

**Illinois Department of Revenue
Regulations**

Title 86 Part 700 Section 700.340 Personal Liability Penalty

**TITLE 86: REVENUE
PART 700
UNIFORM PENALTY AND INTEREST ACT**

Section 700.340 Personal Liability Penalty

- a) *Any officer or employee of any taxpayer subject to the provisions of a tax Act administered by the Department who has control, supervision or responsibility of filing returns and making payment of the amount of any trust tax imposed in accordance with that Act and who willfully fails to file the return or make the payment to the Department or willfully attempts in any other manner to evade or defeat the tax shall be personally liable for a penalty equal to the total amount of tax unpaid by the taxpayer including interest and penalties thereon. (Section 3-7(a) of the Act)*
- b) The term willful means a voluntary, conscious and intentional act on the part of the officer or employee. It may consist of a voluntary, conscious and intentional failure to file the required return or make the payment to the Department or a voluntary, conscious and intentional attempt to take any other action to evade or defeat the tax.
- c) *The Department shall issue a notice of penalty liability for the amount claimed by the Department pursuant to Section 3-7 of the Act. (Section 3-7(b) of the Act)*
- d) *The personal liability imposed by Section 3-7 of the Act shall survive the dissolution of a partnership or corporation.*
- e) *In addition to any other remedy provided for by the laws of this State, and provided that no hearing or proceeding for review is pending, any Section of a tax Act which provides a means for collection of taxes shall in the same manner and to the same extent provide a means for the collection of the penalty imposed by this Section.*
- f) *Officer or employee of any taxpayer includes a member of a partnership. (Section 3-7 of the Act)*
- g) *A trust tax is any tax for which an amount is collected or withheld by a taxpayer from another person, and any tax for which an amount is required to be collected or withheld by a taxpayer from another person, regardless of whether it is in fact collected or withheld. (Section 3-7(f) of the Act)*