



# **TAX**

## **EDUCATION WEBINAR**

**AUDIT &  
INFORMAL  
CONFERENCE  
BOARD UPDATES**

**FRIDAY, JUNE 27, 2025  
9:00 A.M. TO 10:30 A.M.**

**Illinois**  
**Department of Revenue**

# Disclaimer

This PowerPoint presentation is provided for general informational purposes only. The information contained in this presentation should not be construed as legal advice from the Illinois Department of Revenue or the presenter for any purpose, including but not limited to the Taxpayers' Bill of Rights, nor is it intended to be a substitute for legal counsel on any subject matter. IDOR advises that audience members pursue appropriate legal or other professional advice when seeking guidance, based upon their particular facts and circumstances.



# Audit Bureau Overview & Updates

# Audit Bureau Overview



# Staffing Updates

- Roger Koss – Retirement effective 12/31/23
- Max Letterly – Program Administrator effective 7/1/24
- Tiffany Streeval – Audit Discovery & Recovery (AD&R) Assistant Division Manager (ADM) effective 7/1/24
- Jason Misuinas – Sales Tax Field Compliance ADM effective 7/16/24
- Gerri Ahlbach – Sales Tax Field Compliance ADM effective 7/16/24
- Voula Tsakanikas – Retirement effective 5/31/25



# Illinois Audit Overview: Your Rights & Responsibilities

The Illinois Department of Revenue (IDOR) audit program promotes voluntary compliance, deters tax evasion, educates taxpayers, collects deficiencies, and facilitates refunds.





# Your Rights During an Audit



## Fair Treatment

You deserve equitable, courteous, and professional treatment throughout the audit process.



## Accurate Determination

You have the right to an accurate assessment of tax amounts.



## Clear Communication

You should understand why information is requested and how it will be used.



# How Taxpayers Are Selected for Audit

## Random Selection

Some taxpayers are chosen through statistical sampling methods.

## Business Nature

Certain industries may receive more scrutiny based on compliance history.

## Audit History

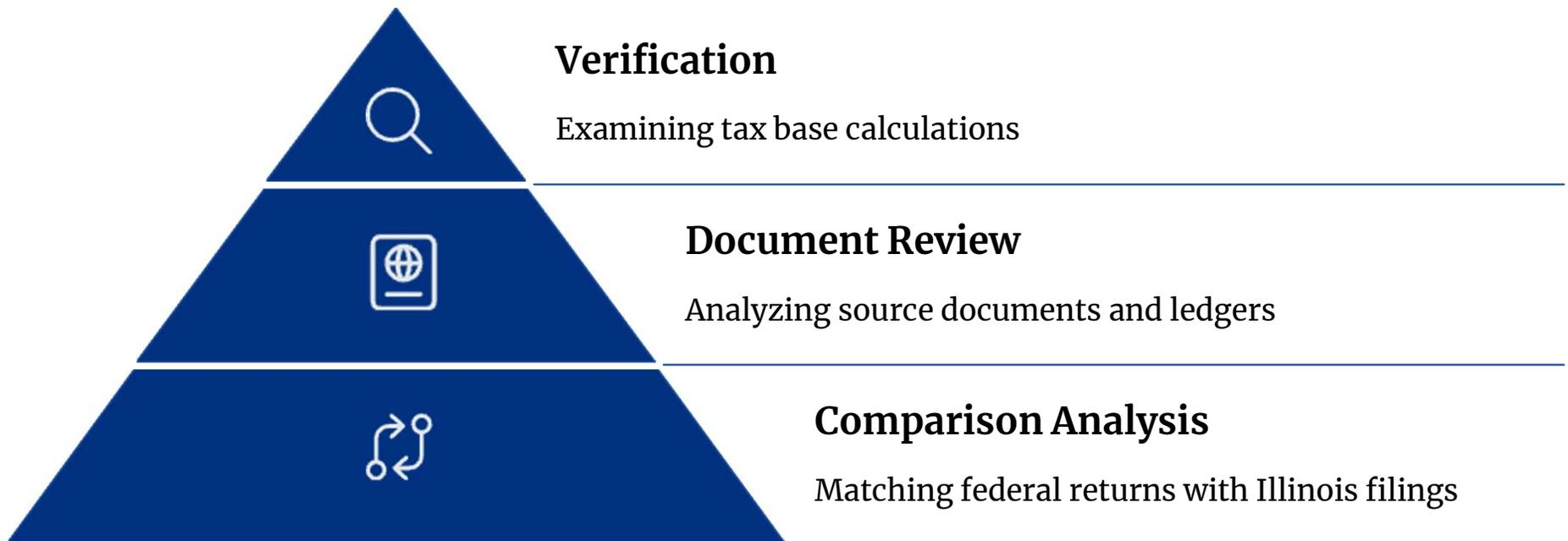
Previous audit results may trigger follow-up reviews.

## Referrals

Information from other agencies or taxpayers may prompt an audit.



# Standard Audit Methods



Methods vary by tax type and business category. A flower shop audit differs from a manufacturer audit, even when both are for sales tax.



# Required Records for Audits



## Source Documents

Original receipts, invoices, and transaction records.



## General Ledgers

Detailed accounting records supporting tax return entries.



## Tax Returns

Copies of filed returns and supporting schedules.

**Warning:** Failure to produce requested records may result in penalties up to \$3,000 per filing period.



# Audit Locations and Duration



## Traditional Locations

- Your business premises
- Your representative's office



## Virtual Options

- Virtual Audit Room (VAR)
- MyTax Illinois account



## Duration Factors

- Business size and type
- Record availability
- Your cooperation level

Audits may last from one day to many months depending on these factors.



# Representation During Audits

## Choose Your Representative

You may represent yourself or authorize another person through power of attorney \*.

## Submit Required Forms

Complete Form IL-2848 and email it to [REV.POA@illinois.gov](mailto:REV.POA@illinois.gov) with a copy to your auditor.

## Await Confirmation

Requests are processed within three business days, and you'll receive confirmation.

\* Only registered owners, officers, members, or partners can execute a power of attorney.

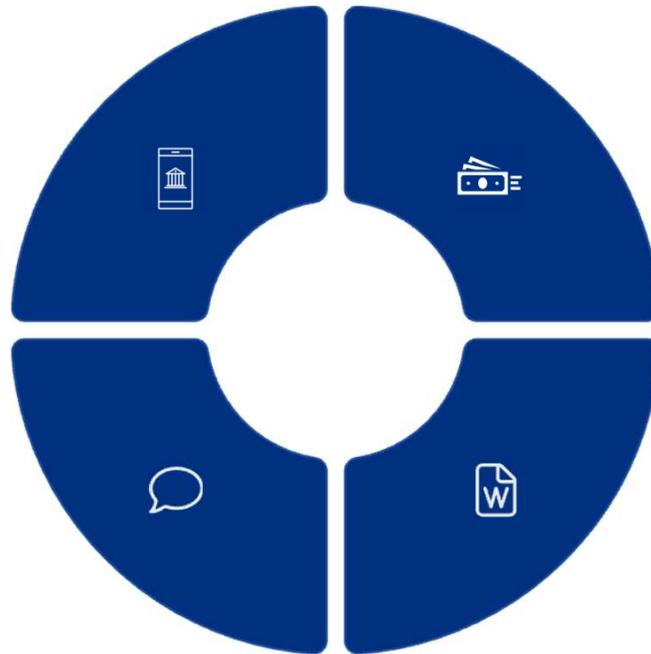
# Penalties and Reasonable Cause

## 15% Penalty

Applied to unpaid liabilities at audit initiation.

## Discuss Process

Speak with your auditor about the penalty waiver request procedure.



## 20% Penalty

Increases if not paid within 30 days of Notice of Audit Results.

## Reasonable Cause

Submit written explanation with supporting documentation to request penalty abatement.



# Resolving Audit Disputes



## Fast Track Resolution

Mediate disputed issues while still under Audit Bureau authority.



## Informal Conference Board

Request review within 60 days of Notice of Proposed Deficiency.



## Formal Protest

Administrative Hearings or Tax Tribunal based on amount in dispute.



## Court Appeal

Circuit or appellate court review of administrative decisions.





# Self-Service Tools and Resources for Illinois Taxpayers



# **MyTax Illinois: Audit Functions**

# Respond to FSEU Notice(1 of 3)

[More account options](#)

 *Search our online services*

## Account Options

- > Make an Extension Payment
- > Make an Estimated Payment
- > Contribute to Invest in Kids
- > Respond To Audit
- > Respond To Examination

## Periods and Submissions

- > View Account Periods
- > View Account Submissions

## Letters and Messages

Options for view account specific letters and messages.

- > View Account Letters
- > View Account Messages
- > Respond to a Notice

# Respond to FSEU Notice(2 of 3)

Select the letter you would like to respond to

Filing Period	Mail Type	Letter ID	Date Issued	Select
12/31/2016	Notice of Proposed Tax Due -FS	CNXXXX58 [REDACTED]	6/16/2021	<input checked="" type="radio"/>
12/31/2016	Examiner's Report	L1118 [REDACTED]	6/16/2021	<input type="radio"/>
12/31/2018	Notice of Proposed Tax Due -FS	CNXXX18 [REDACTED]	6/16/2021	<input type="radio"/>
12/31/2018	Examiner's Report	L08143 [REDACTED]	6/16/2021	<input type="radio"/>

[Click Here to Respond](#)

# Respond to FSEU Notice(3 of 3)

Choose one:

- \* I agree with the proposed tax and the EDA-131, Examiner's Report  [i](#)
- \* I want to make changes to the proposed tax in the EDA-131, Examiner's Report  [i](#)
- \* I disagree with the proposed tax and the EDA-131, Examiner's Report  [i](#)
- \* I am a nonresident or part-year resident.  [i](#)

# Respond to FSEU Notice - Agree

- Waiver Statement
  - Agreement to immediate assessment and collection of related penalties and interest
  - For overpayments, acceptance of examiner's report with interest
  - Waiver of restrictions
- Payment
  - Submit a Payment
  - Request a Payment Plan
- Review
  - Review all entries and information for taxpayer to confirm
  - Submit

# Respond to FSEU Notice – Request Changes

- Provide Changes and Support
  - Explain/request changes
  - Add attachments
- Payment
  - Submit a Payment
  - Request a Payment Plan
- Review
  - Review all entries and information for taxpayer to confirm
  - Submit

# Respond to FSEU Notice – Disagree

- Taxpayer Response
  - Explanation of disagreement
  - Add attachments
- Review
  - Review all entries and information for taxpayer to confirm
  - Submit

# Respond to FSEU Notice – Nonresident or Part-Year Resident

- Residency Status
  - 4 options for residency status
    - Resident of another state
    - Resident of another country (U.S. citizen)
    - Resident of another country (Non-U.S. citizen)
    - Part-year resident of Illinois
- Attach Documentation
  - Each residency option provides for its own documentation requirements
- Review
  - Review all entries and information for taxpayer to confirm
  - Submit

# Respond to Audit (1 of 2)

[More account options](#)

 *Search our online services*

## Account Options

- > Make an Extension Payment
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## Periods and Submissions

- > View Account Periods
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## Letters and Messages

Options for view account specific letters and messages.

- > View Account Letters
- > View Account Messages
- > Respond to a Notice

# Respond to Audit (2 of 2)

< More account options

Select the letter you would like to respond to

Mail Type	Date Issued	Letter ID	Select
Illinois Preaudit Questionnaire	1/30/2023	CNXXX1	<input checked="" type="radio"/>
EDA-70 Audit Information Document Request	1/30/2023	L19823	<input type="radio"/>

[Click Here to Respond](#)

# Respond to Audit – Document Requests

## Response to Information Document Request

In response to the Information Document Request issued 2/21/2023, I submit the following:

- ❗ Information Document Request ❗ Item 1 ❗ Item 2 ❗ Item 3 ❗ Item 4

Show Errors			
Item	Response	Not Available	Attach this item?
<span style="color: red;">❗</span> Trial Balance	*	<input type="checkbox"/>	<input type="checkbox"/>
<span style="color: red;">❗</span> Working Papers used to prepare the ST-1	*	<input type="checkbox"/>	<input type="checkbox"/>
<span style="color: red;">❗</span> Sales Tax Liability Reports	*	<input type="checkbox"/>	<input type="checkbox"/>
<span style="color: red;">❗</span> Tax Accrual Account Detail	*	<input type="checkbox"/>	<input type="checkbox"/>
Show Errors			

# Electronically Sign Waivers

Review your response below and select submit to continue to the password confirmation.

### Statute of Limitations Waiver

Name :  
EXAMPLE COMPANY INC

Account ID  
1234-5678

I, the taxpayer, agree to waive the benefit of the statute of limitations and permit the Illinois Department of Revenue (IDOR) to issue a notice of tax liability on or before 12/31/2025, so that IDOR can complete its audit of my books and records or I may have additional time to obtain information necessary for the audit's completion. I understand that if a notice of tax liability is issued and the waiver to extend the statute of limitations is for IDOR's convenience, no interest will accrue during the extension period or until the notice of tax liability is issued, whichever occurs first. As a result of this agreement, I understand that the time I have to file a claim for credit will be extended until the date cited above. However, the period for filing a claim for credit can be extended only to purchasers who pay the tax to IDOR.

I understand that I am waiving the benefit of the statute of limitations that would otherwise prevent IDOR from issuing a notice of tax liability (including penalty and interest) after 6/30/2024, with respect to any tax, penalties, and interest I incurred from 1/1/2021 through 12/31/2021 under the tax acts and laws included with this waiver.

### Person Preparing Response

Full Name  
Taxpayer

Title:  
217-555-5555

Phone Number

# Respond to Audit – Additional Functions

- Respond to Audit Questionnaires
- Apply for Fast Track Resolution
- Waive the Right to Petition the Informal Conference Board
- Request Reasonable Cause
- Sign Returns
- Submit Payments

# Virtual Audit Room



# Virtual Audit Room - Flow

Audit Initiation

Discuss VAR with Taxpayer

Audit Subsite Established

Document Uploads and Viewing

## Virtual Audit Room – Key Benefits

- Quick and convenient access to audit information
- Ability to share in a secure, confidential environment
- Minimizes time spent at the taxpayer's location
- Most file types accepted (e.g., .pdf, .doc, .xls, etc.)
- Reduces travel expenses



**Major Decline in Monthly Travel Expenses!**

# **Informal Conference Board Overview & Updates**



**Africa Robinson**  
**Administrator, Informal Conference Board**

**Laurie Evans**  
**Income Tax Informal Conference Board Conferee**

**Phil Bolander**  
**Sales & Use Tax Informal Conference Board  
Conferee**



# Informal Conference Board (ICB)

ICB's role is to review proposed audit adjustments prior to the issuance of a protestable notice and to attempt to resolve the issues presented at the earliest point.

## Inventory as of 5/31/2025

- Assessments over \$176 million
- Claims over \$87 million
- 49 Income Tax Cases
- 186 Sales and Miscellaneous Tax Cases

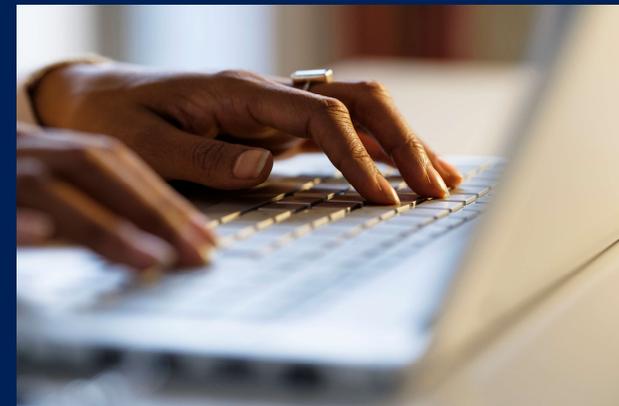


# **Informal Conference Board(ICB) Staffing**

- **Income Tax**
  - **Dale Marx - Chicago**
  - **Chad Estes - Springfield**
  - **Laurie Evans - Springfield**
- **Sales and Miscellaneous Tax**
  - **Tim Emrick - Springfield**
  - **Kimberlee Hicks - Springfield**
  - **Joanna Wala - Chicago**
  - **Phil Bolander (Contract) - Chicago**

# Contacting the Informal Conference Board

- **ICB Email Address**
  - [REV.ICB@Illinois.gov](mailto:REV.ICB@Illinois.gov)
  - **Utilized for**
    - **ICB-1 filings**
      - **If submit via email, does not require a paper submission as well.**
      - **Verification of receipt of email filing should be requested in the email submission.**
    - **ICB-2 filings**
    - **Submission of additional information to ICB**
    - **Any questions regarding ICB or its processes**



# What's Happening? 1 of 2

- **New sales/use tax conferees**
- **Conferees focused on completing older dockets**
- **Conferences**
  - **In Person, WebEx, Telephone**
  - **In Person Locations**
    - **555 W. Monroe**
    - **Des Plaines Regional Facility**
    - **Willard Ice Building, Springfield**

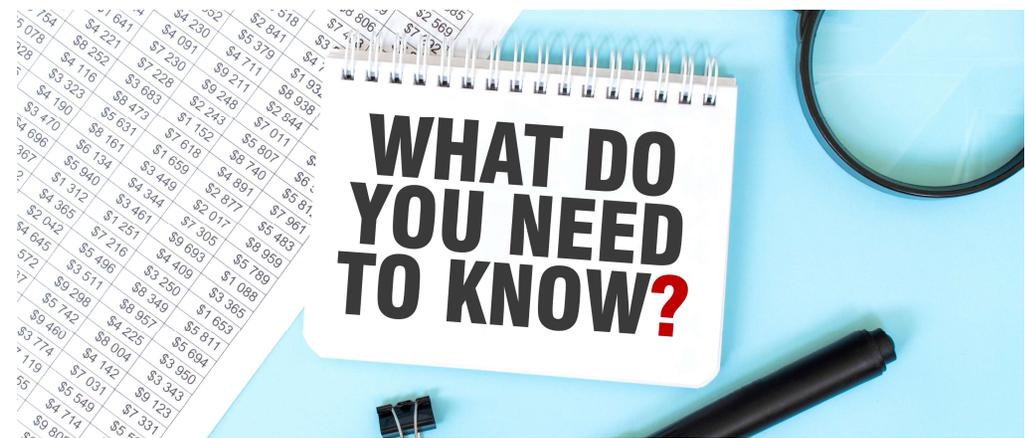
# **What's Happening?** 2 of 2

## **What's happening?**

- **No significant changes in percentage of submissions to ICB**
- **Submissions dependent upon the number of auditors performing audits and the issues they raise in their completed audits.**
- **ICB requests to include periods outside audit periods before ICB**
- **Increase in settlement offers**

- Limits to what will be addressed in ICB
  - Issues included in the audit and raised in ICB-1
  - No reauditing or new issues
  - Information requests
- Settlements, ICB-2
  - With ICB-1 submission
  - During the ICB process or
  - After conclusion of an ICB conference

# The ICB Process



# How to Keep Things Moving

- **Be responsive during the audit and ensure that all IDR's are responded to timely and completely during the audit process**
- **Submit all necessary information, support and materials with the ICB-1 submission for issues being challenged**
- **Provide responses to conferee questions or requests for information in a timely manner**

- **60 day filing period**
- **Penalty abatement request**
- **Responding to conferees**
- **Payments equals agreement**

## Current Issues





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**THANK YOU  
FOR ATTENDING!**

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