



Publication 105

Illinois Estimated Payments Requirements for Individuals and Businesses

About this publication

Publication 105, Illinois Estimated Payments Requirements for Individuals and Businesses, provides detailed information about Illinois Income Tax estimated payment requirements.

The objectives of Publication 105 are to

- define estimated payments,
- identify when estimated payments are due,
- provide guidance for making estimated payments, and
- describe consequences of not paying estimated payments.

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 so the tax information is easier to understand. As a result, we do not directly quote Illinois statutes and the Illinois Administrative Code. The contents of this publication are informational only and do not take the place of statutes, rules, and 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 Illinois Administrative 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 the 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 Division
Illinois Department of Revenue
PO Box 19014
Springfield, IL 62794-9014

Get forms and other information faster and easier at tax.illinois.gov

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General Information

What are estimated payments?

Estimated tax payments are payments of income tax that are required to be paid evenly throughout the year. Most individuals have withholding income tax taken out of their pay and are not familiar with the estimated payment requirement.

Individuals

You must make estimated income tax payments if you reasonably expect your tax liability for the year to exceed \$1,000 after subtracting your Illinois withholding, pass-through withholding payments, and tax credits for

- income tax paid to other states,
- Illinois Property Tax paid,
- education expenses,
- Volunteer Emergency Worker Credit,
- the Illinois Earned Income Tax Credit,
- Pass-Through Entity Tax Credit, and
- Schedule 1299-C, Income Tax Subtractions and Credits (for individuals).

You will likely need to make estimated payments if your income is either fully or partially exempt from Illinois withholding.

If you do not receive your income evenly throughout the year or if you must begin making estimated payments in mid-year, see [Form IL-2210 Instructions, Computation of Penalties for Individuals](#), for further details on annualizing your income.

Businesses

Corporations - You must make estimated income tax payments if you reasonably expect your Illinois Income and Replacement Tax and surcharge liability to be more than \$400 for the tax year.

S corporations and partnerships - You must make estimated income tax payments if you elect to pay Pass-through Entity (PTE) tax and your tax liability is expected to be more than \$500 for the tax year.

If you are required to make estimated payments and do not receive your income evenly throughout the year, see [Form IL-2220 Instructions, Computation of Penalties for Businesses](#), for further details on annualizing your income.

Am I required to make estimated income tax payments?

Individuals

You must make estimated income tax payments if you reasonably expect your tax liability for the year to exceed \$1,000 after subtracting your Illinois withholding, pass-through withholding payments, and tax credits for

- income tax paid to other states,
- Illinois Property Tax paid,
- education expenses,
- Volunteer Emergency Worker Credit,
- the Illinois Earned Income Tax Credit,
- Pass-Through Entity Tax Credit, and
- Schedule 1299-C, Income Tax Subtractions and Credits (for individuals).

You will likely need to make estimated payments if your income is either fully or partially exempt from Illinois withholding.

Complete the [IL-1040-ES, Estimated Income Tax Payments for Individuals](#), Estimated Tax Worksheet to figure your estimated tax and to determine if you are required to make estimated tax payments. If you plan to file a joint income tax return, you must figure your estimated tax on your joint income.

If you determine that you are required to make estimated payments, you should pay 100 percent of the tax by the due date of the return. If your income changes during the year, you should complete the amended worksheet.

Businesses

Corporations - You must make estimated income tax payments if you reasonably expect your Illinois Income and Replacement Tax and surcharge liability to be more than \$400 for the tax year. Complete the Estimated Payment Worksheet in Appendix B of the IL-1120 Instructions, Corporation Income and Replacement Tax Return, to figure your estimated tax and to determine if you are required to make estimated tax payments. Short tax years do not exempt a taxpayer from their estimated payment requirements.

If you determine that you are required to make estimated payments, pay 100 percent of the tax by the due date of your return. If your income changes during the year, you should complete the amended worksheet in Appendix B.

S corporations and partnerships - You must make estimated income tax payments if you elect to pay Pass-through Entity (PTE) tax and your tax liability is expected to be more than \$500 for the tax year. Complete the Estimated Payment and Prepayment Worksheet in Appendix C of the IL-1120-ST Instructions, Small Business Corporation Replacement Tax Return, or the IL-1065 Instructions, Partnership Replacement Tax Return, to figure your estimated tax and to determine if you are required to make estimated tax payments. Short tax years do not exempt a taxpayer from their estimated payment requirements.

If you determine that you are required to make estimated payments, pay 100 percent of the tax by the due date of your return. If your income changes during the year, you should complete the amended worksheet in Appendix C.

What if I do not receive my income evenly throughout the year?

Individuals

If you do not receive your income evenly throughout the year or if you must begin making estimated payments in mid-year, you may be able to annualize your income. This means that you can determine your income for each quarter based upon when the income was received. See [Form IL-2210, Computation of Penalties for Individuals](#), for further details on annualizing your income.

Businesses

If you are required to make estimated payments and do not receive your income evenly throughout the year, you may be able to annualize your income. This means that you can determine your income for each quarter based upon when the income was received. See the [Form IL-2220 Instructions, Computation of Penalties for Businesses](#), for further details on annualizing your income.

When are my estimated payments due?

To avoid penalty, your estimated payment options are to pay:

- four equal installments, or
- annualized installments based upon the income for each quarter (See Form IL-2210 Instructions for Individuals or IL-2220 Instructions for Businesses), or
- the full amount of tax due on the first installment date.

Installment dates are the following, unless the date falls on a weekend or holiday, then the payment will be due on the next business day.

Note: The following dates are based on a calendar-year basis. If you file on a fiscal-year basis, please adjust all the due dates to correspond to your tax year.

Individuals

- ▶ April 15;
- ▶ June 15;
- ▶ September 15; and
- ▶ January 15 of the following year.

Businesses

- ▶ April 15;
- ▶ June 15;
- ▶ September 15; and
- ▶ December 15.

Are there any exceptions to paying estimated payments?

Individuals

You do not have to make estimated payments if you are 65 years or older and permanently living in a nursing home, a farmer, or if you were not required to file an IL-1040, Illinois Individual income Tax return in the prior year. We consider you a farmer if at least two-thirds of your total federal gross income is from farming.

For more information, refer to [Form IL-1040-ES, Estimated Income Tax Payments for Individuals](#).

Businesses

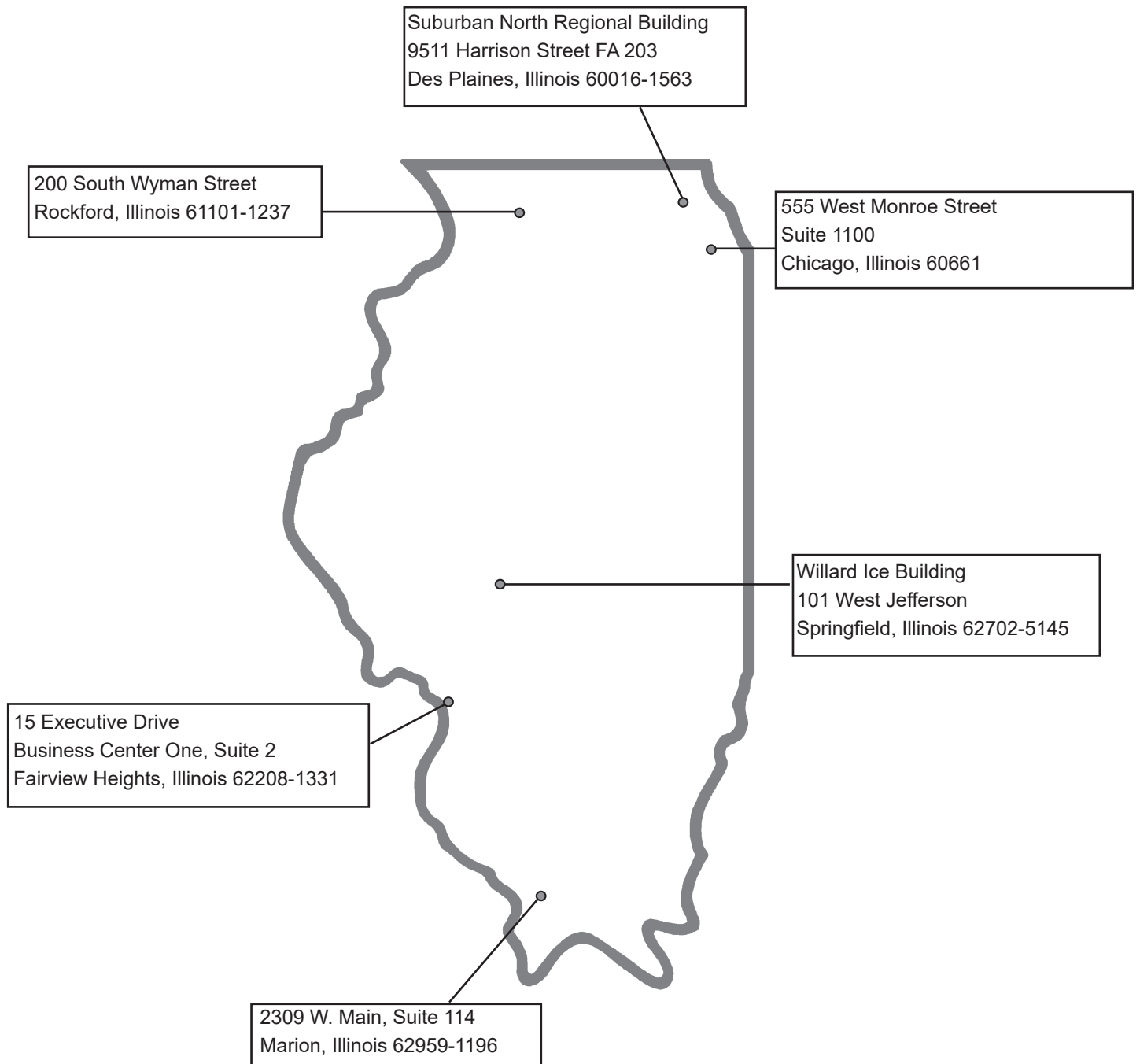
Corporations - There are no exceptions to paying estimated payments. You must make estimated income tax payments if you reasonably expect your Illinois Income and Replacement Tax and surcharge liability to be more than \$400 for the tax year. Short tax years do not exempt a taxpayer from their estimated payment requirements.

S corporations and partnerships - You are not required to make estimated income tax payments towards your annual tax liability unless you are making the election to pay Pass-through Entity (PTE) tax and your tax liability is expected to be more than \$500.

What if I do not make my estimated payments or make my payments late?

You may be assessed a late estimated payment penalty if you do not pay the required estimated payments on time. We will apply each payment to the earliest due date until that liability is paid unless you provide specific instructions to apply it to another period. However, if you pay at least 90 percent of this year's tax or 100 percent of last year's tax in four equal timely installments, you may not be subject to this penalty. The late estimated payment penalty is calculated based on the number of days the payment is late. For payments made 1 to 30 days late, the penalty is 2% of the tax due; and for payments made 31 days or later, the penalty is 10% of the tax due. For more information on penalties, see [Publication 103, Penalties and Interest for Illinois Taxes](#).

Office Locations



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** or **217 782-3336**. (TTY **1 800 544-5304**)

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**.