
 - 3) *The term "nursing home" means a skilled nursing or intermediate long term care facility that is subject to licensure by the Illinois Department of Public Health under the Nursing Home Care Act [210 ILCS 45]. (IITA Section 806)*

- c) Exceptions

- 1) Farmers. The requirement to make payments of estimated tax expressly excludes farmers from its application. (See IITA Section 803(a).)
 - 2) Nursing Homes. No estimated tax payments are required by an individual *who is 65 years of age or older and is a permanent resident of a nursing home*. (IITA Section 806)
 - 3) Reasonable Expectation that the Threshold Requirement for Payment of Estimated Tax Will Not Be Met. In any case in which the amount payable as estimated tax for a taxable year exceeds \$500 for an individual (\$250 for taxable years ending on or before December 31, 2001) or \$400 for a corporation, the taxpayer shall be required to pay estimated tax unless it can show, by clear and convincing evidence, that its basis for expecting to owe a smaller amount was reasonable. A reasonable expectation at the beginning of the taxable year does not exempt the taxpayer from the obligation to make estimated tax payments if circumstances change during the year. A taxpayer may have reasonable cause for failing to make an estimated payment early in the taxable year and not have reasonable cause for failure to make estimated payments later in the same taxable year, after circumstances have changed.
- d) Due Dates for Payment of Estimated Tax. Installments of estimated tax shall be paid on or before the dates prescribed under Section 100.8010. The payment of any installment may be made in advance of the applicable due date. Payments of estimated tax shall be applied as set forth under Section 100.8010 and 86 Ill. Adm. Code 700.500.
- e) Joint Payment of Estimated Tax. *If they are eligible to do so for federal tax purposes, a husband and wife may pay estimated tax as if they were one taxpayer, in which case the liability with respect to the estimated tax shall be joint and several. If a joint payment is made but the husband and wife elect to determine their taxes under the IITA separately, the estimated tax for such year may be treated as the estimated tax of either husband or wife, or may be divided between them, as they may elect.* (IITA Section 803(c))
- 1) The Department will accept any allocation between spouses of joint estimated payments made by them, provided only that the total of the amounts so allocated equals the total amount paid. In the absence of proof of an agreed allocation between the spouses, the joint estimated tax payments shall be allocated between the husband and wife in accordance with this subsection (e)(1). The portion of those payments to be allocated to a spouse shall be that portion of the aggregate of all those payments that bears the same ratio to the whole of the tax that the amount of tax (as defined under Section 100.8010(b)(2)) shown on the separate return of the taxpayer bears to the sum of the tax shown on the separate returns of the spouses.
 - 2) When one of the spouses dies during the taxable year and joint estimated tax payments were made, but a joint return is not subsequently filed, estimated tax payments (including any joint payments made after the death of the spouse) may be divided between the decedent and the surviving spouse in the proportion to which the surviving spouse and the legal representative of the decedent may agree. The Department will accept any allocation between the surviving spouse and the decedent, provided only that the total of the amounts so allocated equals the total amount paid. In the event the surviving spouse and legal representative

fail to agree, the estimated tax shall be allocated between the surviving spouse and decedent in the same manner as the estimated tax of husband and wife who fail to agree to an allocation of estimated tax to separate returns in accordance with subsection (e)(1).

- 3) The exemption from payment of estimated tax for farmers under IITA Section 803(a) and subsection (c)(1) of this Section shall apply to a couple filing a joint return only if $\frac{2}{3}$ of the total gross income of the couple is from farming.
 - 4) No estimated tax payment is required by a couple filing a joint return if either spouse is 65 years of age or older and a permanent resident of a nursing home, and therefore is exempt from payment of estimated tax under IITA Section 806 and subsection (c)(2) of this Section.
- f) Cross References. For payment of estimated tax by electronic funds transfer, see 86 Ill. Adm. Code 750.

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