

ALERTS AND UPDATES

Illinois Enacts New Tax Amnesty

August 20, 2010

The state of Illinois has enacted a new tax amnesty that takes effect between October 1, 2010, and November 8, 2010. The amnesty applies to any tax enforced by the Illinois Department of Revenue (e.g., income tax, sales tax, etc.), with the exception of motor fuel tax.

By paying all of the tax owed (for past periods) during the amnesty period, **all** penalty and interest would be abated. It also stops the Department of Revenue from seeking any other civil or criminal sanctions against the taxpayer for the period the amnesty is granted. The amnesty is not limited to unknown taxpayers; rather taxpayers who can take advantage of the amnesty include those who have been audited and assessed tax by the Department of Revenue, as long as they are not currently litigating the tax matter in state court or are under criminal investigation.

Failure to take advantage of the amnesty will result in the **doubling** of interest and penalty due. As a result, taxpayers who may have back-tax liabilities and who can take advantage of the amnesty may want to seriously consider doing so.

For Further Information

If you would like more information on who can apply for the amnesty and how it works, please contact [Stanley R. Kaminski](#), any other [member](#) of the [State and Local Tax Practice Group](#), or the lawyer in the firm with whom you are regularly in contact.

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