

Illinois Government Finance Officers Association Conference

presented by:

Illinois Department of Revenue

www.tax.illinois.gov

September, 2018

Legislative Changes:

- 10% reduction of Income Tax disbursements was reduced to 5% for FY19.
- 2.0% administrative fee on certain locally imposed taxes was reduced to 1.5%.

Other Items of Interest:

- FAA Mandate/Legislation
- Increased Income Tax Collections
- New Website Design

Enhanced Services:

- Additional staff has reduced response times for correspondence submitted to the Local Tax Allocation Division.

Contact Aaron Allen, Division Manager at 217-785-7116 if you have concerns with correspondence not being worked timely. Please call 217-785-6518 for general inquiries.

- Audit and Collection referrals are being tracked and updates requested on a quarterly basis. Priority is being given to these referrals.
- MyTax access for local governments. Planned implementation in May, 2019.

Example of the Clerk Account in MyLocalTax

Note: This is only a draft. No decisions have been made as of 9/12/2018 on what information will be available.

The screenshot displays the MyLocalTax web application interface. At the top left is the MyTax Illinois logo. The top right navigation bar includes links for IDOR Home, IDES Home, Help, Contact, and Privacy Policy. A dark blue header bar contains the MyLocalTax logo, the user's name 'Welcome, Local Clerk', and links for Settings and Log Off. Below this is a light blue bar with a Home link. The main content area features three user profile sections: 'Logon' for 'Local Clerk' (michael.hofner@illinois.gov, last logged on 9/7/2018), 'Alerts' (6 unread messages, 7 unread letters), and 'I Want To' (Update Contacts, Download Disbursement Files). A 'Need help using this site?' link is also present. A navigation bar below these sections includes tabs for ACCOUNTS, REQUESTS, CORRESPONDENCE (selected), NAMES AND ADDRESSES, and LOGONS. The 'Messages' section lists six processed vouchers with dates. The 'Unread Letters' section lists seven items: Tax Location Verification, Tax Location Verification, Tax Location Verify - Discrepancy, Annual Taxpayer Address List, Acknowledgement of Reciprocal Agreement, Remittance Report, and Mutual Verification.

MyTax Illinois

IDOR Home | IDES Home | Help | Contact | Privacy Policy

MyLocalTax

Welcome, Local Clerk Settings Log Off

Home

Need help using this site?

Logon

Local Clerk
michael.hofner@illinois.gov
Last logged on 9/7/2018

Alerts

There are 6 unread messages
There are 7 unread letters

I Want To

Update Contacts
Download Disbursement Files

ACCOUNTS REQUESTS CORRESPONDENCE NAMES AND ADDRESSES LOGONS

Messages

View Messages

Unread Letters

View Letters

A Home Rule Voucher has been processed for 12/31/2018
A Municipal Sales Tax Voucher has been processed for 12/31/2018
A Home Rule Voucher has been processed for 11/30/2018
A Municipal Sales Tax Voucher has been processed for 11/30/2018
A Home Rule Voucher has been processed for 10/30/2018
A Municipal Sales Tax Voucher has been processed for 10/30/2018

Tax Location Verification
Tax Location Verification
Tax Location Verify - Discrepancy
Annual Taxpayer Address List
Acknowledgement of Reciprocal Agreement
Remittance Report
Mutual Verification

Example of the Allocation Account in MyLocalTax

Note: This is only a draft. No decisions have been made as of 9/12/2018 on what information will be available.

The screenshot displays the MyTax Illinois website interface. At the top left is the MyTax Illinois logo. On the top right, there are links for IDOR Home, IDES Home, Help, Contact, and Privacy Policy. Below the logo, a blue navigation bar contains the word "Allocations" and user information: "Welcome, Local Clerk", "Settings", and "Log Off". A breadcrumb trail shows "Home > ST-1: 3949-3849".

The main content area is divided into several sections:

- Account:** Local Clerk, 30-4051979. A link for "Allocations" is provided.
- Account Alerts:** Two alerts are shown: "There are 6 unread messages" and "There are 7 unread letters".
- I Want To:** A link for "Download Disbursement Files".
- Account Maintenance:** A link for "Update Contacts".

A "Need help using this site?" link with a question mark icon is located in the top right of the main content area.

Below these sections is a horizontal menu with tabs: RECENT PERIODS (selected), REQUESTS, CORRESPONDENCE, NAMES AND ADDRESSES, and LOGONS.

The "Recent Periods" section features a table with the following data:

Period	Completed Disbursements	Disbursement File
12/31/2018	\$6,169,483.67	Pending
11/30/2018	\$7,610,171.29	Download File
10/31/2018	\$7,146,927.51	Download File

Buttons for "View All..." and "Filter" are located at the top right of the table.

Example of the Period Level Allocation Account in MyLocalTax

Note: This is only a draft. No decisions have been made as of 9/12/2018 on what information will be available.

The screenshot displays the MyTax Illinois web application interface. At the top, the logo "MyTax Illinois" is on the left, and navigation links for "IDOR Home", "IDES Home", "Help", "Contact", and "Privacy Policy" are on the right. A blue header bar shows the date "12/31/2018" on the left and "Welcome, Local Clerk" with "Settings" and "Log Off" options on the right. Below the header, a breadcrumb trail reads "Home > Allocations > 12/31/2018".

The main content area is divided into several sections:

- Period:** Shows "MICORP 30-4051979" and "Allocations" for "12/31/2018".
- Period Alerts:** A notification icon indicates "There is 1 unread message".
- I Want To:** A list item "Download Disbursement File".
- Summary:** A table showing "Completed Disbursements" for \$6,169,483.67 and a link for "Summary Explanation".
- Period Activity:** A table of activity logs for 1/1/2019 and 1/12/2019, including messages and processed vouchers.

A link "Need help using this site?" is located in the top right corner of the main content area.

Period	Completed Disbursements	Period Activity												
12/31/2018	\$6,169,483.67	<table border="1"> <tr> <td>1/1/2019</td> <td>Message</td> <td>A Home Rule Voucher has been processed for 12/31/2018</td> </tr> <tr> <td>1/1/2019</td> <td>Processed</td> <td>Home Rule Voucher: \$3,233,055.92</td> </tr> <tr> <td>1/12/2019</td> <td>Message</td> <td>A Municipal Sales Tax Voucher has been processed for 12/31/2018</td> </tr> <tr> <td>1/12/2019</td> <td>Processed</td> <td>Municipal Sales Tax Voucher: \$2,936,427.75</td> </tr> </table>	1/1/2019	Message	A Home Rule Voucher has been processed for 12/31/2018	1/1/2019	Processed	Home Rule Voucher: \$3,233,055.92	1/12/2019	Message	A Municipal Sales Tax Voucher has been processed for 12/31/2018	1/12/2019	Processed	Municipal Sales Tax Voucher: \$2,936,427.75
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1/12/2019	Processed	Municipal Sales Tax Voucher: \$2,936,427.75												

Use Tax

- **What is use tax?**

Use tax is a tax imposed on the privilege of using, in Illinois, any item of tangible personal property that is purchased anywhere at retail.

- **What is the use tax rate?**

The use tax rate is 6.25 percent on purchases of general merchandise including automobiles and other items that must be titled or registered. The use tax rate is 1 percent on purchases of qualifying food, drugs, and medical appliances.

- **Do you share in this tax?**

- Yes. Twenty percent of the collections for general merchandise and 100 percent of the collections on qualifying food, drugs, and medical appliances is returned to local governments.

- **How is use tax distributed?**

Predominantly by population.

Each month, the State and Local Sales Tax Reform Fund is distributed as listed below:

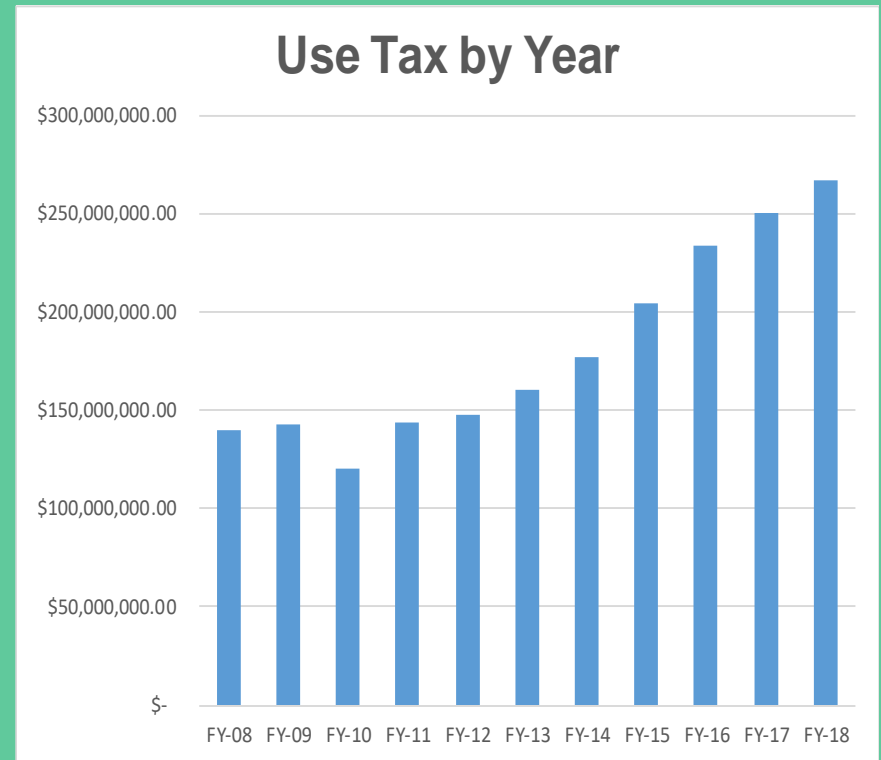
- ❖ 20 percent is distributed to Chicago
- ❖ 10 percent is distributed to the Regional Transportation Authority (RTA)
- ❖ 0.6 percent is distributed to the Metro-East Mass Transit District (MED)
- ❖ \$3.15 million is distributed to the Build Illinois Fund
- ❖ The remaining balance is distributed to county and municipal governments (except Chicago) based on the population of each local government.

Wayfair Decision – What Does It Mean?

- US Supreme Court overruled Quill (Physical presence is not the test)
- New Illinois Use Tax Statute – PA 100-0587
 - ❖ Effective October 1, 2018
 - ❖ Gross receipts of \$100,000 or more or 200 or more separate transactions per year
 - ❖ Differences between Illinois and South Dakota
- \$200 million estimate – Methodology
- Obstacles
 - ❖ Statute could be challenged
 - ❖ Identifying online retailers
 - ❖ Educating new taxpayers on Illinois statutes

Use Tax Distributions FY08 thru FY18

	Annual Amount	Per Capita
FY-08	\$ 139,487,776.67	\$ 13.96
FY-09	\$ 142,508,168.33	\$ 14.13
FY-10	\$ 120,824,609.83	\$ 11.94
FY-11	\$ 143,806,983.00	\$ 14.20
FY-12	\$ 147,921,668.15	\$ 14.61
FY-13	\$ 160,694,522.99	\$ 15.85
FY-14	\$ 177,478,500.62	\$ 17.50
FY-15	\$ 204,840,123.62	\$ 20.21
FY-16	\$ 234,086,525.82	\$ 23.09
FY-17	\$ 250,212,513.48	\$ 24.66
FY-18	\$ 267,459,007.45	\$ 26.30

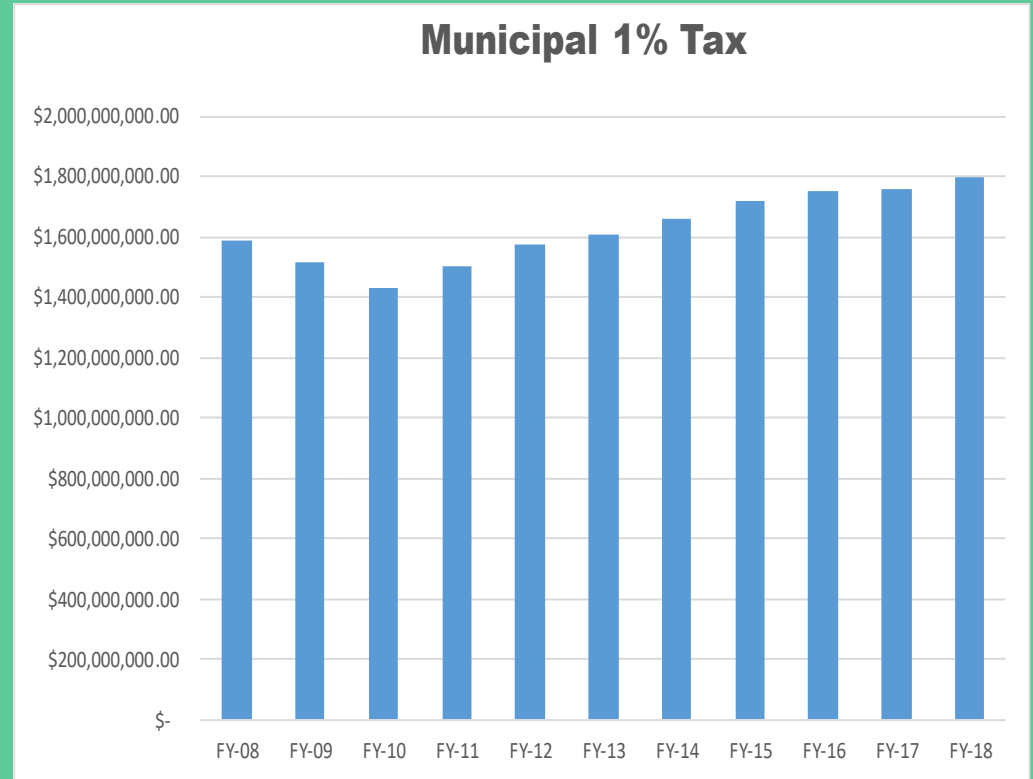


FY-19 is currently up 13.94% (July thru Sept Distributions)

MT Sales Tax FY08 thru FY18

FY-08	\$ 1,588,407,435.56
FY-09	\$ 1,518,316,056.99
FY-10	\$ 1,429,537,554.19
FY-11	\$ 1,501,173,532.33
FY-12	\$ 1,574,828,174.90
FY-13	\$ 1,604,944,729.81
FY-14	\$ 1,663,733,434.83
FY-15	\$ 1,720,104,362.19
FY-16	\$ 1,753,825,469.29
FY-17	\$ 1,758,279,290.28
FY-18	\$ 1,796,524,190.38

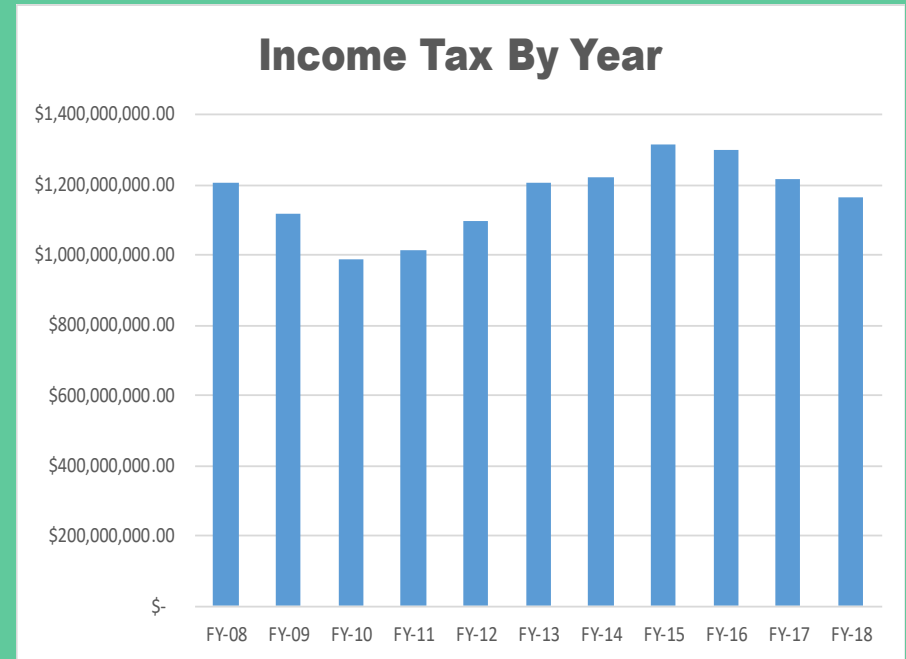
Up
2.18%



FY-19 is currently up 4.42% (July thru Sept Distributions)

Income Tax Distributions FY08 thru FY18

	Income Tax	
	Annual Amount	Per Capita
FY-08	\$ 1,207,748,411.46	\$ 93.96
FY-09	\$ 1,118,193,675.91	\$ 86.39
FY-10	\$ 985,358,543.82	\$ 75.85
FY-11	\$ 1,012,927,708.43	\$ 78.02
FY-12	\$ 1,095,259,945.07	\$ 85.36
FY-13	\$ 1,203,628,865.31	\$ 93.80
FY-14	\$ 1,223,196,226.34	\$ 95.34
FY-15	\$ 1,316,288,983.57	\$ 102.57
FY-16	\$ 1,301,115,402.96	\$ 101.36
FY-17	\$ 1,216,293,764.08	\$ 94.71
FY-18	\$ 1,162,895,730.49	Down 4.39%



FY-19 is up 12.25% (July thru Sept Distributions)



*Thank You
for Allowing Us to
Present at Your
Meeting*

Please contact us at the address or telephone number listed below.

Illinois Department of Revenue

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