Publication 131

January 2026

Withholding Income Tax Payment and Filing Requirements

About this publication

This publication guides an employer or payer in paying and reporting Illinois Withholding Income Tax. You need to know this information if you are an employer or withholding agent.

The objectives of this publication are to explain

- when and how to make your payments and file your returns, and
- the different payment schedules.

Related publications:

- Publication 121, Illinois Income Tax Withholding for Household Employees
- Publication 130, Who is Required to Withhold Illinois Income Tax
- Booklet IL-700-T, Illinois Withholding Income Tax Tables
- Publication 131-D, Withholding Income Tax Payment and Return Due Dates

The information in this publication is current as of the date of the publication. Please visit our website at tax.illinois.gov to verify you have the most current revision.

This publication is written in the plain writing style so the tax information is easier to understand. As a result, we do not directly quote Illinois statutes or the Illinois Administrative Code. The contents of this publication are informational only and do not take the place of statutes, rules, or court decisions. For many topics covered in this publication, we have provided a reference to the applicable section or part of the Illinois Administrative Code for further clarification or more detail. All of the sections and parts referenced can be found in Title 86 of the Code.

Taxpayer Bill of Rights

You have the right to call the Illinois Department of Revenue (IDOR) for help in resolving tax problems.

You have the right to privacy and confidentiality under most tax laws.

You have the right to respond, within specified time periods, to IDOR notices by asking questions, paying the amount due, or providing proof to refute IDOR's findings.

You have the right to appeal IDOR decisions, in many instances, within specified time periods, by asking for department review, by filing a petition with the Illinois Independent Tax Tribunal, or by filing a complaint in circuit court.

If you have overpaid your taxes, you have the right, within specified time periods, to a credit (or, in some cases, a refund) of that overpayment.

For more information about these rights and other IDOR procedures, you may write us at the following address:

Problems Resolution Office
Illinois Department of Revenue
PO Box 19014
Springfield, IL 62794-9014

Get forms and other information at tax.illinois.gov

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General Information

Who must file Form IL-941?

You must file Form IL-941 if you paid amounts subject to Illinois withholding income tax (either required or by voluntary agreement), such as:

- Wages and other employee compensation including bonus, overtime, and commission pay, usually reported to the recipient on a Form W-2.
- Non-wage income such as pensions, annuities, unemployment income, and sick pay for which you have agreed to voluntarily withhold Illinois Income Tax, usually reported to a recipient on a Form 1099.
- Lottery winnings of $1,000 or more; or gambling, pari-mutuel wagering, or sports wagering winnings subject to federal withholding (more than $5,000) usually reported to a recipient on a Form W-2G.
- Amounts paid to purchase rights to Illinois lottery winnings reported on a Form 1099-MISC.

Note: Form IL-941 is the **only** form used to report Illinois Income Tax withholding with the exception of household employee withholding, which can be reported on Form IL-1040, Individual Income Tax return. If you have household employees, see **Publication 121, Illinois Income Tax Withholding for Household Employees.**

For more information, see **Publication 130, Who is Required to Withhold Illinois Income Tax.**

You **must file** Form IL-941 **even if no tax was withheld** during the reporting period (*e.g.,* employees who are seasonal workers). If you permanently discontinue having Illinois employees, complete Step 2, Line B, for your final reporting period.

When am I required to file Form IL-941?

All Forms IL-941 must be filed electronically. Your Form IL-941 return is due quarterly. **The Form IL-941 is due by the last day of the month that follows the end of the quarter - refer to the "Quarterly Filer" table.** See the Form IL-941 Instructions for more information. **Unlike the federal government, Illinois does not have an annual reconciliation return.**

Important:

- If the return due date falls on a weekend or holiday, Form IL-941 is due on the next business day.
- All filers will be assigned to make either monthly payments, or semi-weekly payments.

What if I am filing my first Form IL-941 return?

If you are filing your first return, check the appropriate box on Form IL-941, Step 1, or sign up for our online filing program, **MyTax Illinois,** on our website at **mytax.illinois.gov**.

General Information

When am I required to pay?

Payments are made electronically or with Form IL-501. There are two different payment schedules — **monthly** and **semi-weekly**.

- ***Monthly*** IL-501 payments are due by the 15th day of the month following the month in which the tax was withheld.
- ***Semi-weekly*** IL-501 payments are due by **Wednesday** for amounts withheld on the preceding Wednesday, Thursday, or Friday, and by **Friday** for amounts withheld on the preceding Saturday, Sunday, Monday, or Tuesday.

Electronic mandates for Illinois withholding income tax: You must make withholding tax payments electronically if you are assigned to the semi-weekly payment schedule. These payments are generally due three to seven days after each payroll or other payment subject to withholding.

Note: You will owe a **late-payment penalty** if you do not pay the tax you owe by each payment due date.

For additional information, see **Publication 131-D, Withholding Income Tax Payment and Return Due Dates.**

What if my due date falls on a weekend or state recognized holiday?

Any time a due date falls on a weekend or state recognized holiday, we adjust the due date to the next business day.

How is my payment frequency determined?

Payment due dates are determined by the payment schedule we assign to you based on your liability during the look-back period, and the day you pay your payees from whom tax is withheld, **or** if you reach the $12,000 threshold during a quarter. Annually, we review the total amount, as reported on returns filed, that was withheld during the “look-back” period. The “look-back” period is the one-year period ending on June 30 of the immediately preceding calendar year. For calendar year 2026, the “look-back” period is July 1, 2024, through June 30, 2025. At the end of the annual review, we notify you if your payment frequency changes.

Monthly

- First-time taxpayers and taxpayers who have reported $12,000 or less in withholding during the “look-back” period, are assigned to the monthly payment and quarterly return schedule.

Semi-weekly

- If you reported more than $12,000 in withholding during the “look-back” period, you are assigned to the semi-weekly payment schedule.
- If you exceed $12,000 in withholding during a quarter, it is your responsibility to begin to pay your Illinois withholding income tax semi-weekly in the following quarter, the remainder of the year, and the subsequent year.

How do I pay and file?

All Forms IL-941 must be filed electronically. If you are unable to file electronically, you may request Form IL-900-EW, Waiver Request, through our Taxpayer Assistance Division. The Waiver Request must be completed and submitted back to IDOR. You will be notified if the Waiver Request is approved or denied.

The forms used to pay and file withholding income tax are:

- **Form IL-501, Payment Coupon and Instructions** (used to make withholding payments to IDOR),
- **Form IL-941, Illinois Withholding Income Tax Return** (used to file quarterly to report Illinois withholding tax amounts to IDOR),
- **Schedules WC, Withholding Income Tax Credits, and WC-I, Withholding Income Tax Credits Information,** provide detailed information about the withholding income tax credits, how to calculate them and where to claim them, and
- **Schedule P, Illinois Withholding Schedule,** is required to be completed with your Form IL-941 to verify Illinois income and withholding records. You are required to complete a Schedule P-X, Amended Illinois Withholding Schedule with your Form IL-941-X. **Taxpayers assigned to the semi-weekly payment schedule must make all payments electronically.**

To file — You may use

- **MyTax Illinois,**
- Federal/State Employment Taxes (FSET) program, which uses IDOR-approved Tax-Prep software programs (software you develop or purchase off-the-shelf) to file electronically.

To pay — You may use

- **MyTax Illinois,**
- an IDOR-approved **Tax-Prep software program,** *or*
- **ACH Credit payment option.**

MyTax Illinois is our online account filing and management program that is available to you, free of charge, to file, pay, and monitor your Illinois tax accounts.

For detailed information, go to our website at **tax.illinois.gov**.

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Electronic mandates for Illinois withholding income tax:

- You must make withholding tax payments electronically if you are assigned to the semi-weekly payment schedule.
- You are required to electronically submit Forms W-2, W-2c, W-2G, and 1099-K to Illinois. See **Publication 110, Forms W-2, W-2c, W-2G, and 1099 Filing and Storage Requirements for Employers and Payers, including 1099-K Electronic Filing Requirements.**

Note: ***Make separate payments if your liability is for two separate quarters.*** Be sure to identify the reporting period to which each payment applies. Otherwise, a penalty could result for the payment being applied to the incorrect period.

For example: If you are assigned to the semi-weekly payment and quarterly return schedule, and your tax withheld is from two different quarters, then send us two separate payments to reflect the tax being reported on two different returns (Form IL-941). If you pay one half of your employees on Wednesday, September 30, 2026, and the other half of your employees on Thursday, October 1, 2026, both payments are due on Wednesday, October 7, 2026. However, the payday of September 30, 2026, is in the third quarter and the payday of October 1, 2026, is in the fourth quarter. Therefore, two separate payments are required.

Note: Withholding income tax is a "trust" tax and may be subject to penalty and interest if not reported correctly or paid timely. For more information about penalties and interest, see **Publication 103, Penalties and Interest for Illinois Taxes.**

How do I calculate how much my IL-501 payments should be?

The IL-501 payments you make should be the **exact amount you withheld from your payee minus any credits** you may have available. For example:

Example 1: Monthly payment schedule (no credits)

Your January 1 - January 31 payroll totaled $15,000; you withheld Illinois Income Tax totaling $600 from your employees' pay; and you have no available credits on your account. Your IL-501 payment should be $600.

Payroll total = $15,000.00
IL withholding total = $600.00
Credits = - 0.00
IL-501 payment = $600.00

Example 2: Monthly payment schedule (with credits) -

Your January 1 - January 31 payroll totaled $15,000; you withheld Illinois Income Tax totaling $600 from your employees' pay; and you calculated a minimum wage credit of $250. Your IL-501 payment should be $350.

Payroll total = $15,000.00
IL withholding total = $600.00
Credits = - 250.00
IL-501 payment = $350.00

Please plan your payments accordingly so that your account remains in balance.

Example 3: Semi-weekly payment schedule (no credits)

Your January 1 - January 7 payroll totaled $18,000; you withheld Illinois Income Tax totaling $2,000 from your employees' pay; and you have no available credits on your account. Your IL-501 payment should be $2,000.

Payroll total = $18,000.00
IL withholding total = $2,000.00
Credits = - 0.00
IL-501 payment = $2,000.00

Example 4: Semi-weekly payment schedule (with credits)

Your January 1 - January 7 payroll totaled $20,000; you withheld Illinois Income Tax totaling $4,000 from your employees' pay; and you received a DCEO credit of $500 that was available for use. Your IL-501 payment should be $3,500.

Payroll total = $20,000.00
IL withholding total = $4,000.00
Credits = - 500.00
IL-501 payment = $3,500.00

Please plan your payments accordingly so that your account remains in balance.

Note: See **Booklet IL-700-T, Illinois Withholding Tax Tables,** for the exact amount to withhold from your employee's or payee's income.

Where do I report the amount of Illinois Income Tax I withheld from my employees' or others' pay?

You must report the amount of Illinois Income Tax you withheld, based upon the date you issued payroll, on Step 4 of your Form IL-941. **Note:** If you withheld no Illinois Income Tax from your employees or payees during a given month, make sure to enter "0" in the total line for that month.

For example:

- You withheld no Illinois Income Tax from your payroll on January 15 and January 30. On the first month of the quarter, enter the total of "$0" for your January payroll on Line 2a and Line 2b.

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- You withheld Illinois Income Tax from your payroll on February 15 of $225 and February 28 of $300. On the second month of the quarter, enter $225 on the 15th and $300 on the 28th. Then enter the total of $525 on Line 2c.
- You withheld Illinois Income Tax from your payroll on March 15 and March 30 of $300 each. On the third month of the quarter, enter $300 on the 15th and $300 on the 30th. Then, enter the total of $600 on Line 2d.
- Add Lines 2b, 2c, and 2d.
- On your Form IL-941 submitted by April 30 for the first quarter of 2025, you would report $1,125 on Line 2.

For more information, see the **Form IL-941 Instructions.**

What if my business name or address has changed?

If your business name or address has changed from your last return, check the appropriate box on Form IL-941, Step 1. You also can make changes to your business name by completing and submitting **Form REG-3-C, Business Information Update**, and updates to your address on **MyTax Illinois.**

What if I no longer have employees or my business has closed?

If you are a seasonal business and will be opening back up during the next season, continue to file your returns. Even if you do not pay any wages or withhold any tax, you must still file a return.

If your business has **permanently** stopped withholding because 1) it has closed or 2) you no longer pay wages, check the box on Form IL-941, Step 2, Line B, and write the date you stopped paying wages. Do not forget to file a final return. You may also cease your account through MyTax Illinois, our online account management program, available on our website at **tax.illinois.gov**.

What if I registered for Withholding Income Tax in error?

To cancel your registration, call the Central Registration Division of the Illinois Department of Revenue at **217 785-3707**.

What if I need help?

Contact information: Visit our website at **tax.illinois.gov**.
For specific phone number and email contacts see our **Contact Us** page.
Call us at **1 800 732-8866**, **217 782-3336** or **1 800 544-5304** (TTY).
Write us at Illinois Department of Revenue, PO Box 19001, Springfield, IL 62794-9001.
Call our 24-hour Forms Order Line at **1 800 356-6302**.

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