

# Form IL-941 Information and Instructions

## Important 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 voluntarily agreed to withhold Illinois taxes, usually reported to a recipient on a Form 1099.
- Gambling and lottery winnings (paid by the entity issuing the winnings such as the Illinois Lottery or a casino), 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 discontinue having Illinois employees or payees, complete IL-941, Step 2, Line B, for your final reporting period.

### When is my Form IL-941 return due?

Your Form IL-941 is due quarterly. See the box to the right.

Unlike the federal government, Illinois does not require an annual reconciliation return. If you submit an annual reconciliation return, it may cause processing delays and an error on your withholding account.

For more information, see the “End of the Year Instructions,” after the “Step by Step Instructions” section.

**\*Note:** If the due date falls on a weekend or holiday, the return is due on the next business day.

### How can I file or pay electronically?

We encourage you to file your Form IL-941 and make your IL-501 payments electronically.

**To file** — You may use

- **MyTax Illinois** on our website at [tax.illinois.gov](http://tax.illinois.gov) or
- an IDOR-approved **Tax-Prep software program** (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](http://tax.illinois.gov).

### Electronic Requirements for Illinois Withholding Income Tax:

- You must make withholding tax payments electronically if you are assigned to the semi-weekly payment schedule.
- If you are federally mandated to electronically file Forms W-2 and W-2-C, you are also required to electronically submit these forms to Illinois. See [Publication 110](#), W-2, W-2G, and 1099 Filing and Storage Requirements for Employers and Payers, for additional information.

### When to File Form IL-941

Your Form IL-941 is due by the last day of the month that follows the end of the quarter.

| The quarter includes...        | Quarter ends | IL-941 is due               |
|--------------------------------|--------------|-----------------------------|
| 1. January, February, March    | March 31     | April 30 (May 1, for 2017)* |
| 2. April, May, June            | June 30      | July 31                     |
| 3. July, August, September     | September 30 | October 31                  |
| 4. October, November, December | December 31  | January 31                  |

# Form IL-941 Information and Instructions

## 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 IL-941 return.

For example:

- You withheld Illinois income tax from your payroll on January 15 and January 30 of \$300 each. On the first month of the quarter, enter \$300 on the 15th and the 30th. Then enter the total of \$600.00 for your January payroll on Line 2a and Line 2b.
- 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 \$525.00 from your employees' pay for your February payroll 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 the 30th. Then, enter the total of \$600.00 from your employees' pay for your March payroll on Line 2d.
- Add Lines 2b, 2c, and 2d.
- On your Form IL-941 submitted by April 30th for the first quarter, you would report \$1,725.00 on Line 2.

|                                 |   |
|---------------------------------|---|
| <b>First month of quarter:</b>  |   |
| 15                              | <u>\$300.00</u>                                 |
| 30                              | <u>\$300.00</u>                                 |
| <b>2a</b>                       | <b>January withholding = <u>\$600.00</u></b>    |
| <b>2b</b>                       | <b>cont. (amount from 2a) = <u>\$600.00</u></b> |
| <hr/>                           |   |
| <b>Second month of quarter:</b> |   |
| 15                              | <u>\$225.00</u>                                 |
| 28                              | <u>\$300.00</u>                                 |
| <b>2c</b>                       | <b>February withholding = <u>\$525.00</u></b>   |
| <hr/>                           |   |
| <b>Third month of quarter:</b>  |   |
| 15                              | <u>\$300.00</u>                                 |
| 30                              | <u>\$300.00</u>                                 |
| <b>2d</b>                       | <b>March withholding = <u>\$600.00</u></b>      |
| <hr/>                           |   |
| <b>1st quarter Form IL-941,</b> |   |
| <b>Line 2 =</b>                 | <b><u>\$1,725.00</u></b>                        |

## Do I report an amount on every line in Step 4?

You must report withholding amounts **only** on the days you issued payroll **and** on the total Lines 2a, 2b, 2c, and 2d. The lines for the days where there was no withholding may remain blank. For example, if you have 2 payroll days per month on the 15th and the 28th, then Step 4 should look like this:

### Step 4: Tell us about the amount withheld

- 2** Enter the exact amount of Illinois Income Tax you actually withheld from your employees or others on the date you paid the compensation. Only enter amounts on days you made withholding - leave the remaining "Day" lines blank. If you withheld no Illinois Income Tax during the month, enter "0" on the corresponding "Total" line - Line 2a, 2c, or 2d (noted by "◆").

**2a First month of quarter** (i.e., January for 1st quarter; April for 2nd quarter; July for 3rd quarter; and October for 4th quarter)

| Day   | Amount | Day | Amount        | Day | Amount | Day  | Amount          |
|---|--------|-----|---------------|-----|--------|------|-----------------|
| 1   | _____  | 9   | _____         | 17  | _____  | 25   | _____           |
| 2   | _____  | 10  | _____         | 18  | _____  | 26   | _____           |
| 3   | _____  | 11  | _____         | 19  | _____  | 27   | _____           |
| 4   | _____  | 12  | _____         | 20  | _____  | 28   | <u>425.00</u>   |
| 5   | _____  | 13  | _____         | 21  | _____  | 29   | _____           |
| 6   | _____  | 14  | _____         | 22  | _____  | 30   | _____           |
| 7   | _____  | 15  | <u>425.00</u> | 23  | _____  | 31   | _____           |
| 8   | _____  | 16  | _____         | 24  | _____  |      |                 |
| <b>Total Illinois Income Tax withheld this month. (Add Section 2a, Lines 1-31.)</b> |        |     |               |     |        | ◆ 2a | <u>850.00</u> ◆ |

# Form IL-941 Information and Instructions

## Step 4: Continued

**2b** Enter the amount from Page 1, Step 4, Line 2a.

**2b** 850.00

**2c** Second month of quarter (i.e., February for 1st quarter; May for 2nd quarter; August for 3rd quarter; and November for 4th quarter)

| Day | Amount | Day | Amount        | Day | Amount | Day | Amount        |
|-----|--------|-----|---------------|-----|--------|-----|---------------|
| 1   |        | 9   |               | 17  |        | 25  |               |
| 2   |        | 10  |               | 18  |        | 26  |               |
| 3   |        | 11  |               | 19  |        | 27  |               |
| 4   |        | 12  |               | 20  |        | 28  | <u>425.00</u> |
| 5   |        | 13  |               | 21  |        | 29  |               |
| 6   |        | 14  |               | 22  |        | 30  |               |
| 7   |        | 15  | <u>425.00</u> | 23  |        | 31  |               |
| 8   |        | 16  |               | 24  |        |     |               |

**Total Illinois Income Tax withheld this month.** (Add Section 2c, Lines 1-31.) **2c** 850.00

**2d** Third month of quarter (i.e., March for 1st quarter; June for 2nd quarter; September for 3rd quarter; and December for 4th quarter)

| Day | Amount | Day | Amount        | Day | Amount | Day | Amount        |
|-----|--------|-----|---------------|-----|--------|-----|---------------|
| 1   |        | 9   |               | 17  |        | 25  |               |
| 2   |        | 10  |               | 18  |        | 26  |               |
| 3   |        | 11  |               | 19  |        | 27  |               |
| 4   |        | 12  |               | 20  |        | 28  | <u>425.00</u> |
| 5   |        | 13  |               | 21  |        | 29  |               |
| 6   |        | 14  |               | 22  |        | 30  |               |
| 7   |        | 15  | <u>425.00</u> | 23  |        | 31  |               |
| 8   |        | 16  |               | 24  |        |     |               |

**Total Illinois Income Tax withheld this month.** (Add Section 2d, Lines 1-31.) **2d** 850.00

**Add Lines 2b, 2c, and 2d and enter the total amount here.** This is the total dollar amount of Illinois Income Tax actually withheld from your employees or others for this quarter. **2** 2,550.00

## How do I use my Illinois Department of Commerce and Economic Opportunity (DCEO) credits?

DCEO credits should be claimed on Line 3 of your Form IL-941. We receive notification from DCEO and apply credits when they become available. **Do not** claim these credits on your Form IL-941 **until** they are available for use per your tax credit certificate or your certificate of verification that you received from DCEO.

There are two different types of DCEO credits for Illinois withholding income tax:

- **Illinois Small Business Job Creation tax credit (ILSBJC)** - This credit is applied to the first liability due after the tax credit certificate is issued, and before any IL-501 payments you have made. The federal employer identification number (FEIN) you use on your Form IL-941 must match the FEIN on the tax credit certificate you receive from DCEO.
- **Economic Development for a Growing Economy withholding tax credit (EDGE)** - The EDGE credit is applied to the first liability of the tax year *following* the Certificate of Verification year and is also considered before any IL-501 payments. This credit is not common.

Please account for your credits when you plan your payments so that your account remains in balance. Even if you use a DCEO credit, you still need to report the total amount you withheld from your employees or others on Step 4, Line 2 of Form IL-941. Your DCEO credits are applied to your tax liability before your payments and your IDOR-approved credits. Make sure to claim all of your payments for the quarter on Form IL-941, Step 5, Line 4. If you made payments that, when added with your DCEO credit, resulted in overpayment of your withholding taxes, you must follow the instructions for "What is an IDOR-approved credit?" for this amount to be verified as an IDOR-approved credit. The amount cannot be used for future withholding tax liabilities until you receive this written verification. For additional information, contact Illinois DCEO.

# Form IL-941 Information and Instructions

## When are my IL-501 payments due?

There are two different payment schedules — **monthly**, and **semi-weekly**. Your payment due dates are determined by

1. the payment schedule we assign to you based on your liability, and
2. the day you pay your payees from whom tax is withheld.

**Note:** If you exceed \$12,000 in withholding during a quarter, you must begin to pay your Illinois withholding income tax semi-weekly **and** electronically.

### The due dates are as follows:

- **Monthly** payments are due by the 15th day of the month following the month in which the tax was withheld.
- **Semi-weekly** 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.

**Note:** If the due date falls on a weekend or holiday, the payment is due on the next business day.

**Electronic requirements 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.

For more information, see [Publication 131](#), Withholding Income Tax Payment and Filing Requirements.

**Note:** You will owe a **late-payment penalty** if you do not pay the tax you owe by each payment due date. For more information, 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 (no credits)

Your January 1- January 15 payroll totaled \$15,000.00; you actually withheld Illinois income tax totaling \$600.00 from your employees' pay; and you have no available credits on your account. Your IL-501 payment should be \$600.00.

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

### Example 2 (with credits)

Your January 1- January 15 payroll totaled \$15,000.00; you actually withheld Illinois income tax totaling \$600.00 from your employees' pay; and you received a DCEO credit of \$250.00 that was available for use. Your IL-501 payment should be \$350.00. See the boxes to the right.

|                        |             |
|------------------------|-------------|
| Payroll total =        | \$15,000.00 |
| IL withholding total = | \$600.00    |
| DCEO credits =         | - \$250.00  |
| IL-501 payment =       | \$350.00    |

## What is an Illinois Department of Revenue (IDOR)-approved credit?

An IDOR-approved credit is an amount you paid in excess of your withholding tax that has been **verified to you in writing** (on a Taxpayer Notification, Account Notice, Return Correction Notice, Handwritten Letter, Error Notice Response, or Notice of Claim Status), **by the Department, as an "IDOR-approved credit."** This amount can be used to satisfy future Illinois withholding income tax liabilities.

If you are uncertain if an IDOR-approved credit exists, submit a [Form IL-2000](#), Request for Verification of IDOR-approved Credit for Illinois Withholding Income Tax, and required documentation, to the address listed on the form.

If you have filed an amended return (IL-941-X) or submitted an IL-2000, do not use the credit until you receive written notification from IDOR stating the amount of IDOR-approved credit available.

**Important: You must have written notification from us that states you have an "IDOR-approved credit" and specifies the amount, before you are able to use it on your IL-941, Step 5, Line 4.**

## Do I figure my own penalties or interest?

You are not expected to figure your own penalties and interest. We will bill you for penalties and interest, if applicable. For more information about penalties and interest, see [Publication 103](#), Penalties and Interest for Illinois Taxes.

# Form IL-941 Information and Instructions

## How do I correct a misapplied payment I made to IDOR?

A payment can be moved from one period to another period only if it has not been used to satisfy a liability. If you made the payment through MyTax Illinois, you can change the payment while it is in “pending” status. Once the payment posts, you must send a written request to us to have the payment moved. In your written request, please include your account number; the amount and date of the payment; to what period you are requesting it be applied; and the reason for your request to move the payment. Also include a complete list of payment amounts and dates for the period to which you are moving it. Send the request to the address listed in the “*Where do I get help?*” box on Page 6.

## How do I correct an error if I over-withheld or under-withheld from a payee?

The method for correcting an error on withholding is determined by the time of year that the error is made. If you over-withheld or under-withheld prior to the end of the calendar year, you may simply correct it in future payroll cycles within the same calendar year by adjusting the amount you withhold by the amount of the over-withholding or under-withholding. Amounts reported on Form IL-941 always must be the exact amounts withheld from payees. If you do not make the correction before the end of the calendar year, you must report the amount actually withheld on the W-2 or 1099 forms for the payee to claim on his/her income tax return. Your employee or other individual from whom you withheld will either receive a refund of the over-withheld amount or have to pay the under-withheld amount on their Individual Income Tax Return.

### Examples

- If you withheld too much from an employee during the 1st quarter, you may withhold less during the 2nd quarter to make up for the overage. On your Form IL-941, report the exact amount you withheld during the quarter.
- If you withheld too little from your employee during the January 15th payroll, you may withhold more during the February 15th payroll. On your Form IL-941, report the exact amount you withheld during the quarter.

## How do I correct withholding that I have over-reported or under-reported?

You must always report the exact amount of tax that you actually withheld during the reporting period on your Form IL-941. If the amount you reported was more or less than the amount you actually withheld, then you must file an amended return (IL-941-X).

## What form do I use to report my employees’ or payees’ income and withholding at the end of the year?

You must report income and withholding on the correct withholding form type listed in the chart below. Refer to the Internal Revenue Service website at [irs.gov](http://irs.gov), for more information.

| Type of Income  | Withholding Form Type |
|---|-----------------------|
| Payroll   | W-2                   |
| Compensation  | W-2 or 1099 series    |
| Gambling winnings   | W-2G                  |
| Illinois Lottery Winnings   | W-2G                  |
| Amount paid to purchase rights to Illinois Lottery Winnings                             | 1099-MISC             |
| Voluntary Withholding Agreement — Unemployment, Retirement, Interest or Dividend Income | 1099 series           |
| Other   | 1099 series           |

# Form IL-941 Information and Instructions

## Form IL-941 Step-by-Step Instructions

Follow the instructions on the form. Remember to complete each line using the total for the full reporting period. Do not file more than one Form IL-941 per reporting period.

### Step 1: Provide your information

Enter your information and check any box that is applicable.

**Note:** Your sequence number should be "000" unless you have been assigned a different sequence number when you registered.

**Reporting Period** — Complete this section.

Check the correct quarter you are reporting (even if you have no withholding to report). File one return for each quarter. Do **not** file an annual return.

### Step 2: Tell us about your business

Complete Items A and B only if this is your 4th quarter return or you have permanently stopped withholding and this is your final return.

**Item A** — Enter the **total number of W-2 forms** reporting Illinois withholding you were required to issue for the entire year.

**Item B** — Check this box if applicable.

**Item C** — **Illinois Secure Choice Savings Program** - complete Worksheet 1 below.

### Where do I get help?

- Visit our website at [tax.illinois.gov](http://tax.illinois.gov)
- Call us at **1 800 732-8866** or **217 782-3336**
- Call our TDD (telecommunications device for the deaf) at **1 800 544-5304**
- Write to  
**ILLINOIS DEPARTMENT OF REVENUE**  
**PO BOX 19044**  
**SPRINGFIELD IL 62794-9044**

## Worksheet 1 - Illinois Secure Choice Savings Program Requirements

Complete this worksheet to find out if you should check Box C.

1. Are you subject to the Illinois Secure Choice Savings Program Act (820 ILCS 80/)? Answer the following questions.
  - Do you employ fewer than 25 people? **YES NO**
  - Have you been in business less than 2 years? **YES NO**



- If you answered "YES" to either of the questions, you are not subject to the Illinois Secure Choice Savings Program Act, **check Box "C" on your Form IL-941.**
- If you answered "NO" to both questions, **continue to Number 2.**

2. If you are subject to the Illinois Secure Choice Savings Program Act, do you offer a "qualified" retirement savings plan, such as a pension or 401(k), to your employees? (A "qualified" plan is a plan that meets the requirements for Section 401(a), Section 401(k), Section 403(a), Section 403(b), Section 408(k), Section 408(p), or Section 457(b) of the Internal Revenue Code of 1986.) **YES NO**



- If you answered "YES," **check Box "C" on your Form IL-941.**
- If you answered "NO," you will be contacted by the Illinois Secure Choice Savings Program. You are required to either
  - participate in the Illinois Secure Choice Savings Program, which will begin a phase enrollment in 2018, **OR**
  - begin offering a qualified retirement savings plan to your employees.

For more information, go to [illinoisretirement.gov](http://illinoisretirement.gov). **After enrollment in the Illinois Secure Choice Program is available, failure to comply may result in assessment of fees and penalties.**

### Step 3: Tell us about the amount subject to withholding

**Line 1** — Enter the total of all amounts subject to Illinois withholding income tax (either required or by voluntary agreement) including payroll, compensation, gambling winnings (such as Illinois Lottery winnings), amounts paid to purchase the rights to Illinois Lottery winnings, or any other non-wage income. **Do not leave blank** - if you had no amount subject to Illinois withholding, enter zero.

# Form IL-941 Information and Instructions

## Step 4: Tell us about the amount withheld

**Line 2** — Enter the exact amount of Illinois income tax you withheld from your employees or others on the date you paid the compensation. This step is separated by month and lists every day in each month. Enter the amount of Illinois income tax you withheld from your employees or payees on the exact day you paid the amount from which you withheld tax.

1. Enter the amount of Illinois income tax you withheld from your employees' or payees' income on the exact day you withheld it. Do not write this amount on the day you made your deposit — it must be the day you made your payroll or compensation payments. For example, if your payroll is paid on January 15 and January 30 and you withheld a total of \$300 each payroll, you will enter \$300 on the 15th and \$300 on the 30th in the "First month of quarter" section.

|    |          |
|----|----------|
| 15 | \$300.00 |
| 30 | \$300.00 |

2. For each month add the daily amounts to determine the total tax withheld for the month and enter the total in the space provided. **Do not leave the total lines (Lines 2a, 2b, 2c, and 2d) for Line 2 blank-** if you did not withhold during this period, enter zero. For this example, you would enter \$600 on Line 2a.

Total Illinois Income Tax withheld this month. (Add Section 2a, Lines 1-31.)      2a      \$600.00

3. For each quarter, add the amounts from Lines 2b, 2c, and 2d, and enter the total on the line provided and on Form IL-941, Line 2. **Do not leave Line 2 blank-** if you did not withhold during this period, enter zero.

Add Lines 2b, 2c, and 2d and enter the total amount here. This is the total dollar amount of Illinois Income Tax actually withheld from your employees or others for this quarter.      2      \$1,800.00

**IMPORTANT:** Enter the total of all amounts of Illinois Income Tax actually withheld (either required or by voluntary agreement) this reporting period, even if you are able to use a DCEO or other credit to pay your withholding liability. This includes employee withholding and any withholding that was made on other Illinois income. **Do not estimate this amount.**

## Step 5: Tell us about your payments and credits

**Note:** The Department applies credits and payments in a specific order. The DCEO credit (Line 3) is applied first, next the payments (line 4), and the IDOR-approved credit (Line 5) is applied last.

**Line 3** — Enter only the amount of credit you are using through the Illinois Department of Commerce and Economic Opportunity (DCEO) to satisfy your liability. This amount should not exceed your tax amount on Line 2. **This credit is applied to your tax liability before your payments and other credits.** You can claim the Small Business Job Creation Tax Credit or the EDGE Credit only if you received a tax credit certificate or a certificate of verification from DCEO. Do **not** attach the DCEO certificate. This credit can only be used to reduce your withholding income tax liability. A DCEO credit cannot result in a refund. However, if you have remaining credit, you can use it for future Illinois withholding income tax liabilities. See the worksheet.

### DCEO Credit Worksheet

|   |   |       |
|---|---|-------|
| A | Total amount of DCEO credit available from certificate or left over from a previous return:   | _____ |
| B | Enter Step 4, Line 2 from this IL-941.  | _____ |
| C | Subtract Line B from Line A. If this is a negative number, enter zero. This is the amount of DCEO credit you have remaining to use on future Illinois withholding income tax liability. <b>Keep this amount for future returns.</b> | _____ |

**Line 4** — Enter the total amount of withholding payments you have made during this period. This includes all IL-501 payments (electronic and paper coupons). **Do not leave blank.**

**Line 5** — Enter the amount of IDOR-approved credit you are using towards your tax liability. Make sure to use only up to the amount of tax minus the sum of the DCEO credits used and payments made on the account. **Do not include any amounts on this line unless you have received written confirmation from IDOR that those credits have been approved.** For more information, see the section, "What is an IDOR-approved credit?"

**Line 6** — Follow the instructions on the form. This is your total credits and payments.

# Form IL-941 Information and Instructions

---

## Step 6: Figure your balance

**Line 7** — Follow the instructions on the form. This is your balance due.

If the total of your payments and credits on Line 6 is greater than your withholding amount on Line 2, review your amounts. You may have made an error on the amount you paid or credit claimed on Line 6 or the tax you reported on Line 2. If your information is correct and you overpaid the withholding amount, enter **zero** on Line 7. **Do not** enter a negative number on Line 7. The overpaid withholding amount must be approved as IDOR approved credit to be able to apply it to future Illinois withholding tax liabilities. To request verification of an amount as an IDOR-approved credit, you must submit Form IL-2000, Request for Verification of IDOR Approved Credit for Illinois Withholding Tax. **This amount is not available for use on any future IL-941 return until you receive written notification from IDOR that the credit is approved.**

## Step 7: Sign here

You, or a person authorized by you through a Power of Attorney form, must sign and date the first signature line of your return. If you do not sign your return, it will **not** be considered filed and you may be subject to a **nonfiler penalty**.

The paid preparer line must be completed by an “income tax return preparer” whom you paid to complete the return and who is not your employee. The paid preparer’s IRS Preparer Tax Identification Number (PTIN) must be entered in the space provided.

The term “income tax return preparer” is defined as “any person who prepares for compensation, or who employs one or more persons to prepare for compensation, any return of tax imposed by this Act or any claim for refund of tax imposed by this Act. The preparation of a substantial portion of a return or claim for refund shall be treated as the preparation of that return or claim for refund.” However, a person is not an income tax return preparer if all that the person does is furnish typing, reproducing, or other mechanical assistance. (IITA Section 1501(a)(26)). The Illinois definition of income tax return preparer is substantially the same as the IRS definition. Therefore, if the IRS does not consider you to be an income tax return preparer with respect to the corresponding U.S. Form 941, you will generally not be considered an income tax return preparer with respect to the IL-941. For example, if you are a reporting agent filing U.S. Form 8655 and you are not considered an income tax return preparer by the IRS because you fall within the mechanical assistance exception, then, provided you do not render any specific Illinois income tax advice, you will not be considered an income tax return preparer by the Department.

If you want to allow the paid preparer to discuss this return with us, check the box and print the paid preparer’s name and phone number. This authorization will allow your designee to answer any questions that arise during the processing of your return, call us with questions about your return, and receive or respond to notices we send. The authorization will automatically end no later than one year from the due date of this return. You may revoke the authorization at any time by calling or writing us.

**NOTE: Form IL-941 has a scanline for automated processing that contains your FEIN, the reporting period, and a check digit. Do not photocopy the form and use for any other FEIN or reporting period.**



# Form IL-941 Information and Instructions

## End of the Year Instructions

At the end of the year, you (as the withholding agent) are required to report to your payee the total amount you withheld from that payee on the appropriate form (i.e. W-2, W-2G, or 1099).

To verify your records, compare

1. the total Illinois withholding you reported to your payees on Forms W-2, W-2G, W-2c, and 1099, 1. \_\_\_\_\_
2. the total Illinois withholding amount you reported on your quarterly Forms IL-941, Line 2, added together for the year. 2. \_\_\_\_\_

|                            |       |
|----------------------------|-------|
| Quarter 1 IL-941, Line 2   | _____ |
| + Quarter 2 IL-941, Line 2 | _____ |
| + Quarter 3 IL-941, Line 2 | _____ |
| + Quarter 4 IL-941, Line 2 | _____ |
3. your payments made to IDOR plus credits claimed for the year (Form IL-941, Line 6). 3. \_\_\_\_\_

|                            |       |
|----------------------------|-------|
| Quarter 1 IL-941, Line 6   | _____ |
| + Quarter 2 IL-941, Line 6 | _____ |
| + Quarter 3 IL-941, Line 6 | _____ |
| + Quarter 4 IL-941, Line 6 | _____ |

\*\*\*The amounts on Lines 1, 2, and 3 should match. If they do not, then you need to review your account. See the "possible errors" box.

| <b>Possible Errors for End of the Year Instructions</b> |   |
|---|---|
| <b><i>If the total for line</i></b>                     | <b><i>then you may have...</i></b>                    |
| #2 is greater than #1,                                  | underreported to your payees or overreported to IDOR. |
| #2 is greater than #3,                                  | underpaid or overreported to IDOR.                    |
| #1 is greater than #2,                                  | overreported to your payees or underreported to IDOR. |
| #1 is greater than #3,                                  | underpaid to IDOR or overreported to your payees.     |
| #3 is greater than #2,                                  | overpaid to IDOR or underreported to IDOR.            |
| #3 is greater than #1,                                  | overpaid to IDOR or underreported to your payees.     |

To correct an error, see sections "How do I correct an error if I over-withheld or under-withheld from a payee?" and "How do I correct withholding that I have over-reported or under-reported?"

**Note:** If you made an error in the amount you reported to your employee or payee on the W-2, W-2G, or 1099 forms, you must provide them with the correct amount on a W-2c or a corrected Form W-2G or Form 1099 as required by the Internal Revenue Service. You must also file Form IL-941-X, Amended Illinois Withholding Income Tax Return, to report the corrected amounts. The amount you withheld should always agree with the amount you report to us.