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Editor's Note: The Secretary of State Index Department is providing this opportunity to remind you that the next filing period for your Regulatory Agenda will occur from October 15, 2017 until January 2, 2018.

INTRODUCTION

The *Illinois Register* is the official state document for publishing public notice of rulemaking activity initiated by State governmental agencies. The table of contents is arranged categorically by rulemaking activity and alphabetically by agency within each category.

Rulemaking activity consists of proposed or adopted new rules; amendments to or repealers of existing rules; and rules promulgated by emergency or peremptory action. Executive Orders and Proclamations issued by the Governor; notices of public information required by State Statute; and activities (meeting agendas; Statements of Objection or Recommendation, etc.) of the Joint Committee on Administrative Rules (JCAR), a legislative oversight committee which monitors the rulemaking activities of State Agencies; is also published in the Register.

The Register is a weekly update of the Illinois Administrative Code (a compilation of the rules adopted by State agencies). The most recent edition of the Code, along with the Register, comprise the most current accounting of State agencies' rulemakings.

The *Illinois Register* is the property of the State of Illinois, granted by the authority of the Illinois Administrative Procedure Act [5 ILCS 100/1-1, et seq.].

ILLINOIS REGISTER PUBLICATION SCHEDULE FOR 2017

Issue#	Rules Due Date	Date of Issue
1	December 27, 2016	January 6, 2017
2	January 3, 2017	January 13, 2017
3	January 9, 2017	January 20, 2017
4	January 17, 2017	January 27, 2017
5	January 23, 2017	February 3, 2017
6	January 30, 2017	February 10, 2017
7	February 6, 2017	February 17, 2017
8	February 14, 2017	February 24, 2017
9	February 21, 2017	March 3, 2017
10	February 27, 2017	March 10, 2017
11	March 6, 2017	March 17, 2017
12	March 13, 2017	March 24, 2017

13	March 20, 2017	March 31, 2017
14	March 27, 2017	April 7, 2017
15	April 3, 2017	April 14, 2017
16	April 10, 2017	April 21, 2017
17	April 17, 2017	April 28, 2017
18	April 24, 2017	May 5, 2017
19	May 1, 2017	May 12, 2017
20	May 8, 2017	May 19, 2017
21	May 15, 2017	May 26, 2017
22	May 22, 2017	June 2, 2017
23	May 30, 2017	June 9, 2017
24	June 5, 2017	June 16, 2017
25	June 12, 2017	June 23, 2017
26	June 19, 2017	June 30, 2017
27	June 26, 2017	July 7, 2017
28	July 3, 2017	July 14, 2017
29	July 10, 2017	July 21, 2017
30	July 17, 2017	July 28, 2017
31	July 24, 2017	August 4, 2017
32	July 31, 2017	August 11, 2017
33	August 7, 2017	August 18, 2017
34	August 14, 2017	August 25, 2017
35	August 21, 2017	September 1, 2017
36	August 28, 2017	September 8, 2017
37	September 5, 2017	September 15, 2017
38	September 11, 2017	September 22, 2017
39	September 18, 2017	September 29, 2017
40	September 25, 2017	October 6, 2017
41	October 2, 2017	October 13, 2017
42	October 10, 2017	October 20, 2017
43	October 16, 2017	October 27, 2017
44	October 23, 2017	November 3, 2017
45	October 30, 2017	November 13, 2017
46	November 6, 2017	November 17, 2017
47	November 13, 2017	November 27, 2017
48	November 20, 2017	December 1, 2017
49	November 27, 2017	December 8, 2017
50	December 4, 2017	December 15, 2017
51	December 11, 2017	December 26, 2017
52	December 18, 2017	December 29, 2017

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Standardbred, Thoroughbred, and Quarter Horse Breeding and Racing Programs, Illinois
- 2) Code Citation: 8 Ill. Adm. Code 290
- 3)

<u>Section Numbers:</u>	<u>Proposed Actions:</u>
290.67	Amendment
290.190	Amendment
290.200	Amendment
- 4) Statutory Authority: Sections 30, 31, and 33.1 of the Illinois Horse Racing Act of 1975 [230 ILCS 5/30, 31, and 33.1]
- 5) A Complete Description of the Subjects and Issues Involved: These proposed amendments remove the requirement to file a report with the Department of Agriculture when transported fresh semen from an Illinois-Certified stallion is used to inseminate a mare. Also, it allows semen to be transported outside of Illinois but specifies that said foals would not be eligible for registration as an Illinois conceived and foaled horse. These proposed amendments also remove the requirement that a Department of Agriculture employee verify that a mare was in the State of Illinois at the time of insemination of semen from an Illinois-certified stallion. These proposed amendments also allow the Department of Agriculture to mail a Jockey Club Certificate by using a mail delivery system with tracking capabilities, not solely registered mail.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rule in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking does not affect units of local government.

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Comments on the proposed rulemaking may be submitted in writing for a period of 45 days following publication of this Notice to:

Pamela Harmon
Illinois Department of Agriculture
State Fairgrounds, P. O. Box 19281
Springfield IL 62794-9281

217/524-6905
fax: 217/785-4505

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: Horse breeders
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory agenda on which this rulemaking was summarized: 40 Ill. Reg. 9698; July 15, 2016

The full text of the Proposed Amendments begins on the next page:

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

TITLE 8: AGRICULTURE AND ANIMALS
CHAPTER I: DEPARTMENT OF AGRICULTURE
SUBCHAPTER I: HORSE RACING AND BREEDING

PART 290
STANDARD BRED, THOROUGHBRED AND QUARTER HORSE BREEDING
AND RACING PROGRAMS, ILLINOIS

SUBPART A: RULES RELATING TO
ILLINOIS STANDARD BRED, THOROUGHBRED AND QUARTER
HORSE BREEDING AND RACING PROGRAMS

Section	
290.10	Purpose and Definitions
290.12	Incorporation by Reference
290.15	Trust Funds; Nominating, Sustaining and Entry Fees
290.20	Operating Plan and Official Budget; Standardbred, Thoroughbred and Racing Quarter Horse Breeders Fund Programs and Monies Distribution Schedule

SUBPART B: STANDARD BRED DIVISION

Section	
290.50	Stallion Certification Requirements
290.55	Certification of Stallion for First Time or Under New Ownership Before Offering Service
290.60	Renewal Application for Offering or Standing Stallion for Service
290.65	Breeding Record of Stallion – Record of Mares Bred
290.67	Requirements for Transported Fresh Semen of a Certified Stallion
290.70	Stallion Siring Foal Must Qualify In Order For Foal to be Eligible for Registration as an Illinois Conceived and Foaled Horse (Repealed)
290.75	Notification if Certified Stallion is Moved
290.77	Notification of Sale or Transfer of Ownership of Certified Stallion
290.78	Stallion Eligibility Certificate
290.80	Stallion Qualification Procedures (Repealed)
290.85	Qualifications for Illinois Conceived and Foaled Standardbred Horses
290.90	Registration for Illinois Conceived and Foaled Horses
290.95	Standardbred Breeders Awards
290.100	Grandfather Rights of Standardbred Horses Registered Under the Illinois Harness Racing Act (Repealed)

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

- 290.105 Standardbred Racing at County Fairs or Other Venues
290.110 Illinois Conceived and Foaled Standardbred Races at the Illinois State Fair and DuQuoin State Fair

SUBPART C: THOROUGHBRED DIVISION

- Section
290.150 Stallion Certification Requirements
290.155 Certification of Stallion for First Time or Under New Ownership Before Offering Service
290.160 Renewal Application for Offering or Standing Stallion for Service
290.165 Breeding Record of Stallion – Record of Mares Bred
290.170 Stallion Siring Foal Must Qualify In Order For Foal to be Eligible for Registration as an Illinois Conceived and Foaled Horse (Repealed)
290.175 Notification if Certified Stallion is Moved
290.177 Notification of Sale or Transfer of Ownership of Certified Stallion
290.178 Stallion Eligibility Certificate
290.180 Stallion Qualification Procedures (Repealed)
290.185 Qualifications for Illinois Conceived and Foaled Thoroughbred Horses
290.190 Registration for Illinois Conceived and Foaled Horses
290.195 Qualifications for Illinois Foaled Thoroughbred Horses
290.200 Registration for Illinois Foaled Thoroughbred Horses
290.205 Grandfather Rights of Thoroughbred Horses Registered Under the Illinois Horse Racing Act (Repealed)
290.210 Thoroughbred Stallion Owners Awards
290.215 Illinois Conceived and Foaled Thoroughbred Racing at County Fairs

SUBPART D: QUARTER HORSE DIVISION

- Section
290.220 Stallion Certification Requirements
290.225 Certification of Stallion for First Time or Under New Ownership Before Offering Service
290.230 Renewal Application for Offering or Standing Stallion for Service
290.235 Breeding Record of Stallion – Record of Mares Bred
290.240 Requirements for Transported Fresh Semen of a Certified Stallion
290.245 Notification if Certified Stallion is Moved
290.250 Notification of Sale or Transfer of Ownership of Certified Stallion
290.255 Stallion Eligibility Certificate

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

290.260	Qualifications for Illinois Conceived and Foaled Quarter Horses
290.265	Registration for Illinois Conceived and Foaled Horses
290.270	Quarter Horse Racing at County Fairs or Other Locations
290.275	Illinois Conceived and Foaled Quarter Horse Races at the Illinois State Fair and DuQuoin State Fair
290.280	Quarter Horse Racing at Illinois Pari-mutuel Racetracks

AUTHORITY: Implementing and authorized by Sections 30, 30.5 and 31 of the Illinois Horse Racing Act of 1975 [230 ILCS 5/30, 30.5 and 31].

SOURCE: Rules and Regulations Relating to the Illinois Standardbred and Thoroughbred Horse Breeding and Racing Programs, filed October 13, 1976, effective October 23, 1976; filed December 21, 1977, effective January 1, 1978; 3 Ill. Reg. 26, page 164, effective June 28, 1979; 4 Ill. Reg. 25, page 88, effective June 4, 1980; codified at 5 Ill. Reg. 10544; amended at 12 Ill. Reg. 14515, effective September 6, 1988; amended at 15 Ill. Reg. 5207, effective April 1, 1991; amended at 25 Ill. Reg. 7679, effective June 8, 2001; amended at 28 Ill. Reg. 11132, effective July 23, 2004; amended at 42 Ill. Reg. _____, effective _____.

SUBPART B: STANDARDBRED DIVISION

Section 290.67 Requirements for Transported Fresh Semen of a Certified Stallion

- a) Semen from an Illinois-certified stallion may be transported within the State for the purpose of inseminating a mare or mares within the State but cannot be transported outside the State.
- b) ~~The mare owners or their authorized representative must file a Transported Fresh Semen Report with the Department, within 10 days after insemination, indicating the insemination dates, the insemination site, a description of the mare, the ownership of the mare, and the name of the person who performed the insemination. Subsequent inseminations utilizing transported fresh semen must be reported as required by this subsection.~~
- be) The mare must be in the State at the time of conception, ~~and such fact will be verified by a Department employee.~~
- cd) The stallion owners or their authorized representative must indicate on the Record of Mares Bred (see Section 290.65) all mares artificially inseminated with transported fresh semen.

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(Source: Amended at 42 Ill. Reg. _____, effective _____)

SUBPART C: THOROUGHBRED DIVISION

Section 290.190 Registration for Illinois Conceived and Foaled Horses

- a) An application for foal registration for an Illinois conceived and foaled thoroughbred foal must be filed with the Department within 10 days after foaling. The application shall be made on forms provided by the Department. The forms shall be completed by the owners of the foal or their authorized representative and that person shall provide all the information required. The foal must remain in the State until it has been identified by a Department representative or until written notice that the foal application has been accepted and the foal registration is issued by the Department.
- b) Procedures for Registration of Illinois Conceived and Foaled Thoroughbreds:
 - 1) The owners of the foal, or their authorized representative, shall complete an application for foal registration showing the name of the mare (dam), the name of the sire, the date and location of foaling, and the color, sex and markings of the foal.
 - 2) To complete the official registration of an Illinois conceived and foaled horse, the owners or their authorized representative must forward the Jockey Club Certificate to the Department. If the horse has met all of the requirements for registration, the Illinois official seal shall be affixed on the face of the Jockey Club Certificate. The seal shall include the Illinois registration number for that horse.
 - A) The Jockey Club Certificate with the Illinois registration number will be the official registration certificate for the Illinois Thoroughbred Conceived and Foaled Program. The Jockey Club Certificate with the Department seal shall be returned to the owner of the horse by [a mail delivery system that includes tracking capabilities](#)~~registered mail~~.
 - B) If the Jockey Club Certificate is lost, ~~or~~ destroyed or replaced, the duplicate Jockey Club Certificate for the horse must receive a new

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

Department seal to be valid for the Illinois Conceived and Foaled Program.

- c) The Department shall impose monetary penalties, in accordance with [Section 40 of the Illinois Horse Racing Act of 1975 \(Act\)230 ILCS 5/40](#), for the late filing of an application for foal registration.

(Source: Amended at 42 Ill. Reg. _____, effective _____)

Section 290.200 Registration for Illinois Foaled Thoroughbred Horses

- a) An application for foal registration for an Illinois foaled thoroughbred foal must be filed with the Department within 10 days after foaling. The application shall be made on forms provided by the Department. The forms shall be completed by the owners of the foal or their authorized representative and ~~that~~ such person shall provide all the information required. The foal must remain in the State until it has been identified by a Department representative or until written notice that the foal application has been accepted and the foal registration is issued.
- b) Procedures for Registration of Illinois Foaled Thoroughbreds-
- 1) The owners of the foal, or their authorized representative, shall complete an application for foal registration showing the name of the mare (dam), the name of the sire, the date of foaling, and the color, sex and markings of the foal.
 - 2) To complete the official registration of an Illinois foaled horse, the owners or their authorized representative must forward the Jockey Club Certificate to the Department. If the horse has met all the requirements for registration, the Illinois official seal shall be affixed on the face of the Jockey Club Certificate. The seal shall include the Illinois registration number for the horse.
 - A) The Jockey Club Certificate with the Illinois registration number will be the official registration certificate for the Illinois Foaled Thoroughbred Program. The Jockey Club Certificate with the Department seal shall be returned to the owner of the horse by a mail system that includes tracking capabilities~~registered mail~~.

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- B) If the Jockey Club Certificate is lost or destroyed or replaced, the duplicate Jockey Club Certificate for that horse must receive a new Department seal to be valid for the Illinois Foaled Thoroughbred Program.
- c) The Department shall impose monetary penalties, in accordance with [Section 40 of the Act230 ILCS 5/40](#), for the late filing of an application for foal registration.

(Source: Amended at 42 Ill. Reg. _____, effective _____)

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED REPEALER

- 1) Heading of the Part: Individual Care Grants for Mentally Ill Children
- 2) Code Citation: 59 Ill. Adm. Code 135
- 3)

<u>Section Numbers:</u>	<u>Proposed Actions:</u>
135.5	Repealed
135.10	Repealed
135.15	Repealed
135.20	Repealed
135.30	Repealed
135.40	Repealed
135.50	Repealed
135.70	Repealed
135.81	Repealed
135.85	Repealed
135.90	Repealed
135.91	Repealed
135.120	Repealed
135.130	Repealed
135.135	Repealed
135.140	Repealed
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13], Section 14-11 of the Public Aid Code [305 ILCS 5/14-11(h)], and Section 5-5.23 of the Public Aid Code [305 ILCS 5/5-5.23]
- 5) Complete Description of the Subjects and Issues Involved: PA 99-479 transferred all rules, rights, powers, duties, and responsibilities related to the Individual Care Grant (ICG) program from the Department of Human Services (DHS) to the Department of Healthcare and Family Services (HFS or the Department), effective March 2016. Updated rules to the ICG program were proposed by HFS and published in the Illinois Register on July 7, 2017 (41 Ill. Reg. 7754). To complete the program update, HFS proposes to repeal the current ICG program rules at 59 Ill. Adm. Code 135 and adopt updated program rules at 89 Ill. Adm. Code 139 simultaneously.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this proposed repealer replace any emergency rule currently in effect? No

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

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- 8) Does this repealer contain an automatic repeal date? No
- 9) Does this repealer contain incorporations by reference? No
- 10) Are there any other rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking does not affect units of local government.
- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Any interested parties may submit comments, data, views, or arguments concerning this proposed rulemaking. All comments must be in writing and should be addressed to:

Mollie Zito
General Counsel
Illinois Department of Healthcare and Family Services
201 South Grand Avenue East, 3rd Floor
Springfield IL 62763-0002

217/782-1233
HFS.Rules@illinois.gov

The Department requests the submission of written comments within 45 days after the publication of this Notice. The Department will consider all written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act [5 ILCS 100/5-40].

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: None
- B) Reporting, bookkeeping or other procedures required for compliance: None
- C) Types of professional skills necessary for compliance: None

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED REPEALER

- 14) Regulatory Agenda on which this Rulemaking was summarized: This rulemaking was not anticipated by the Department when the most recent regulatory agendas were published.

The full text of the Proposed Repealer begins on the next page:

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED REPEALER

TITLE 59: MENTAL HEALTH

CHAPTER I: DEPARTMENT OF HEALTHCARE AND FAMILY ~~HUMAN~~ SERVICES

PART 135

INDIVIDUAL CARE GRANTS

FOR MENTALLY ILL CHILDREN (REPEALED)

SUBPART A: GENERAL PROVISIONS

Section

- 135.5 Purpose
- 135.10 Definitions
- 135.15 Incorporation by reference
- 135.20 Eligibility criteria
- 135.30 Parent/guardian responsibilities

SUBPART B: APPLICATION, REVIEW AND APPEAL

Section

- 135.40 Application process
- 135.50 Eligibility determination process
- 135.60 Complaint resolution process (Repealed)
- 135.70 Secretary's level appeal

SUBPART C: PLACEMENT

Section

- 135.80 Approved placement roster (Repealed)
- 135.81 Individual services plan development
- 135.85 Alternative in-home/community services
- 135.90 Residential placement
- 135.91 Discharge from residential services
- 135.100 Supplemental security income (SSI); Social Security Administration (SSA) (Repealed)
- 135.110 Education (Repealed)
- 135.120 Termination of funding and/or services
- 135.130 Monitoring
- 135.135 Grant renewal process
- 135.140 Bed holds

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NOTICE OF PROPOSED REPEALER

- 135.150 Discharge (Repealed)
135.160 Communications, records and reports (Repealed)

AUTHORITY: Implementing Section 7.1 of the Mental Health and Developmental Disabilities Administrative Act [20 ILCS 1705/7.1] and authorized by Section 5-104 of the Mental Health and Developmental Disabilities Code [405 ILCS 5/5-104] and Section 5 of the Mental Health and Developmental Disabilities Administrative Act [20 ILCS 1705/5].

SOURCE: Adopted at 11 Ill. Reg. 13408, effective July 31, 1987; emergency amendment at 16 Ill. Reg. 2648, effective February 1, 1992, for a maximum of 150 days; emergency expired June 30, 1992; recodified from the Department of Mental Health and Developmental Disabilities to the Department of Human Services at 21 Ill. Reg. 9321; emergency amendment at 22 Ill. Reg. 17354, effective September 17, 1998, for a maximum of 150 days; amended 23 Ill. Reg. 1628, effective January 25, 1999; expedited correction at 23 Ill. Reg. 9034, effective January 25, 1999; transferred from the Department of Human Services to the Department of Healthcare and Family Services by P.A. 99-479; repealed at 42 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL PROVISIONS

Section 135.5 Purpose

This Part is intended to define the terms under which children are eligible to receive funds for residential placement due to their mental illness, including alternative in-home/community services in lieu of residential placement, when clinically appropriate. Funds are provided to assist parents/guardians in obtaining such services at the appropriate level of care. Among the Part requirements are two primary mandates to be satisfied so that the grant can be approved for renewal on an annual basis. These are documentation of parental participation in the child's care, treatment and discharge to family and community and evidence of the child's continuing clinical need for the current level of care.

Section 135.10 Definitions

"Behavior management intervention." A time-limited, child and family training/therapy intervention focused toward amelioration or management of specific behaviors that jeopardize the child's functioning in the home/family setting. This intervention typically teaches/models techniques and skills that can be used by the parent/guardian and other family members.

"Children." Individuals under 18 years of age.

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED REPEALER

"Days." Refers to calendar days.

"Department." The Department of Human Services.

"Child support services." Time-limited funding to cover costs that would otherwise be prohibitive to the parents for the child to participate in community activities when those activities are related to objectives in the child's current individual services plan.

"Guardian." The court-appointed guardian of the person and/or estate under the Probate Act of 1975 [755 ILCS 5].

"Licensed private facilities." Residential treatment facilities licensed by the Department of Children and Family Services (DCFS) in accordance with DCFS rules at 89 Ill. Adm. Code 404, Licensing Standards for Child Care Institutions and Maternity Centers, or, for out-of-state facilities, in accordance with Section 15.1 of the Mental Health and Developmental Disabilities Administrative Act [20 ILCS 1705/15.1], which have been accredited by the Joint Commission on the Accreditation of Healthcare Organizations (JCAHO) as a psychiatric facility serving children and adolescents or which have been surveyed and approved by the Department as meeting standards equivalent to standards for psychiatric facilities serving children and adolescents found in the 1997 Standards for Behavioral Health Care (Joint Commission on Accreditation of Healthcare Organizations (JCAHO), One Renaissance Boulevard, Oakbrook Terrace, Illinois 60181 (1996)).

"Life domains." Refers to the major areas of functioning in the child's life that may be impaired by the child's mental illness.

"Network." An organizational unit of the Department's Office of Mental Health responsible for administering State funds for mental health services within a geographically defined area and for organizing a network of mental health services through public and private providers.

"Parent/guardian." A parent, biological or adoptive, or an individual appointed as legal guardian by the court. A governmental agency or social service agency, or any employee thereof, appointed by a court as guardian or custodian is not considered a parent/guardian for application purposes.

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NOTICE OF PROPOSED REPEALER

"Screening, assessment and support services (SASS)." Intensive community-based mental health services funded by both the Department and DCFS that are provided to children who are at risk of or who actually experience hospitalization due to psychiatric reasons. SASS include pre-admission screening services to assess an individual's need for intensive community-based services or the need for referral for an evaluation for hospitalization; monitoring, discharge linkage and aftercare planning for children who are hospitalized for psychiatric reasons; and intensive mental health services for up to 90 days for children discharged from psychiatric hospitalization.

"Secretary." The Secretary of the Department of Human Services.

"Staff." Employees or persons under contract with the Department.

"Therapeutic stabilization." An essential part of in-home services, providing a timely one-to-one relationship between the child and a contractual agent of the SASS agency for the purpose of facilitating age-appropriate, normalizing activities of the child.

"Young adults." Individuals 18 through 21 years of age.

"Young adult support services." Time-limited funding for young adults to cover costs of services and supports, not included under other programs for which the person may be eligible, to aid the young adult in his or her transition to community living. These funds can be applied to the costs of a supported living arrangement or other appropriate transitional services that help to integrate the young adult into his or her adult roles in the community.

Section 135.15 Incorporation by reference

Any rules of an agency of the United States or of a nationally-recognized organization or association that are incorporated by reference in this Part are incorporated as of the date specified, and do not include any later amendments or editions.

Section 135.20 Eligibility criteria

- a) Parent/guardian must be a resident of the State of Illinois.

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- b) The child must have a severe mental illness. A severe mental illness is defined as a mental or emotional disorder which substantially impairs thought, perception of reality, emotional process, judgment, behavior, or ability to cope with the ordinary demands of several life domains. Symptoms must include severely impaired reality testing and may include hallucinations, delusions, avoidance or withdrawal from human contact, marked affective instability, apathy, bizarre behavior, deficient or unusual forms of communication, agitation and/or danger to self or others. The course of the illness should indicate that the symptoms do not represent an acute episode from which rapid and substantial remission is likely.
- c) There has been an appropriate trial of inpatient, outpatient and/or community-based treatment efforts, and subsequently residential services are required.
- d) The child must not be under the guardianship of a State agency, or in the legal custody of a State agency.
- e) The child must be enrolled in an approved educational program at the elementary/high school level.
- f) A completed application package in accordance with Section 135.40 of this Part must be submitted before the child attains the age of 17 years and six months.

Section 135.30 Parent/guardian responsibilities

- a) The parent/guardian must participate in the child's care, treatment and discharge to family and community.
- b) All public sources of financial support available to or for the child, including but not limited to Social Security benefits (SSA) and supplemental security income (SSI) (42 USC 1381), must be applied to the costs of residential care, to the extent provided by law.
- c) If the child is not already receiving SSI benefits, the parent/guardian must initiate an application for SSI immediately after placement.
- d) The parent/guardian must notify the Department of any changes in the level of financial support from public sources. Declaration of ineligibility, reduction of benefits or loss of benefits through the actions of another governmental agency will not affect the Department's continued funding, unless these actions are the

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED REPEALER

consequence of the parent/guardian's failure to pursue benefits or comply with this Part.

- e) All financial assets of the child exceeding an exempt amount established by the Department must be applied to the costs of residential care. The determination that certain assets may be exempt is subject to the Department's review and approval.
- f) The parent/guardian must notify the Department of any changes of address for the parent/guardian.
- g) The parent/guardian must notify the Department of any changes of guardianship/custody.

SUBPART B: APPLICATION, REVIEW AND APPEAL

Section 135.40 Application process

- a) A parent/guardian residing in the State of Illinois may obtain an application packet via a telephone call or letter to the ICG Program Office at:

ICG Program Office
Department of Human Services
Office of Mental Health
160 North LaSalle, 10th Floor
Chicago IL 60601
Telephone: 312/814-4288
- b) Complete application materials containing information about the ICG/MI program, the eligibility criteria, required forms and instructions will be sent to the parent/guardian. The cover sheet/application check list will refer the parent/guardian to the SASS agency that will be available to assist the parent/guardian, if requested.
- c) An ICG/MI application is complete and ready for eligibility determination review when it contains the following required documents:
 - 1) Completed application package checklist (DMHDD-230);

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- 2) Completed application form (DMHDD-231);
 - 3) Completed DMHDD-403c, Financial Questionnaire;
 - 4) Copy of the child's birth certificate;
 - 5) Copy of the child's Social Security card;
 - 6) Copy of the court order defining custody or non-parental guardianship, if appropriate;
 - 7) Psychiatric evaluation dated within 90 days before the current application submission including mental status examination, a specific principal diagnosis and all other diagnoses, medications, treatment summary and recommendations;
 - 8) A written summary of all trials of less restrictive treatment within the past 12 months;
 - 9) Psychological evaluation dated within the past one and one-half years, describing both intellectual and personality functioning;
 - 10) Social and developmental history from early childhood to present;
 - 11) Proof that a child is enrolled in an approved educational program at the elementary/high school level; and
 - 12) Parent/guardian request for eligibility determination and verification of review by parent/guardian of the clinical information submitted (DMHDD-232).
- d) Incomplete application packages will be returned to the parent/guardian without review for eligibility determination, indicating missing or incomplete, vague, ambiguous, or illegible items.

Section 135.50 Eligibility determination process

- a) Application packages will be screened for completeness by the ICG Program Office staff within 15 days after receipt.

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- b) Complete packages will be reviewed and an eligibility determination made within 30 days after receipt.
- c) Eligibility determination will be made by one reviewer from the Department or one contracted by the Department. The reviewer shall be licensed as a physician, clinical social worker or clinical psychologist, shall have had more than five years experience in the assessment, care and treatment of children and adolescents with mental illness, shall have been instructed in this Part and the statute governing the ICG/MI program (Section 7.1 of the Mental Health and Developmental Disabilities Administrative Act [20 ILCS 1705/7.1]), and shall have had no professional or personal relationship with the child and family to be reviewed.
- d) The reviewer shall make an eligibility determination, after a review of the complete application file, based on the eligibility criteria of Section 135.20 of this Part. The determination shall be in writing and shall specify the reasons for the eligibility determination, addressing each of the criteria of Section 135.20.
- e) The ICG Program Office shall transmit the reviewer's eligibility determination to the parent/guardian within five days after such determination.

Section 135.60 Complaint resolution process (Repealed)**Section 135.70 Secretary's level appeal**

- a) The parent/guardian may appeal the denial of eligibility to the Secretary in writing. The appeal must be received by the Department from the parent/guardian within 40 days after the date of the denial correspondence from the ICG Program Office. The written appeal must provide in detail each basis on which the appeal is being made, specifically stating each reason that the denial of eligibility is alleged to be improper.
- b) A Secretary's level review will be performed within 30 days after the receipt of the parent/guardian's appeal.
- c) A Secretary's level review shall be made by one reviewer selected by the Secretary. The reviewer shall be a licensed physician who is board eligible in child psychiatry from the American Board of Psychiatry and Neurology and shall have been instructed in the Part and the statute governing the ICG/MI program

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(Section 7.1 of the Mental Health and Developmental Disabilities Administrative Act [20 ILCS 1705/7.1]) and shall have had no professional or personal relationship with the child and family to be reviewed. The reviewer shall not be the original reviewer.

- d) Following a Secretary's level review of the original application package, of the original determination, and of the parent/guardian's appeal, the reviewer shall make a recommendation to the Secretary as to whether the child is eligible for an ICG/MI or is not eligible for an ICG/MI.
- e) The Secretary shall make the final administrative decision as to whether the child is eligible for an ICG/MI or is not eligible for an ICG/MI. The final administrative decision shall be sent in writing to the parent/guardian within 40 days after the receipt of the parent/guardian's written appeal. The Secretary shall further indicate the basis for the final administrative decision.
- f) The Secretary's decision shall constitute the Department's final administrative decision and no application for a re-hearing shall be entertained. The decision is then reviewable in accordance with the Administrative Review Law [735 ILCS 5/Art. III].

SUBPART C: PLACEMENT

Section 135.80 Approved placement roster (Repealed)**Section 135.81 Individual services plan development**

- a) When the individual has been determined eligible, the ICG Program Office will refer the parent/guardian to the appropriate SASS agency for the purpose of developing an individual services plan.
- b) At the individual services planning meeting the parent/guardian will consider available residential options and may consider alternative in-home/community service options, in lieu of residential placement, if the alternative services meet the needs of the individual and are recommended by the SASS program supervisor. The SASS agency shall provide the documentation of parent/guardian considerations to the ICG Program Office.
- c) The development and/or implementation of an individual services plan may be

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deferred for one or more of the following conditions:

- 1) Continuing hospitalization is required;
 - 2) Extended absence from the family due to runaway or a court-ordered transfer of custody or guardianship to a governmental agency; or
 - 3) The parent/guardian does not wish to initiate any services with ICG/MI funding or fails to participate in the individual services planning.
- d) If the individual services plan is not developed and/or implemented within one year after the date of approval for eligibility, the parent/guardian must reapply to obtain ICG/MI funding.

Section 135.85 Alternative In-home/Community Services

- a) The ICG Program Office will review individual services plans as well as discharge plans and may approve funding for alternative in-home/community services as described in this Section. The plan to be reviewed and revised every six months by the parent/guardian and appropriate service providers must:
- 1) Identify specific problems to be addressed;
 - 2) Integrate all of the services to be provided;
 - 3) Define specific goals and objectives and the projected duration and costs of services;
 - 4) Reflect the parent/guardian's approval of the identified service providers; and
 - 5) Identify the licensed physician, clinical psychologist, clinical social worker, or clinical professional counselor under whose clinical direction the services will be provided and obtain by signature his/her approval of the plan.
- b) Alternative in-home/community services include one or more of the following:
- 1) Therapeutic stabilization;

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- 2) Behavior management intervention;
 - 3) Child support services; and
 - 4) Young adult support services.
- c) ICG/MI funding shall not be used to replace grant-in-aid funded services or other services for which the child and family may be eligible through federal, State, or local funding.
 - d) Limits of hours and costs will be authorized on a case by case basis by the Department.

Section 135.90 Residential placement

- a) At the individual services planning meeting, SASS staff will discuss with the parent/guardian the potentially appropriate facilities (based on such factors as the child's age, sex and mental health condition, as well as locations and programs of facilities) and the requirements for placement and parental involvement, and will, at the parent/guardian's direction and with appropriately executed consents, prepare clinical referral packets to be sent to the facilities.
- b) The list of facilities appropriate for placement through the ICG/MI program is comprised of facilities which:
 - 1) Meet the standards for licensed private facilities as defined in Section 135.10 of this Part;
 - 2) Have an educational program approved by the Illinois State Board of Education;
 - 3) Have a per diem rate that includes residential services, such as room and board, but does not include tuition as established for purchased care services in accordance with the rules of the Illinois Purchased Care Review Board (89 Ill. Adm. Code 900), the Department of Children and Family Services (89 Ill. Adm. Code (356), or the Department (Section 54 of the Mental Health and Developmental Disabilities Administrative Act [20 ILCS 1705/54]); and

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- 4) Have entered into a contract with the Department for such services during the current fiscal period.
- c) If appropriate placement for a child cannot be obtained from a contracted provider, the Department may contract with other private facilities acceptable as provided in subsections (b)(1) and (2) of this Section.
- d) The Department may negotiate for additional services from facilities to augment existing services and/or to develop a specialized resource for a child.
- e) At the time of placement, the ICG Program Office staff will enter in the case record a summary statement about the expected duration and outcomes of the placement derived from the clinical issues presented at the time of the eligibility determination. An individual service plan shall be developed within 30 days after placement by facility staff in consultation with the parent/guardian and the child. Such service plan shall be reviewed and updated annually, including documentation of parental participation and consideration of discharge to in-home/community services. Such updated plans and progress reports will be provided quarterly to the ICG Program Office. Together with the goals as stated in the case record summary, these documents will be the basis for the Department's review and approval for continuing funding for placement, including alternative in-home/community service which are part of the discharge plan. (See Section 135.135 of this Part.)
- f) Parent/guardian responsibilities during placement include the following:
 - 1) Participation in and cooperation with the facility's requirements for the child's care, treatment, and discharge to the family and community;
 - 2) Completion and submission of such forms and documents as may be required by the Department;
 - 3) The usual and customary costs of parenthood/guardianship, including:
 - A) Clothing;
 - B) Medical and dental costs;

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- C) Personal allowance and incidentals; and
 - D) Transportation costs, to and from the facility;
- 4) Applying to the local education agency for the tuition costs of residential placement or making other arrangements to pay for such costs. A determination by the Department that an individual is eligible for the ICG/MI program is not binding on the local education agency in regards to special education services.

Section 135.91 Discharge from residential services

- a) When a residential provider in partnership with a child's parent/guardian initiates discharge planning, the residential provider shall notify the ICG Program Office of such planning. All parties will work together to develop a timely discharge plan including alternative in-home/community services when clinically indicated. The Department or SASS shall be available to provide technical assistance to the parent/guardian. The ICG Program Office will notify the Manager of the Department's Network where the child will be residing of the child's anticipated return to the area and of the agency(ies) to be providing services, if any, including alternative in-home/community services as described in Section 135.85, if any, to the child and family.
- b) The ICG Program Office shall notify the appropriate Network of any child who is age 17 or older receiving services through the ICG program so that the Network will be aware of the child's ongoing treatment and be made aware that services may be required from the adult system of care, as identified by the Network of residence. At the time the ICG Program Office receives information that the individual is exiting placement, a formal referral to the Network shall be made.

Section 135.100 Supplemental security income (SSI); Social Security Administration (SSA) (Repealed)**Section 135.110 Education (Repealed)****Section 135.120 Termination of funding and/or services**

- a) ICG/MI funding will be terminated in any of the following circumstances:

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- 1) Failure of the parent/guardian to meet annual reporting and eligibility requirements;
 - 2) The child is no longer enrolled in an approved educational program at the elementary/high school level, or attainment of age 21, whichever occurs first;
 - 3) Completion of residential treatment and/or alternative in-home/community services;
 - 4) The parent/guardian is no longer an Illinois resident. Funding and placement for the child may continue until completion of the school year;
 - 5) Guardianship of the child is ordered by the court to a State agency;
 - 6) The child's resources, private or public, are sufficient to pay the costs of care; or
 - 7) Any 12 month period without receiving residential and/or alternative in-home/community services.
- b) The parent/guardian's objection to termination may be addressed via the Secretary's level appeal process in accordance with Section 135.70 of this Part. ICG funding will continue during the appeal process.

Section 135.130 Monitoring

- a) Pursuant to the ICG program, the Department retains the right for on site inspection to monitor the care, treatment and progress of children funded through the ICG/MI program.
- b) Subsequent to any of these monitoring activities, the Department may require termination of placement and the development and implementation of a discharge plan, including alternative in-home/community services.
- c) If the Department terminates placement, the parent/guardian may appeal that determination pursuant to Section 135.70 of this Part. ICG funding will continue during the appeal process.

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Section 135.135 Grant renewal process

- a) The ICG is a grant that shall be reviewed annually and may be renewed with documentation of continuing clinical need at the appropriate level of care as well as proof of enrollment in an approved education program at the elementary/high school level, and documentation of the parent/guardian's participation in the child's care, treatment and discharge to family and community.
- b) The ICG Program Office staff shall commence a review of the child's care, his or her current educational status and parent/guardian's participation three months prior to the anniversary date of the child's entry to the ICG Program. The ICG Program Office will rely on the current individual services plan of the provider serving the child, the provider's quarterly reports, proof of enrollment in an approved educational program at the elementary/high school level and the parent/guardian's report.
- c) The parent/guardian will be notified by the ICG Program Office of the review and will be invited to provide information as to the child's needs, level of care and parent/guardian participation.
- d) The parent/guardian, child (if appropriate) and provider will be notified six weeks prior to the anniversary date of the Department's decision to renew or terminate funding.
- e) If ICG funding is terminated pursuant to the grant renewal process, the parent/guardian may appeal that determination pursuant to Section 135.70 of this Part. ICG funding will continue during the appeal process.

Section 135.140 Bed holds

- a) The Department may reimburse a community agency for up to 120 consecutive or non-consecutive nights per State fiscal year for an individual on a programmatically approved absence from the residential facility.
- b) An agency will not be reimbursed for an individual's absence after the date of discharge or when his or her treatment plan includes removal from the agency program or after the date of the agency's knowledge of the individual's pending termination.

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- c) A bed hold billing request by an agency that falls within a 60 day cumulative limit per State fiscal year will be authorized provided it is consistent with the Department's policies and procedures.
- d) Any absence that would exceed 60 cumulative days per State fiscal year must be communicated to and approved by the Individual Care Grant Program staff.
- e) An agency shall incorporate planned home visits and vacations into the child's treatment plan. The plan should be consistent with the treatment goals to avoid extended absences that may inhibit an individual's progress.

Section 135.150 Discharge (Repealed)**Section 135.160 Communications, records and reports (Repealed)**

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- 1) Heading of the Part: Income Tax
- 2) Code Citation: 86 Ill. Adm. Code 100
- 3) Section Number: 100.2175 Proposed Action:
New Section
- 4) Statutory Authority: 35 ILCS 5/224
- 5) A Complete Description of the Subjects and Issues Involved: PA 100-465, effective August 31, 2017, created the Invest in Kids income tax credit for taxpayers making authorized contributions to scholarship granting organizations. This rulemaking implements those provisions.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rule currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking does not create a State mandate, nor does it modify any existing State mandates.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to submit comments on this proposed rulemaking may submit them in writing by no later than 45 days after publication of this Notice to:

Beverly K. Langenfeld
Illinois Department of Revenue
Legal Services Office
101 West Jefferson
Springfield IL 62794

217/782-2844

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- 13) Initial Regulatory Flexibility Analysis:
 - A) Types of small businesses, small municipalities and not-for-profit corporations affected: Small businesses making contributions
 - B) Reporting, bookkeeping or other procedures required for compliance: Basic bookkeeping
 - C) Types of professional skills necessary for compliance: Bookkeeping
- 14) Regulatory Agenda on which this rulemaking was summarized: July 2017

The full text of the Proposed Amendment begins on the next page:

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TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUEPART 100
INCOME TAX

SUBPART A: TAX IMPOSED

Section

100.2000	Introduction
100.2050	Net Income (IITA Section 202)
100.2060	Compassionate Use of Medical Cannabis Pilot Program Act Surcharge (IITA Section 201(o))

SUBPART B: CREDITS

Section

100.2100	Replacement Tax Investment Credit Prior to January 1, 1994 (IITA Section 201(e))
100.2101	Replacement Tax Investment Credit (IITA 201(e))
100.2110	Investment Credit; Enterprise Zone and River Edge Redevelopment Zone (IITA Section 201(f))
100.2120	Jobs Tax Credit; Enterprise Zone and Foreign Trade Zone or Sub-Zone and River Edge Redevelopment Zone (IITA Section 201(g))
100.2130	Investment Credit; High Impact Business (IITA 201(h))
100.2140	Credit Against Income Tax for Replacement Tax (IITA 201(i))
100.2150	Training Expense Credit (IITA 201(j))
100.2160	Research and Development Credit (IITA Section 201(k))
100.2163	Environmental Remediation Credit (IITA 201(l))
100.2165	Education Expense Credit (IITA 201(m))
100.2170	Tax Credits for Coal Research and Coal Utilization Equipment (IITA 206)
100.2171	Angel Investment Credit (IITA 220)
100.2175	Invest in Kids Credit (IITA 224)
100.2180	Credit for Residential Real Property Taxes (IITA 208)
100.2185	Film Production Services Credit (IITA Section 213)
100.2190	Tax Credit for Affordable Housing Donations (IITA Section 214)
100.2193	Student-Assistance Contributions Credit (IITA 218)
100.2195	Dependent Care Assistance Program Tax Credit (IITA 210)
100.2196	Employee Child Care Assistance Program Tax Credit (IITA Section 210.5)

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- 100.2197 Foreign Tax Credit (IITA Section 601(b)(3))
100.2198 Economic Development for a Growing Economy Credit (IITA 211)
100.2199 Illinois Earned Income Tax Credit (IITA Section 212)

SUBPART C: NET OPERATING LOSSES OF UNITARY BUSINESS GROUPS
OCCURRING PRIOR TO DECEMBER 31, 1986

Section

- 100.2200 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group. (IITA Section 202) – Scope
- 100.2210 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group (IITA Section 202) – Definitions
- 100.2220 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group. (IITA Section 202) – Current Net Operating Losses: Offsets Between Members
- 100.2230 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group. (IITA Section 202) – Carrybacks and Carryforwards
- 100.2240 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group: (IITA Section 202) – Effect of Combined Net Operating Loss in Computing Illinois Base Income
- 100.2250 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group: (IITA Section 202) – Deadline for Filing Claims Based on Net Operating Losses Carried Back From a Combined Apportionment Year

SUBPART D: ILLINOIS NET LOSS DEDUCTIONS FOR LOSSES
OCCURRING ON OR AFTER DECEMBER 31, 1986

Section

- 100.2300 Illinois Net Loss Deduction for Losses Occurring On or After December 31, 1986 (IITA 207)
- 100.2310 Computation of the Illinois Net Loss Deduction for Losses Occurring On or After December 31, 1986 (IITA 207)
- 100.2320 Determination of the Amount of Illinois Net Loss for Losses Occurring On or After December 31, 1986

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- 100.2330 Illinois Net Loss Carrybacks and Net Loss Carryovers for Losses Occurring On or After December 31, 1986
- 100.2340 Illinois Net Losses and Illinois Net Loss Deductions for Losses Occurring On or After December 31, 1986, of Corporations that are Members of a Unitary Business Group: Separate Unitary Versus Combined Unitary Returns
- 100.2350 Illinois Net Losses and Illinois Net Loss Deductions, for Losses Occurring On or After December 31, 1986, of Corporations that are Members of a Unitary Business Group: Changes in Membership

SUBPART E: ADDITIONS TO AND SUBTRACTIONS FROM TAXABLE INCOME OF INDIVIDUALS, CORPORATIONS, TRUSTS AND ESTATES AND PARTNERSHIPS

Section

- 100.2405 Gross Income, Adjusted Gross Income, Taxable Income and Base Income Defined; Double Deductions Prohibited; Legislative Intention (IITA Section 203(e), (g) and (h))
- 100.2410 Net Operating Loss Carryovers for Individuals, and Capital Loss and Other Carryovers for All Taxpayers (IITA Section 203)
- 100.2430 Addition and Subtraction Modifications for Transactions with 80-20 and Noncombination Rule Companies
- 100.2435 Addition Modification for Student-Assistance Contribution Credit (IITA Sections 203(a)(2)(D-23), (b)(2)(E-16), (c)(2)(G-15), (d)(2)(D-10))
- 100.2450 IIT Refunds (IITA Section 203(a)(2)(H), (b)(2)(F), (c)(2)(J) and (d)(2)(F))
- 100.2455 Subtraction Modification: Federally Disallowed Deductions (IITA Sections 203(a)(2)(M), 203(b)(2)(I), 203(c)(2)(L) and 203(d)(2)(J))
- 100.2465 Claim of Right Repayments (IITA Section 203(a)(2)(P), (b)(2)(Q), (c)(2)(P) and (d)(2)(M))
- 100.2470 Subtraction of Amounts Exempt from Taxation by Virtue of Illinois Law, the Illinois or U.S. Constitutions, or by Reason of U.S. Treaties or Statutes (IITA Sections 203(a)(2)(N), 203(b)(2)(J), 203(c)(2)(K) and 203(d)(2)(G))
- 100.2480 Enterprise Zone and River Edge Redevelopment Zone Dividend Subtraction (IITA Sections 203(a)(2)(J), 203(b)(2)(K), 203(c)(2)(M) and 203(d)(2)(K))
- 100.2490 Foreign Trade Zone/High Impact Business Dividend Subtraction (IITA Sections 203(a)(2)(K), 203(b)(2)(L), 203(c)(2)(O), 203(d)(2)(M))

SUBPART F: BASE INCOME OF INDIVIDUALS

Section

- 100.2510 Subtraction for Contributions to Illinois Qualified Tuition Programs (Section 529)

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- Plans) (IITA Section 203(a)(2)(Y))
100.2580 Medical Care Savings Accounts (IITA Sections 203(a)(2)(D-5), 203(a)(2)(S) and 203(a)(2)(T))
100.2590 Taxation of Certain Employees of Railroads, Motor Carriers, Air Carriers and Water Carriers

SUBPART H: BASE INCOME OF TRUSTS AND ESTATES

- Section
100.2655 Subtraction Modification for Enterprise Zone and River Edge Redevelopment Zone Interest (IITA Section 203(b)(2)(M))
100.2657 Subtraction Modification for High Impact Business Interest (IITA Section 203(b)(2)(M-1))
100.2680 Capital Gain Income of Estates and Trusts Paid to or Permanently Set Aside for Charity (Repealed)

SUBPART J: GENERAL RULES OF ALLOCATION AND APPORTIONMENT OF BASE INCOME

- Section
100.3000 Terms Used in Article 3 (IITA Section 301)
100.3010 Business and Nonbusiness Income (IITA Section 301)
100.3015 Business Income Election (IITA Section 1501)
100.3020 Resident (IITA Section 301)

SUBPART K: COMPENSATION

- Section
100.3100 Compensation (IITA Section 302)
100.3110 State (IITA Section 302)
100.3120 Allocation of Compensation Paid to Nonresidents (IITA Section 302)

SUBPART L: NON-BUSINESS INCOME OF PERSONS OTHER THAN RESIDENTS

- Section
100.3200 Taxability in Other State (IITA Section 303)
100.3210 Commercial Domicile (IITA Section 303)
100.3220 Allocation of Certain Items of Nonbusiness Income by Persons Other Than Residents (IITA Section 303)

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SUBPART M: BUSINESS INCOME OF PERSONS OTHER THAN RESIDENTS

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100.3300	Allocation and Apportionment of Base Income (IITA Section 304)
100.3310	Business Income of Persons Other Than Residents (IITA Section 304) – In General
100.3320	Business Income of Persons Other Than Residents (IITA Section 304) – Apportionment (Repealed)
100.3330	Business Income of Persons Other Than Residents (IITA Section 304) – Allocation
100.3340	Business Income of Persons Other Than Residents (IITA Section 304)
100.3350	Property Factor (IITA Section 304)
100.3360	Payroll Factor (IITA Section 304)
100.3370	Sales Factor (IITA Section 304)
100.3371	Sales Factor for Telecommunications Services
100.3373	Sales Factor for Publishing
100.3380	Special Rules (IITA Section 304)
100.3390	Petitions for Alternative Allocation or Apportionment (IITA Section 304(f))
100.3400	Apportionment of Business Income of Financial Organizations for Taxable Years Ending Prior to December 31, 2008 (IITA Section 304(c))
100.3405	Apportionment of Business Income of Financial Organizations for Taxable Years Ending on or after December 31, 2008 (IITA Section 304(c))
100.3420	Apportionment of Business Income of Insurance Companies (IITA Section 304(b))
100.3450	Apportionment of Business Income of Transportation Companies (IITA Section 304(d))
100.3500	Allocation and Apportionment of Base Income by Nonresident Partners

SUBPART N: ACCOUNTING

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100.4500	Carryovers of Tax Attributes (IITA Section 405)

SUBPART O: TIME AND PLACE FOR FILING RETURNS

Section	
100.5000	Time for Filing Returns (IITA Section 505)
100.5010	Place for Filing Returns: All Taxpayers (IITA Section 505)

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100.5020	Extensions of Time for Filing Returns: All Taxpayers (IITA Section 505)
100.5030	Taxpayer's Notification to the Department of Certain Federal Changes Arising in Federal Consolidated Return Years, and Arising in Certain Loss Carryback Years (IITA Section 506)
100.5040	Innocent Spouses
100.5050	Frivolous Returns
100.5060	Reportable Transactions (IITA Section 501(b))
100.5070	List of Investors in Potentially Abusive Tax Shelters and Reportable Transactions
100.5080	Registration of Tax Shelters (IITA Section 1405.5)

SUBPART P: COMPOSITE RETURNS

Section	
100.5100	Composite Returns: Eligibility (IITA Section 502(f))
100.5110	Composite Returns: Responsibilities of Authorized Agent
100.5120	Composite Returns: Individual Liability
100.5130	Composite Returns: Required forms and computation of Income (IITA Section 502(f))
100.5140	Composite Returns: Estimated Payments
100.5150	Composite Returns: Tax, Penalties and Interest
100.5160	Composite Returns: Credits on Separate Returns
100.5170	Composite Returns: Definition of a "Lloyd's Plan of Operation"
100.5180	Composite Returns: Overpayments and Underpayments

SUBPART Q: COMBINED RETURNS

Section	
100.5200	Filing of Combined Returns
100.5201	Definitions and Miscellaneous Provisions Relating to Combined Returns
100.5205	Election to File a Combined Return
100.5210	Procedures for Elective and Mandatory Filing of Combined Returns
100.5215	Filing of Separate Unitary Returns (IITA Section 304(e))
100.5220	Designated Agent for the Members
100.5230	Combined Estimated Tax Payments
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100.5250	Liability for Combined Tax, Penalty and Interest
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100.5280 Combined Return Issues Related to Audits

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100.6000 Payment on Due Date of Return (IITA Section 601)

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100.7000 Requirement of Withholding (IITA Section 701)
100.7010 Compensation Paid in this State (IITA Section 701)
100.7020 Transacting Business Within this State (IITA Section 701)
100.7030 Payments to Residents (IITA Section 701)
100.7035 Nonresident Partners, Subchapter S Corporation Shareholders, and Trust Beneficiaries (IITA Section 709.5)
100.7040 Employer Registration (IITA Section 701)
100.7050 Computation of Amount Withheld (IITA Section 702)
100.7060 Additional Withholding (IITA Section 701)
100.7070 Voluntary Withholding (IITA Section 701)
100.7080 Correction of Underwithholding or Overwithholding (IITA Section 701)
100.7090 Reciprocal Agreement (IITA Section 701)
100.7095 Cross References

SUBPART T: AMOUNT EXEMPT FROM WITHHOLDING

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100.7100 Withholding Exemption (IITA Section 702)
100.7110 Withholding Exemption Certificate (IITA Section 702)
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100.7300	Returns and Payments of Income Tax Withheld from Wages (IITA Sections 704 and 704A)
100.7310	Returns Filed and Payments Made on Annual Basis (IITA Sections 704 and 704A)
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100.7330	Payment of Tax Required to be Shown Due on a Return (IITA Sections 704 and 704A)
100.7340	Correction of Underwithholding or Overwithholding (IITA Section 704)
100.7350	Domestic Service Employment (IITA Sections 704 and 704A)
100.7360	Definitions and Special Provisions Relating to Reporting and Payment of Income Tax Withheld (IITA Sections 704 and 704A)
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100.7380	Economic Development for a Growing Economy (EDGE) and Small Business Job Creation Credit (IITA Section 704A(g) and (h))

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100.8000	Payment of Estimated Tax (IITA Section 803)
100.8010	Failure to Pay Estimated Tax (IITA Sections 804 and 806)

SUBPART X: COLLECTION AUTHORITY

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100.9000	General Income Tax Procedures (IITA Section 901)
100.9010	Collection Authority (IITA Section 901)
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100.9100	Notice and Demand (IITA Section 902)

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- 100.9200 Assessment (IITA Section 903)
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SUBPART AA: DEFICIENCIES AND OVERPAYMENTS

- Section
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100.9310 Application of Tax Payments Within Unitary Business Groups (IITA Section 603)
100.9320 Limitations on Notices of Deficiency (IITA Section 905)
100.9330 Further Notices of Deficiency Restricted (IITA Section 906)

SUBPART BB: CREDITS AND REFUNDS

- Section
100.9400 Credits and Refunds (IITA Section 909)
100.9410 Limitations on Claims for Refund (IITA Section 911)
100.9420 Recovery of Erroneous Refund (IITA Section 912)

SUBPART CC: INVESTIGATIONS AND HEARINGS

- Section
100.9500 Access to Books and Records (IITA Section 913)
100.9505 Access to Books and Records – 60-Day Letters (IITA Section 913) (Repealed)
100.9510 Taxpayer Representation and Practice Requirements
100.9520 Conduct of Investigations and Hearings (IITA Section 914)
100.9530 Books and Records

SUBPART DD: JUDICIAL REVIEW

- Section
100.9600 Administrative Review Law (IITA Section 1201)

SUBPART EE: DEFINITIONS

- Section
100.9700 Unitary Business Group Defined (IITA Section 1501)
100.9710 Financial Organizations (IITA Section 1501)
100.9720 Nexus
100.9730 Investment Partnerships (IITA Section 1501(a)(11.5))

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100.9750 Corporation, Subchapter S Corporation, Partnership and Trust Defined (IITA Section 1501)

SUBPART FF: LETTER RULING PROCEDURES

Section
100.9800 Letter Ruling Procedures

SUBPART GG: MISCELLANEOUS

Section
100.9900 Tax Shelter Voluntary Compliance Program
100.9910 State Tax Preparer Oversight Act [35 ILCS 35]

100.APPENDIX A Business Income Of Persons Other Than Residents
100.TABLE A Example of Unitary Business Apportionment
100.TABLE B Example of Unitary Business Apportionment for Groups Which Include Members Using Three-Factor and Single-Factor Formulas

AUTHORITY: Implementing the Illinois Income Tax Act [35 ILCS 5] and authorized by Section 1401 of the Illinois Income Tax Act [35 ILCS 5/1401].

SOURCE: Filed July 14, 1971, effective July 24, 1971; amended at 2 Ill. Reg. 49, p. 84, effective November 29, 1978; amended at 5 Ill. Reg. 813, effective January 7, 1981; amended at 5 Ill. Reg. 4617, effective April 14, 1981; amended at 5 Ill. Reg. 4624, effective April 14, 1981; amended at 5 Ill. Reg. 5537, effective May 7, 1981; amended at 5 Ill. Reg. 5705, effective May 20, 1981; amended at 5 Ill. Reg. 5883, effective May 20, 1981; amended at 5 Ill. Reg. 6843, effective June 16, 1981; amended at 5 Ill. Reg. 13244, effective November 13, 1981; amended at 5 Ill. Reg. 13724, effective November 30, 1981; amended at 6 Ill. Reg. 579, effective December 29, 1981; amended at 6 Ill. Reg. 9701, effective July 26, 1982; amended at 7 Ill. Reg. 399, effective December 28, 1982; amended at 8 Ill. Reg. 6184, effective April 24, 1984; codified at 8 Ill. Reg. 19574; amended at 9 Ill. Reg. 16986, effective October 21, 1985; amended at 9 Ill. Reg. 685, effective December 31, 1985; amended at 10 Ill. Reg. 7913, effective April 28, 1986; amended at 10 Ill. Reg. 19512, effective November 3, 1986; amended at 10 Ill. Reg. 21941, effective December 15, 1986; amended at 11 Ill. Reg. 831, effective December 24, 1986; amended at 11 Ill. Reg. 2450, effective January 20, 1987; amended at 11 Ill. Reg. 12410, effective July 8, 1987; amended at 11 Ill. Reg. 17782, effective October 16, 1987; amended at 12 Ill. Reg. 4865, effective February 25, 1988; amended at 12 Ill. Reg. 6748, effective March 25, 1988; amended at 12 Ill. Reg. 11766, effective July 1, 1988; amended at 12 Ill. Reg. 14307,

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effective August 29, 1988; amended at 13 Ill. Reg. 8917, effective May 30, 1989; amended at 13 Ill. Reg. 10952, effective June 26, 1989; amended at 14 Ill. Reg. 4558, effective March 8, 1990; amended at 14 Ill. Reg. 6810, effective April 19, 1990; amended at 14 Ill. Reg. 10082, effective June 7, 1990; amended at 14 Ill. Reg. 16012, effective September 17, 1990; emergency amendment at 17 Ill. Reg. 473, effective December 22, 1992, for a maximum of 150 days; amended at 17 Ill. Reg. 8869, effective June 2, 1993; amended at 17 Ill. Reg. 13776, effective August 9, 1993; recodified at 17 Ill. Reg. 14189; amended at 17 Ill. Reg. 19632, effective November 1, 1993; amended at 17 Ill. Reg. 19966, effective November 9, 1993; amended at 18 Ill. Reg. 1510, effective January 13, 1994; amended at 18 Ill. Reg. 2494, effective January 28, 1994; amended at 18 Ill. Reg. 7768, effective May 4, 1994; amended at 19 Ill. Reg. 1839, effective February 6, 1995; amended at 19 Ill. Reg. 5824, effective March 31, 1995; emergency amendment at 20 Ill. Reg. 1616, effective January 9, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 6981, effective May 7, 1996; amended at 20 Ill. Reg. 10706, effective July 29, 1996; amended at 20 Ill. Reg. 13365, effective September 27, 1996; amended at 20 Ill. Reg. 14617, effective October 29, 1996; amended at 21 Ill. Reg. 958, effective January 6, 1997; emergency amendment at 21 Ill. Reg. 2969, effective February 24, 1997, for a maximum of 150 days; emergency expired July 24, 1997; amended at 22 Ill. Reg. 2234, effective January 9, 1998; amended at 22 Ill. Reg. 19033, effective October 1, 1998; amended at 22 Ill. Reg. 21623, effective December 15, 1998; amended at 23 Ill. Reg. 3808, effective March 11, 1999; amended at 24 Ill. Reg. 10593, effective July 7, 2000; amended at 24 Ill. Reg. 12068, effective July 26, 2000; emergency amendment at 24 Ill. Reg. 17585, effective November 17, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 18731, effective December 11, 2000; amended at 25 Ill. Reg. 4640, effective March 15, 2001; amended at 25 Ill. Reg. 4929, effective March 23, 2001; amended at 25 Ill. Reg. 5374, effective April 2, 2001; amended at 25 Ill. Reg. 6687, effective May 9, 2001; amended at 25 Ill. Reg. 7250, effective May 25, 2001; amended at 25 Ill. Reg. 8333, effective June 22, 2001; amended at 26 Ill. Reg. 192, effective December 20, 2001; amended at 26 Ill. Reg. 1274, effective January 15, 2002; amended at 26 Ill. Reg. 9854, effective June 20, 2002; amended at 26 Ill. Reg. 13237, effective August 23, 2002; amended at 26 Ill. Reg. 15304, effective October 9, 2002; amended at 26 Ill. Reg. 17250, effective November 18, 2002; amended at 27 Ill. Reg. 13536, effective July 28, 2003; amended at 27 Ill. Reg. 18225, effective November 17, 2003; emergency amendment at 27 Ill. Reg. 18464, effective November 20, 2003, for a maximum of 150 days; emergency expired April 17, 2004; amended at 28 Ill. Reg. 1378, effective January 12, 2004; amended at 28 Ill. Reg. 5694, effective March 17, 2004; amended at 28 Ill. Reg. 7125, effective April 29, 2004; amended at 28 Ill. Reg. 8881, effective June 11, 2004; emergency amendment at 28 Ill. Reg. 14271, effective October 18, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 14868, effective October 26, 2004; emergency amendment at 28 Ill. Reg. 15858, effective November 29, 2004, for a maximum of 150 days; amended at 29 Ill. Reg. 2420, effective January 28, 2005; amended at 29 Ill. Reg. 6986, effective April 26, 2005; amended at 29 Ill. Reg. 13211, effective August 15, 2005; amended at 29 Ill. Reg. 20516,

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effective December 2, 2005; amended at 30 Ill. Reg. 6389, effective March 30, 2006; amended at 30 Ill. Reg. 10473, effective May 23, 2006; amended by 30 Ill. Reg. 13890, effective August 1, 2006; amended at 30 Ill. Reg. 18739, effective November 20, 2006; amended at 31 Ill. Reg. 16240, effective November 26, 2007; amended at 32 Ill. Reg. 872, effective January 7, 2008; amended at 32 Ill. Reg. 1407, effective January 17, 2008; amended at 32 Ill. Reg. 3400, effective February 25, 2008; amended at 32 Ill. Reg. 6055, effective March 25, 2008; amended at 32 Ill. Reg. 10170, effective June 30, 2008; amended at 32 Ill. Reg. 13223, effective July 24, 2008; amended at 32 Ill. Reg. 17492, effective October 24, 2008; amended at 33 Ill. Reg. 1195, effective December 31, 2008; amended at 33 Ill. Reg. 2306, effective January 23, 2009; amended at 33 Ill. Reg. 14168, effective September 28, 2009; amended at 33 Ill. Reg. 15044, effective October 26, 2009; amended at 34 Ill. Reg. 550, effective December 22, 2009; amended at 34 Ill. Reg. 3886, effective March 12, 2010; amended at 34 Ill. Reg. 12891, effective August 19, 2010; amended at 35 Ill. Reg. 4223, effective February 25, 2011; amended at 35 Ill. Reg. 15092, effective August 24, 2011; amended at 36 Ill. Reg. 2363, effective January 25, 2012; amended at 36 Ill. Reg. 9247, effective June 5, 2012; amended at 37 Ill. Reg. 5823, effective April 19, 2013; amended at 37 Ill. Reg. 20751, effective December 13, 2013; recodified at 38 Ill. Reg. 4527; amended at 38 Ill. Reg. 9550, effective April 21, 2014; amended at 38 Ill. Reg. 13941, effective June 19, 2014; amended at 38 Ill. Reg. 15994, effective July 9, 2014; amended at 38 Ill. Reg. 17043, effective July 23, 2014; amended at 38 Ill. Reg. 18568, effective August 20, 2014; amended at 38 Ill. Reg. 23158, effective November 21, 2014; emergency amendment at 39 Ill. Reg. 483, effective December 23, 2014, for a maximum of 150 days; amended at 39 Ill. Reg. 1768, effective January 7, 2015; amended at 39 Ill. Reg. 5057, effective March 17, 2015; amended at 39 Ill. Reg. 6884, effective April 29, 2015; amended at 39 Ill. Reg. 15594, effective November 18, 2015; amended at 40 Ill. Reg. 1848, effective January 5, 2016; amended at 40 Ill. Reg. 10925, effective July 29, 2016; amended at 40 Ill. Reg. 13432, effective September 7, 2016; amended at 40 Ill. Reg. 14762, effective October 12, 2016; amended at 40 Ill. Reg. 15575, effective November 2, 2016; amended at 41 Ill. Reg. 4193, effective March 27, 2017; amended at 41 Ill. Reg. 6379, effective May 22, 2017; amended at 41 Ill. Reg. 10662, effective August 3, 2017; amended at 41 Ill. Reg. 12608, effective September 21, 2017; amended at 42 Ill. Reg. _____, effective _____.

SUBPART B: CREDITS

Section 100.2175 Invest in Kids Credit (IITA 224)

- a) For taxable years beginning on and after January 1, 2018, and ending before January 1, 2023, a taxpayer may claim a credit against the income tax imposed under IITA Section 201(a) and (b) in an amount equal to 75% of the qualified contribution amount awarded under the Invest in Kids Act that is shown on the

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Certificate of Receipt issued by an approved scholarship granting organization under 86 Ill. Adm. Code 1400.500. The credit may not be applied against the personal property replacement tax imposed under IITA Section 201(c) and (d).

- b) The credit allowed under this Section may be taken in the taxable year that includes the date of the Certificate of Receipt issued by an approved scholarship granting organization under 86 Ill. Adm. Code 1400.500. The credit may not be transferred. *The credit may not be carried back and may not reduce the taxpayer's liability to less than zero. If the amount of the credit exceeds the tax liability for the year, the excess may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a tax liability. If there are credits from more than one tax year that are available to offset a liability, the earlier credit shall be applied first.* (IITA Section 224(c))
- c) In the case of a credit earned by a partnership or subchapter S corporation, the credit passes through to the owners as provided in the partnership agreement under IRC section 704(a) or in proportion to their ownership of the stock of the subchapter S corporation under IRC section 1366(a). The credit earned by a partnership or subchapter S corporation will be treated as earned by its owners as of the last day of the taxable year of the partnership or subchapter S corporation in which the Certificate of Receipt is issued by an approved scholarship granting organization under 86 Ill. Adm. Code 1400.500, and shall be allowed to each owner in the taxable year of the owner in which the taxable year of the partnership or subchapter S corporation ends.
- d) *A credit awarded under the Invest in Kids Act may not be claimed for any qualified contribution for which the taxpayer claims a federal income tax deduction.* (IITA Section 224(d))
- e) A taxpayer shall retain and provide at the request of the Department the Certificate of Receipt issued by an approved scholarship granting organization and, in the case of a partner in a partnership or shareholder of a subchapter S corporation that earned the credit, a Schedule K-1-P or other written statement from the partnership or subchapter S corporation stating the portion of the total credit shown on the Certificate of Receipt that is allowed to that partner or shareholder and the taxable year of the partnership or subchapter S corporation in which the Certificate of Receipt was issued.

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f) EXAMPLE 1: Individual A contributes \$5,000 to an approved scholarship granting organization on January 25, 2018. Individual A receives a Certificate of Receipt in the amount of \$5,000. On April 1, 2019, Individual A files a 2018 U.S. Form 1040 with Schedule A Itemized Deductions. Individual A does not include any part of the \$5,000 contribution under Gifts to Charity on Schedule A. Individual A is entitled to claim an Invest in Kids tax credit in the amount of \$3,750 on Individual A's 2018 Form IL-1040, Schedule 1299-C.

EXAMPLE 2: Individual B contributes \$5,000 to an approved scholarship granting organization on January 25, 2018. Individual B receives a Certificate of Receipt in the amount of \$5,000. On April 1, 2019, Individual B files a 2018 U.S. Form 1040 with Schedule A Itemized Deductions. Individual B includes \$1,250 (25% of the qualified contribution) under Gifts to Charity on Schedule A. Individual B is not entitled to claim any Invest in Kids tax credit on Individual B's 2018 Form IL-1040, Schedule 1299-C.

EXAMPLE 3: Corporation C contributes \$1 million to an approved scholarship granting organization on January 5, 2018. Corporation C receives a Certificate of Receipt in the amount of \$1 million. On October 15, 2019, Corporation C files a 2018 U.S. Form 1120 and excludes the \$1 million from the charitable contributions line of the return. Corporation C is entitled to claim an Invest in Kids tax credit in the amount of \$750,000 on Corporation C's 2018 Form IL-1120, Schedule 1299-D.

EXAMPLE 4: Corporation D contributes \$5 million to an approved scholarship granting organization on January 5, 2018. Corporation D receives a Certificate of Receipt in the amount of \$1,333,333 (the maximum qualified contribution). On October 15, 2019, Corporation D files a 2018 U.S. Form 1120 and includes \$3,666,667 (\$5 million less the maximum qualified contribution) on the charitable contributions line of the return. Corporation D is entitled to claim an Invest in Kids tax credit in the amount of \$1 million on Corporation D's 2018 Form IL-1120, Schedule 1299-D.

(Source: Added at 42 Ill. Reg. _____, effective _____)

ENVIRONMENTAL PROTECTION AGENCY

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- 1) Heading of Part: Water Supply Operator Certification
- 2) Code Citation: 35 Ill. Adm. Code 681
- 3)

<u>Section Numbers:</u>	<u>Adopted Actions:</u>
681.105	Amendment
681.110	Amendment
681.200	Amendment
681.205	Amendment
681.300	Amendment
681.305	Amendment
681.325	Amendment
681.500	Amendment
681.505	Amendment
681.510	Amendment
681.600	Amendment
681.605	Amendment
681.715	Amendment
681.720	Amendment
681.725	Amendment
681.740	New Section
681.745	New Section
681.805	Amendment
681.810	Amendment
681.820	Amendment
681.825	Amendment
681.835	Amendment
681.1000	Amendment
- 4) Statutory Authority: Implementing and authorized by Section 10 of the Public Water Supply Operations Act [415 ILCS 45].
- 5) Effective Date of Rules: November 13, 2017
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No

ENVIRONMENTAL PROTECTION AGENCY

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- 8) A copy of the rules, including any material incorporated by reference, is on file in the Agency's principal office and is available for inspection.
- 9) Notice of Proposal published in the *Illinois Register*: 41 Ill. Reg. 748; February 3, 2017
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between Proposal and Final Version:
Sections 681.500(f)(3), (g)(3), (h)(3) and (i)(3) strike "that is acceptable to the Agency"
Sections 681.500(f)(3)(B), (C) and (g)(3)(B), (C) replace "may" with "will"
Sections 681.500(h)(3)(B) and (i)(3)(B) replace "may" with "will"
Section 681.600(b) strike "In accordance with Section 681.605,"
Sections 681.715(a) and 725(a)(2) capitalize "Complaint"
- 12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace an emergency rule currently in effect? No
- 14) Are there any rules pending on this Part? No
- 15) Summary and Purpose of Rulemaking: The Agency updates the rules governing the certification of drinking water operators including updates to examination procedures; calculation of experience necessary for certification; procedures to grant reciprocal certification, including reciprocity for members of United States armed forces; and facility classifications and duties of the contract operator, set forth in PA 99-78. The Agency also clarifies that fees collected under this part are not refundable.
- 16) Information and questions regarding these adopted rules shall be directed to:

Stephanie Flowers, Assistant Counsel
Division of Legal Counsel
Illinois Environmental Protection Agency
1021 N. Grand Avenue East
P.O. Box 19276
Springfield IL 62794-9276

217/782-5544

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The full text of the Adopted Amendments begins on the following page:

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TITLE 35: ENVIRONMENTAL PROTECTION
SUBTITLE F: PUBLIC WATER SUPPLIES
CHAPTER II: ENVIRONMENTAL PROTECTION AGENCY

PART 681
WATER SUPPLY OPERATOR CERTIFICATION

SUBPART A: GENERAL

Section	
681.100	Purpose
681.105	Definitions
681.110	Fees

SUBPART B: CERTIFIED OPERATOR CLASSIFICATIONS AND REQUIREMENT

Section	
681.200	Facility Classification
681.205	Certification Classification
681.210	Examination Classification
681.215	Certified Operator Requirement

SUBPART C: EXAMINATION

Section	
681.300	Water Supply Operator Examination of Competency
681.305	Eligibility
681.310	Examination Request
681.315	Eligibility Determination and Letter of Admission
681.320	Review of Eligibility Determination
681.325	Examination Admission
681.330	Standards for Examination and Grading
681.335	Examination Results
681.340	Six Year Score Validity
681.345	Reexamination

SUBPART D: WATER SUPPLY OPERATOR IN TRAINING

Section	
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681.400	Operator In Training
681.405	Duration
681.410	Limitations

SUBPART E: CERTIFIED OPERATOR

Section	
681.500	Standard of Issuance
681.505	Application
681.510	Agency Determination
681.515	Review of Agency Determination

SUBPART F: RECIPROCITY

Section	
681.600	Application for Reciprocal Certification
681.605	Reciprocity Determination
681.610	Change in Classification

SUBPART G: SANCTIONS

Section	
681.700	Causes
681.705	Citizen Complaints
681.710	Procedures
681.715	Hearing
681.720	Advisory Board
681.725	Director's Decision
681.730	Sanctions
681.735	Appeal
681.740	Ex Parte Communications
681.745	Subpoena

SUBPART H: CERTIFICATE RENEWAL, RESTORATION AND REQUIRED TRAINING

Section	
681.800	Certificate Expiration
681.805	Certificate Renewal Application Form
681.810	Restoration of Expired Certificates

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681.815	Renewal Training Requirements
681.820	Training Criteria
681.825	Calculation of Training Hours for Certificate Renewal
681.830	Proof of Training Records, Record Keeping, Audits
681.835	Submission of Training Hours
681.840	Waiver of Required Training
681.845	Issuance of Renewed and Restored Certificates
681.850	Contested Renewal, Restoration and Training Determinations

SUBPART I: GRANDPARENTING

Section	
681.900	Grandparenting

SUBPART J: CONTRACTUAL OPERATION

Section	
681.1000	Required Contract Provisions
681.1005	Documentation of Contract Provisions
681.1010	Request for Contract Approval
681.1015	Agency Review of the Contract
681.1020	Withdrawal of Approval of the Contract
681.1025	Contract Modifications and Extensions
681.1030	Termination of Contract

681.APPENDIX A Reference to Previous Rules

AUTHORITY: Implementing and authorized by Section 10 of the Public Water Supply Operations Act [415 ILCS 45].

SOURCE: Adopted at 38 Ill. Reg. 7114, effective April 1, 2014; amended at 41 Ill. Reg. 14182, effective November 13, 2017.

SUBPART A: GENERAL

Section 681.105 Definitions

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In addition to these definitions, all definitions of the Illinois Environmental Protection Act [415 ILCS 5], the Public Water Supply Operations Act [415 ILCS 45], and 35 Ill. Adm. Code 601 and 611 shall apply to this Part. For purposes of this Part:

"Advisory Board" means the Water Supply Operator Advisory Board provided for under Section 11 of the Law.

"Agency" or "IEPA" means the Illinois Environmental Protection Agency.

"Board" means the Illinois Pollution Control Board.

~~"Continuing Education Unit" or "CEU" means 10 training contact hours in which one training contact hour is a 60 minute classroom session of instruction or its equivalent.~~

"Contract Operator" means ~~an individual a natural person~~ certified as competent as a water supply operator under the Law who operates or supervises the operation of a community water supply by contractual agreement with the owner.

"Drinking Water Training" means written or practical study done by an operator in the area of water treatment or distribution.

"Equivalent to a High School Education" means a General Education Development (GED) test.

"Examination" means a test, written in English, required to be taken by the applicant for certification.

"Grandparenting" means the exemption for the registered persons in responsible charge of a previously-exempt community water supply, as of July 9, 1999, from meeting the initial education and examination requirements for the class of certification the community water supply has been assigned [415 ILCS 45/9.3].

"Hands-on~~On~~" or "Necessary Skills, Knowledge, Ability and Judgment" means the knowledge acquired from daily operating experience rather than from text book study or supervisory observation. It means the applicant has actually operated a water plant or water supply or worked on the distribution system and has performed tasks including, but not limited to, routine tests, sample collection, completion of operational reports, calculation of chemical dosages and subsequent

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adjustment of chemical feeders or backwashed filters.

"Law" means the Public Water Supply Operations Act [415 ILCS 45].

"Quarter Hours/Semester Hours" means the unit of credit assigned for courses offered by colleges and universities.

"Responsible Charge" means active, on-site charge or performance of operation of the treatment plant or distribution system of a public water supply or comparable water supply.

"Water Supply Operator" means any ~~individual natural person~~ trained in the treatment or distribution of water who has practical working knowledge of the chemical, biological, and physical sciences essential to the practical mechanics of water treatment or distribution and who is capable of conducting and maintaining the water treatment or distribution processes in a manner which will provide safe, potable water for human consumption [415 ILCS 45/4].

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

Section 681.110 Fees

All fees collected by the Agency under this Part shall be deposited into the Environmental Protection Permit and Inspection Fund in accordance with Section 22.8 of the Environmental Protection Act. Fees paid pursuant to this Part are not refundable. The fees required by Section 22 of the Law and this Part are as follows:

- a) *The fee to be paid by an applicant for an Illinois certificate of competency is \$30. [415 ILCS 45/22(a)]*
- b) *The fee to be paid by an applicant for the examination to determine fitness to receive a certificate of competency is \$10. [415 ILCS 45/22(b)(1)]*
- c) *The fee to be paid by an applicant for the issuance of a reciprocal certificate of competency is \$10. [415 ILCS 45/22(b)(2)]*
- d) *The fee to be paid by an applicant for the renewal of a certificate of competency is \$10. [415 ILCS 45/22(b)(4)]*

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- e) *The fee to be paid by an applicant for the restoration of a certificate of competency is \$10. [415 ILCS 45/22(b)(5)] The restoration fee must be paid in addition to the \$10 renewal fee.*
- f) *The fee to be paid by an applicant for the issuance of a duplicate certificate of competency is \$10. [415 ILCS 45/22(b)(6)]*

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

SUBPART B: CERTIFIED OPERATOR CLASSIFICATIONS AND REQUIREMENT

Section 681.200 Facility Classification

Community water supply facilities are classified as follows:

- a) *A Class A community water supply means any surface water community water supply and any community water supply that~~Each community water supply which includes coagulation, lime softening, ultraviolet disinfection, membrane filtration (including reverse osmosis), or sedimentation as part of its primary treatment shall be considered a Class A facility.~~ [415 ILCS 45/5.12(a)]*
- b) *A Class B community water supply means any~~Each~~ community water supply that~~which~~ includes filtration (other than membrane filtration), aeration and filtration (other than membrane filtration), or ion exchange equipment as a part of its primary treatment, and is not a Class A community water supply~~shall be considered a Class B facility.~~ [415 ILCS 45/5.12(b)] Facilities with aeration but without filtration or ion exchange are not considered Class B facilities.*
- c) *A Class C community water supply means any~~Each~~ community water supply that~~uses which utilizes~~ chemical feeding, and is not a Class A or Class B community water supply~~only shall be considered a Class C facility.~~ [415 ILCS 45/5.12(c)]*
- d) *A Class D community water supply means any~~Each~~ community water supply that~~has in which the facilities are limited to~~ pumpage, storage, or distribution facilities, and is not a Class A, Class B or Class C community water supply~~shall be considered a Class D facility.~~ [415 ILCS 45/5.12(d)]*

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

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Section 681.205 Certification Classification

- a) The Agency may issue a Certificate of Competency for any of the four classes of certification specified in this Section.
- b) For each class of certification, the water supply operator must demonstrate the necessary skills, knowledge, ability and judgment of the chemical, biological and physical sciences essential to the practical mechanics of the following:
 - 1) Class A Certification: coagulation, lime softening, ultraviolet disinfection, membrane filtration, ~~or~~ sedimentation, filtration, aeration and filtration, ion exchange, chemical feeding and calculation of dosage, pumpage, storage and distribution.
 - 2) Class B Certification: filtration (other than membrane filtration), aeration and filtration (other than membrane filtration), ~~or~~ ion exchange systems, chemical feeding and calculation of dosage, pumpage, storage and distribution.
 - 3) Class C Certification: chemical feeding and calculation of dosage, pumpage, storage and distribution.
 - 4) Class D Certification: pumpage, storage and~~or~~ distribution.

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

SUBPART C: EXAMINATION

Section 681.300 Water Supply Operator Examination of Competency

- a) The purpose of the water supply operator examination of competency is to test a person's skills, knowledge, ability and judgment of the chemical, biological and physical sciences essential to the treatment of drinking water, as well as the person's ability to read and write English.
- b) The Agency or its designee shall administer water supply operator examinations at times and locations throughout the State as determined by the Agency.
- ~~b) The Agency or its designee may administer an unscheduled water supply operator~~

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~~examination upon request.~~

- c) No person shall take the water supply operator examination more than four times in one calendar year unless the person has passed any water supply operator examination during that calendar year.
- d) The maximum time allowed for any person taking a water supply operator examination of competency shall be five hours, unless a request for a reasonable accommodation has been received and approved by the Agency in writing prior to the beginning of the examination.
- e) Any person may submit a request for a reasonable accommodation for an eligible disability under the Americans With Disabilities Act (42 USC 12101 et seq.) and the Illinois Human Rights Act [775 ILCS 5].

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

Section 681.305 Eligibility

- a) Unless otherwise provided by this Section, any person who meets the following requirements shall be eligible to take a water supply operator examination:
 - ~~1)~~ ~~the applicant has graduated from high school or has the equivalent to a high school education;~~
 - ~~1)2)~~ the applicant is able to read and write English;
 - ~~2)3)~~ the applicant has submitted evidence of his or her character; and
 - ~~3)4)~~ the applicant has paid the required \$10 examination fee.
- b) Any person who has had or has been exposed to typhoid fever or amoebic dysentery will be required to demonstrate that the person is not a carrier. If the person is a carrier, that person will not be allowed to take the water supply operator examination.

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

Section 681.325 Examination Admission

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- a) A person who has submitted an examination request and received a Letter of Admission must schedule the examination at least seven days prior to the examination. The Agency shall provide instructions for scheduling the examination with the Letter of Admission.
- b) Each person with a Letter of Admission will be admitted to one water supply operator examination.
- c) The Letter of Admission and one state government issued photo identification must be presented to the examination proctor to take the examination.
- d) Any person seeking to take a water supply operator examination for more than one class of certification must obtain a Letter of Admission for each water supply operator examination. A separate examination request and fee must be provided to the Agency for each examination before the Agency will issue Letters of Admission.
- e) Notwithstanding subsections (a) through (d), no person, unless previously approved by the Agency, will be allowed to take the water supply operator examination with any of the following items in his or her possession:
 - 1) a cellular phone, computer or tablet;
 - 2) any recording device or device with a camera;
 - 3) a radio or any other communication device;
 - 4) books, notes or other papers not provided by the Agency;
 - 5) any weapon; or
 - 6) any technology that the exam proctor determines compromises the security of the examination.

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

SUBPART E: CERTIFIED OPERATOR

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Section 681.500 Standard of Issuance

A water supply operator becomes certified upon the Agency's issuance of a Certificate of Competency to the operator. The Agency shall issue a Certificate of Competency when the applicant demonstrates all the following:

- a) The applicant *is capable of performing his or her duties without endangering the health and well being of the populace and is capable of maintaining and properly operating the structures and equipment entrusted to his or her care.* [415 ILCS 45/14]
- b) The applicant *is capable of conducting and maintaining the water treatment or distribution processes in a manner which will provide safe, potable water for human consumption.* [415 ILCS 45/4]
- c) The applicant *has graduated from high school or has the equivalent to a high school education, and the applicant is able to read and write English.* [415 ILCS 45/14]
- d) The applicant *has submitted evidence of his or her character.* [415 ILCS 45/14]
The Agency shall consider the following as evidence of poor character:
 - 1) The applicant has been sanctioned pursuant to Subpart G of this Part or had his or her certificate of competency revoked or suspended; or
 - 2) The applicant has been convicted of violating any of the following statutes:
 - A) Section 44 of the Illinois Environmental Protection Act [415 ILCS 5/44] (Violations of the Illinois Environmental Protection Act);
 - B) Section 29D-14.9 of the Criminal Code of 2012 [720 ILCS 5/29D-14.9] (Terrorism);
 - C) Section 29D-15.1 of the Criminal Code of 2012 [720 ILCS 5/29D-15.1] (Causing a Catastrophe); or
 - D) Section 29D-20 of the Criminal Code of 2012 [720 ILCS 5/29D-20] (Making a Terrorist Threat).

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- e) The applicant has paid the fee or fees required by Section 681.110 of this Part.
- f) For Class A Certification:
- 1) The applicant has the knowledge, skills, ability and judgment specified in Section 681.205(b)(1) of this Part;
 - 2) The applicant has a valid passing score on the Class A water supply operator examination; and
 - 3) The applicant has at least 5340 hours~~three years~~ of study, training and hands-on~~responsible~~ experience in water supply operation or management of a Class A facility ~~that is acceptable to the Agency~~.
 - A) A minimum of 2670 hours~~1½ years~~ of experience, calculated pursuant to Section 681.510(c), must be hands-on in the following areas: coagulation, lime softening, ultraviolet disinfection, membrane filtration, or sedimentation.
 - B) The Agency will~~may~~ grant up to 1780 hours~~one year~~ of credit for non-college educational endeavors pursuant to Section 681.510(d)(2).
 - C) The Agency will~~may~~ grant up to 2670 hours~~1½ years~~ of credit for college educational endeavors pursuant to Section 681.510(d)(1).
- g) For Class B Certification:
- 1) The applicant has the knowledge, skills, ability and judgment specified in Section 681.205(b)(2) of this Part;
 - 2) The applicant has a valid passing score on the Class A or Class B water supply operator examination; and
 - 3) The applicant has at least 5340 hours~~three years~~ of study, training and hands-on~~responsible~~ experience in water supply operation or management of a Class B facility ~~that is acceptable to the Agency~~.

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- A) A minimum of 2670 hours~~1½ years~~ of experience, calculated pursuant to Section 681.510(c), must be hands-on in the following areas: filtration, aeration and filtration, or ion exchange.
- B) The Agency will~~may~~ grant up to 1780 hours~~one year~~ of credit for non-college educational endeavors pursuant to Section 681.510(d)(2).
- C) The Agency will~~may~~ grant up to 2670 hours~~1½~~ of credit for college educational endeavors pursuant to Section 681.510(d)(1).
- h) For Class C Certification:
- 1) The applicant has the knowledge, skills, ability and judgment specified in Section 681.205(b)(3) of this Part;
 - 2) The applicant has a valid passing score on the Class A, Class B or Class C water supply operator examination; and
 - 3) The applicant has at least 1780 hours~~one year~~ of study, training and hands-on~~responsible~~ experience in water supply operation or management of a Class C facility ~~that is acceptable to the Agency~~.
- A) A minimum of 890 hours~~six months~~ of experience, calculated pursuant to Section 681.510(c), must be hands-on in the following areas: chemical feeding and calculation of dosage.
- B) The Agency will~~may~~ grant up to 890 hours~~six months~~ of credit for college or non-college educational endeavors pursuant to Section 681.510(d).
- i) For Class D Certification:
- 1) The applicant has the knowledge, skills, ability and judgment specified in Section 681.205(b)(4) ~~of this Part~~;
 - 2) The applicant has a valid passing score on any water supply operator examination; and

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- 3) The applicant has at least 890 hours~~six months~~ of study, training and hands-on~~responsible~~ experience in water supply operation or management of a Class D facility ~~that is acceptable to the Agency~~.
- A) A minimum of 445 hours~~three months~~ of experience, calculated pursuant to Section 681.510(c), must be hands-on in the following areas: pumpage, storage and distribution.
- B) The Agency will~~may~~ grant up to 445 hours~~three months~~ of credit for college or non-college educational endeavors.

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

Section 681.505 Application

- a) Any individual who seeks to obtain a Certificate of Competency must file an application on forms prescribed by the Agency. All applications must be in English and must contain:
- 1) a statement specifying the class of certification sought by the applicant;
- 2) statements showing the applicant's level of education and experience;
- A) The applicant must specify the number of hours per week, and the number of weeks, he or she has operated the following at a drinking water treatment plant: coagulation, lime softening, ultraviolet disinfection, membrane filtration, sedimentation, filtration, aeration and filtration, ion exchange, chemical feeding and calculation of dosage, pumpage, storage and distribution.
- B) For college-credit educational endeavors, the applicant must submit his or her college transcript.
- C) For non-college-credit educational endeavors, the applicant must submit the name of the drinking water course work or other training, the provider that offered the drinking water course work or other training, and proof of completion of drinking water course work or other training;

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- 3) at least three references;
 - 4) evidence that the applicant has a valid passing score on the water supply operator examination, including but not limited to test dates and scores;
 - 5) the signature of the applicant; and
 - 6) the \$30 fee required by Section 681.110 ~~of this Part.~~
- b) Information required in an application must be complete and accurate.
 - c) Falsification of any information in the application will result in denial of the application and be grounds for sanctions of current certificates held by the applicant.
 - d) Applications must be submitted to the Agency at the following address:

Illinois Environmental Protection Agency
Drinking Water Compliance Assurance Section #19
1021 North Grand Avenue East
P.O. Box 19276
Springfield IL 62794-9276

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

Section 681.510 Agency Determination

- a) Upon receipt of a complete application, the Agency shall review the application and determine whether the applicant has made an adequate demonstration pursuant to the standards of issuance specified in Section 681.500 of this Part.
- b) The Agency shall ~~deny incomplete applications~~ grant appropriate credit for the study, training and responsible experience requirements in Section 681.500 of this Part.
 - 1) ~~The Agency shall grant appropriate credit for attendance and successful completion of waterworks seminars, waterworks short courses, waterworks workshops, and applicable correspondence courses. The maximum allowable credit for such non-college credit educational~~

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~~endeavor shall be one year. [415 ILCS 45/15(a)]~~

- 2) ~~The Agency shall grant one year credit for the satisfactory completion of each one-fourth of the total hours of academic credit required for the awarding of a Baccalaureate Degree in a curriculum associated with a phase of water supply operation. The maximum allowable credit for such college-credit educational endeavor shall be 1½ years. [415 ILCS 45/15(b)]~~

- c) Hands-on Experience. Hands-on credit shall be awarded for each hour of work or experience at a community water supply on coagulation, lime softening, ultraviolet disinfection, membrane filtration, sedimentation, filtration, aeration and filtration, ion exchange, chemical feeding, calculation of dosages, pumpage, storage and distribution.

- d) Educational Credit. The Agency shall grant appropriate credit according to the following guidelines:

- 1) College-credit educational endeavors. The Agency shall grant 60 hours of appropriate credit for each college credit hour earned in the following coursework:

A) chemistry;

B) geology;

C) biology;

D) physics;

E) engineering;

F) mathematics; or

G) drinking water treatment or distribution.

- 2) Non-college-credit educational endeavors

A) Environmental Resource Training Center. For each completed

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drinking water treatment course offered by the Environmental Resource Training Center, the Agency shall grant 180 hours of appropriate credit.

B) Other Drinking Water Course Work

i) The Agency shall grant 1 hour of appropriate credit for each hour of attendance at an Agency approved drinking water treatment course, seminar, workshop or other training.

ii) The maximum credit the Agency may grant to a drinking water course, seminar, workshop or other training is 180 hours per course.

iii) Any training used for educational credit under this subsection (d)(2)(B) shall not be used for certificate renewal pursuant to Section 681.815.

iv) The Agency may approve a drinking water course before or after it has been completed.

~~e)~~ When the Agency determines an applicant has met the requirements of the Law and Section 681.500 of this Part, the Agency shall award a Certificate of Competency to the applicant for the class of certification specified in the application.

~~f)~~ The Agency shall notify the applicant in writing of the Agency's decision within 45 days after the receipt of the complete application.

~~e)~~ ~~Any applicant who fails to make the required demonstration pursuant to Section 681.500 of this Part may request, not later than one year from the date the Agency received the application, a reevaluation without paying an additional fee.~~

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

SUBPART F: RECIPROCITY

Section 681.600 Application for Reciprocal Certification

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- a) The Agency may grant water supply operators certified by another state, territory or possession of the United States, or any other country, reciprocal certification in Illinois without examination. A water supply operator seeking reciprocity under this subsection must submit the following:
- b) ~~An individual seeking reciprocity must submit an application that includes the following information:~~
- 1) ~~the application for reciprocal certification on forms prescribed by the Agency Illinois application requirements found in Section 681.505 of this Part, except the examination requirements in subsection (a)(4) of that Section;~~
 - 2) ~~the classification of Illinois certification for which application is being made;~~
 - 3) ~~a detailed description of the qualifications to obtain certification from the other certifying jurisdiction;~~
 - 2)4) evidence that the certificate issued by the other certifying jurisdiction is in good standing and has not expired; and
 - 5) ~~a representative copy of the regulations and examination of the other certifying jurisdiction for comparison with Illinois' regulations and examinations; and~~
 - 3)6) ~~a letter of authorization from the applicant for authorizing the State of Illinois to contact the other certifying jurisdiction that issued the applicant's certificate to enable Illinois to verify information submitted in the application.~~
- b) The Agency may grant reciprocal certification to a water supply operator trained by the United States as a member of the United States Air Force, Army, Coast Guard, Marine Corps or Navy (U.S. Armed Forces) without examination.
- 1) A water supply operator seeking reciprocity under this subsection (b) must submit the following:

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- A) the Illinois application requirements found in Section 681.505, except Section 681.505(a)(4);
 - B) a detailed description of the qualifications, training and jobs performed while in the U.S. Armed Forces;
 - C) a copy of his or her military training, qualifications and performance records; and
 - D) a letter of authorization from the applicant authorizing the State of Illinois to contact the U.S. Armed Forces to enable Illinois to verify information submitted in the application.
- 2) The water supply operator must have the following hands-on experience for the level of certification sought:
- A) three years of hands-on experience for a Class A certification;
 - B) three years of hands-on experience for a Class B certification;
 - C) one year of hands-on experience for a Class C certification; or
 - D) six months of hands-on experience for a Class D certification.

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

Section 681.605 Reciprocity Determination

- a) An applicant for a ~~Class A, Class B, Class C or Class D~~ Certificate of Competency who possesses a valid drinking water treatment certificate or license issued under the laws of another certifying jurisdiction, or was trained as water supply operator by the United States as a member of the Air Force, Army, Coast Guard, Marine Corps or Navy, will be issued an Illinois Certificate of Competency, without examination, provided:
- 1) The Agency ~~determines~~may determine by reviewing the other certifying jurisdiction's requirements that the applicant has met minimum standards equivalent to or more stringent than the standards specified in the Law and Section 681.500 and Section 681.600~~of this Part prior to receiving the~~

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~~certificate from the other certifying jurisdiction;~~

- 2) The other certifying jurisdiction that issued the certificate to the applicant accepts, by reciprocity, certificates issued by the Agency; ~~and~~
 - 3) The applicant resides in Illinois or is employed at a public water supply in Illinois; ~~and-~~
 - 4) The applicant has paid the fee or fees required by Section 681.110 of this Part.
- b) An applicant satisfying subsections (a)(1) and (a)(2), but failing to meet the residency requirements of subsection (a)(3), shall be issued a notice of intent to grant reciprocity. The applicant must submit proof of Illinois residency or employment at a public water supply in Illinois within 90 days after the issuance of the notice of intent. Upon receipt of ~~that~~ proof, the Agency shall issue an Illinois Certificate of Competency. Should ~~the~~ applicant fail to submit proof of the requirements in subsection (a)(3) within 90 days after issuance of the notice, the notice of intent shall become void.
- c) Applications for reciprocity described in Section 681.600 ~~of this Part~~ shall be reviewed by the Agency as follows:
- 1) The Agency shall review each applicant's education and experience to determine the levels of certification for which the applicant is eligible pursuant to Subpart E ~~of this Part~~;
 - 2) The Agency shall contact the certifying officials from the other certifying jurisdiction to determine the level of certification of the applicant for reciprocity and whether the certificate is currently valid;
 - 3) The Agency shall compare the applicant's qualifications and the other certifying jurisdiction's eligibility requirements for certification with those described in Subpart E; ~~and of this Part~~
 - 4) If the Agency determines to determine if the requirements of subsection (a) of this Section are fulfilled, the Agency shall grant; if so, reciprocity shall be granted at the appropriate level;

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- 4) ~~If it is determined that reciprocity should be granted, the Agency shall issue the appropriate class of Certificate of Competency to the applicant and shall notify a certifying official from the other certifying jurisdiction; and~~
- 5) ~~If it is determined that reciprocity should not be granted, the Agency shall notify the applicant and a certifying official from the other certifying jurisdiction, and provide reasons for the decision.~~
- d) If a Certificate of Competency issued by the State of Illinois~~that has been issued~~ through reciprocity is suspended or revoked pursuant to Subpart G ~~of this Part~~, the Agency shall notify a certifying official from the other certifying jurisdiction.
- e) An applicant who is denied reciprocity or who is given a lower level of certification than the one requested shall have an opportunity for a hearing with the Advisory Board. The Advisory Board shall review the determination and provide a recommendation to the Agency.
- f) The Agency shall consider the Advisory Board's recommendation and notify the applicant in writing of the Agency's final decision within 45 days after the receipt of the Advisory Board's recommendation. This decision is appealable to the Illinois Pollution Control Board pursuant to Section 12 of the Law.

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

SUBPART G: SANCTIONS

Section 681.715 Hearing

- a) If the operator files a hearing request, the hearing officer shall set a time and place for the hearing, not more than 180 days after the service of the Complaint, and provide notice of the hearing to the Agency and the operator. The Hearing Notice shall contain:
- 1) A statement of the nature of the hearing, including a reference to the particular law or regulation involved;
 - 2) A statement that the hearing will be held in accordance with the Law and this Part; and

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- 3) A statement of the date, time and place of the hearing and, if a pre-hearing conference is scheduled by the hearing officer, the date, time and place of that conference.
- b) In addition to the service requirements in Section 681.710 ~~of this Part~~, the hearing officer shall serve the Hearing Notice on the Advisory Board.

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

Section 681.720 Advisory Board

- a) Within 30 days after the conclusion of a hearing, the~~The~~ hearing officer shall provide a copy of the following to the Advisory Board:
 - 1) hearing transcript;~~to the Advisory Board. The Agency shall pay the cost of providing transcripts.~~
 - 2) hearing exhibits; and
 - 3) instructions on how the Advisory Board can file a recommendation, including the name and mailing address of the Docket Clerk and any person who must be sent a copy of the Advisory Board's recommendation.
- b) The Advisory Board may make a recommendation in writing~~shall recommend~~ on the basis of the hearing transcript whether a sanction is appropriate and, if a sanction is appropriate, the suspension or revocation period.
- c) The rules of evidence specified in 35 Ill. Adm. Code 168.270 shall not apply to the Advisory Board's recommendation.
- ~~d)~~e) The Advisory Board recommendation shall be submitted in writing to the Docket Clerk within 30 days after receipt of transcripts and shall include a statement of reasons for the Advisory Board's actions.
- e) If the Advisory Board makes a recommendation, the Advisory Board shall send a copy of the recommendation to the hearing officer, the Agency and the operator.
- ~~f)~~ The Agency may issue a decision without the Advisory Board's recommendation

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if the Advisory Board fails to submit its recommendation within 30 days after its receipt of the hearing transcript.

- g) The Advisory Board's recommendation is not binding on the Director.
- h) The Agency or the operator may file a response to the Advisory Board's recommendation within 15 days after the day the Advisory Board files its recommendation with the Docket Clerk.

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

Section 681.725 Director's Decision

- a) Proposal for Decision
 - 1) When a hearing is held pursuant to Section 681.715, the hearing officer shall file with the Director or the Director's designee, and serve upon the Agency and operator, a proposal for decision within 120 days from the date of the hearing.
 - 2) If a hearing is not held, the hearing officer shall file with the Director or the Director's designee, and serve upon the Agency and operator, a proposal for decision within 45 days from the service of the Complaint.
- b) Within 21 days after service of the proposal for decision, the Agency or the operator may file with the Director exceptions, proposed findings of fact, or a brief.
- c) Director's Decision
 - 1) The Director shall make a decision on the basis of the contested case record.
 - 2) ~~b)~~ If the operator does not request a hearing, the Director shall issue a decision within 90~~60~~ days after the service of the Complaint for Sanctions.
 - 3) If the operator requests a hearing, the Director shall issue a decision within 1 year after the service of the Complaint for Sanctions.

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- ~~4)e)~~ If the Director determines a sanction is appropriate, the decision must state the suspension or revocation period.
- ~~5)d)~~ The Director shall give written notice of the decision and the reasons for the decision to the operator by certified mail.

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

Section 681.740 Ex Parte Communications

- a) Except in the disposition of matters they are authorized by law to entertain or dispose of on an ex parte basis, the hearing officer and the Director shall not communicate, directly or indirectly, in connection with any issue of fact, with any person or party, including the Advisory Board, except upon notice and opportunity for all the parties to participate.
- b) Communications regarding procedure, including but not limited to format of pleadings, number of copies required, manner of service, status of proceedings and continuances, are not considered to be ex parte communications.

(Source: Added at 41 Ill. Reg. 14182, effective November 13, 2017)

Section 681.745 Subpoena

- a) Issuance of Subpoenas. Upon written request by a party, the Hearing Officer will issue a subpoena for attendance of a witness or production of books, papers, documents or other tangible things at a hearing or deposition if the party shows good cause as to why the testimony and/or books, papers, documents or other tangible things cannot otherwise be obtained and states the reasons why the testimony and/or books, papers, documents or other tangible things are necessary and relevant.
- b) Witness and Mileage Fees. The cost of service and witness and mileage fees shall be borne by the person requesting the subpoena. Witness and mileage fees shall be the same as are paid witnesses in the circuit courts of the State of Illinois.
- c) Service and Contents. The person requesting a subpoena shall be responsible for its service. A subpoena shall be served reasonably in advance of its return date. The subpoena shall state the phone number and address of the person initiating its

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issuance and shall identify the person or evidence subpoenaed and the person to whom, and the place, date and time at which, it is returnable.

- d) Petition to Quash or Modify. Within 5 days after service of a subpoena on any person, that person may file a petition to quash or modify the subpoena, stating reasons in support of the relief. Whenever a petition to quash a subpoena is properly filed under this Section, the petitioner shall not be required to respond to the subpoena until the petition has been ruled upon.
- e) Witness Attendance. Any witness subpoenaed for a deposition may be required to attend only in the county in which he or she resides or maintains an office address, or in any other place ordered by the Hearing Officer.

(Source: Added at 41 Ill. Reg. 14182, effective November 13, 2017)

SUBPART H: CERTIFICATE RENEWAL, RESTORATION AND REQUIRED TRAINING

Section 681.805 Certificate Renewal Application Form

- a) By May 31 of the year a certificate is due to expire, the Agency shall mail a renewal application form to the operator at the most recent address the Agency has on file for the operator.
- b) The renewal application form shall be completed by the operator and shall:
- 1) specify the current certificate's expiration date, fees due, training requirements for certificate renewal, and number of hours of completed training since the current certificate was issued;
 - 2) contain a statement signed by the operator certifying that all information provided in the renewal application form is true and complete; and
 - 3) be submitted to the Agency, with the \$10 renewal fee, ~~as~~ required by Section 681.110(d), ~~of this Part to the Agency~~ on or before July 1 ~~June 30~~ of the year in which the certificate expires.
- c) The Agency will not process ~~incomplete unsigned~~ renewal application forms or applications without the water supply operator's signature.

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- d) In addition to any other law or regulation that may apply, falsification of a renewal application form shall result in denial of certificate renewal and may result in certificate suspension or revocation.
- e) A grace period for the renewal application form and fees will be granted until August 1 of the year the certificate is due to expire before the restoration fee is assessed. No renewal shall be issued by the Agency after August 1.
- f) Failure to receive the renewal application form does not exempt a certified water supply operator from meeting the renewal deadline.

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

Section 681.810 Restoration of Expired Certificates

- a) An individual who fails to renew before August 1 of the expiration year, but whose certificate has been expired for less than 2 years, may have the certificate restored only upon payment of the \$10 restoration fee, ~~as~~ required by Section 681.110 ~~(e) of this Part~~, and a demonstration that the renewal training required by Section 681.815 ~~of this Part~~ has been completed.
- b) An individual seeking restoration of his or her expired certificate must also complete a renewal application form as required by Section 681.805 and pay the \$10 renewal fee.
- c) A restored certificate expires on the same date the certificate would have expired if it was timely renewed.
- d)e) An individual whose certificate has been expired for 2 or more years must retake the water supply operator examination of competency, reapply and obtain a passing score on an examination, and submit a new application for a Certificate of Competency in order to be certified as a water supply operator.

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

Section 681.820 Training Criteria

- a) The Agency will accept training for certificate renewal if the training directly relates to water distribution, water treatment, or the professional responsibilities

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of the operator.

- 1) Allowable training topics relating to potable water treatment and distribution include, but are not limited to:

- Coagulation and Flocculation
- Corrosion Control
- Demineralization
- Disinfection
- Distribution System
- Distribution System Facilities
- Drinking Water Permits, Laws, Rules and Regulations
- Drinking Water Related Computer Courses
- Electrical Maintenance
- Filtration
- Fluoridation
- Ground Water Protection
- Ground Water Treatment
- Instrumentation
- Iron and Manganese Control
- Laboratory Procedures
- Membrane Technology
- Process Waste Handling and Disposal
- Pumps and Hydraulics
- Reservoir Management and Intake Structures
- Reverse Osmosis
- Sampling and Operating Reports
- SCADA Training
- Sedimentation
- Surface Water Protection
- Surface Water Treatment
- Taste and Odor Control
- Trihalomethanes
- Water Quality
- Water Softening
- Water Sources & Treatment
- Water Storage Facilities
- Water Supply Math and Chemistry Calculations
- Water Supply Operation and Maintenance

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- 2) Allowable training topics relating to the professional responsibilities of the operator and safety include, but are not limited to:

Computer Workshops
Emergency Planning and Preparation
First Aid
Safety
Utility Administration Management

- b) Training Exclusions. Types of training activities that do not directly relate to water distribution, water treatment, or the professional responsibilities of the operator shall not be accepted as renewal training credit. The following are not considered training for the purpose of meeting the certificate renewal training requirements:
 - 1) Entertainment or recreational activities;
 - 2) On the job work or apprenticeships;
 - 3) Personal self-improvement courses;
 - 4) Plant tours (unless drinking water related training is integrated into the tour);
 - 5) Portions of meetings and conferences when drinking water related training is not provided (i.e., business session, lunch, breaks, etc.);
 - 6) Time spent viewing conference/meeting exhibits; and
 - 7) Travel time to and from training activities.
- c) Training may be provided by any of the variety of organizations equipped to provide that training, such as colleges and universities, technical institutes, educational units of governmental or industrial agencies, professional operator organizations, and equipment suppliers and manufacturers. Training that meets the criteria, regardless of the location of the training or the location of the training provider, is allowed for renewal training credit. For example, drinking water

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related training from another state will be allowed for credit provided the criteria is met. In-house training programs provided at drinking water supplies are also acceptable for training credit provided all training criteria are met and proof of training documentation is provided to the trainees.

- d) Acceptable training formats include classroom courses, teleconferences, courses offered via the Internet, workshops, seminars, correspondence courses, in-house training programs, and drinking water related training sessions at conferences/meetings of professional operator organizations.
- e) Training must be approved by the Agency or its designee. Training providers or sponsors must request approval of training from the Agency before the training is offered. A training approved by the Agency will be assigned an Agency course number.

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

Section 681.825 Calculation of Training Hours for Certificate Renewal

- a) One training hour shall equal 60 minutes of training ~~or 0.1 CEU~~.
- b) For the purpose of calculating actual classroom hours for renewal training credit, the following conversions should be used:
 - 1) 1 Semester Hour = 15 hours of training credit.
 - 2) 1 Quarter Hour = 10 hours of training credit.
- c) Credit will only be given when the water operator has obtained proof of attendance documentation from the training providers or sponsors.
- d) Credit will only be given for courses approved by the Agency or its designee.
- e) Training credit is also allowed for teachers or presenters of training for the first time a course is taught or a drinking water related presentation is made.

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

Section 681.835 Submission of Training Hours

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- a) Operators must submit to the Agency, prior to certification renewal, a record of completed training hours for renewal credit.
- b) The record of completed training hours must contain the following information for each completed training activity:
 - 1) Training provider name, including the organization and instructor;
 - 2) Name of course or training event;
 - 3) Agency assigned course number;
 - 4) Training description or course content summary;
 - ~~5) Drinking water related competencies developed or maintained;~~
 - ~~5)6)~~ Location of training;
 - ~~6)7)~~ Dates of training (beginning and ending); and
 - ~~7)8)~~ Training hours completed.
- c) The Agency may prescribe a form for the written record of completed training and the manner of submission, including but not limited to electronic submission.

(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

SUBPART J: CONTRACTUAL OPERATION

Section 681.1000 Required Contract Provisions

When a community water supply fulfills the certified operator requirement set forth in the Law and Section 681.215 ~~of this Part~~ by contracting the services of a properly qualified certified operator, the contract between the community water supply and the contract operator must delegate responsibility and authority for the operation of the community water supply to the contract operator. The contract must include the following:

- a) The parties involved, including names, addresses and phone numbers of each;

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- b) The specific starting and expiration dates of the contract;
- c) The minimum number of visits the contract operator must make each week to the community water supply;
- d) The contract operator shall be responsible for submitting, in accordance with Board rules, consumer confidence reports, monthly operating reports, and drinking water compliance monitoring results, such as corrosion control reports and monitoring results [415 ILCS 45/1.1];
- e) The duties and responsibilities of each party involved, including, at a minimum, the party responsible for:
 - 1) proper operation of the community water supply;
 - 2) compliance with all construction and operating permit requirements;
 - 3) compliance with all NPDES permit effluent requirements;
 - 4) compliance with this Subtitle F (Public Water Supplies), including but not limited to the following:
 - A) Design, Operation and Maintenance Criteria (35 Ill. Adm. Code 653);
 - B) Raw and Finished Water Quality and Quantity (35 Ill. Adm. Code 654);
 - C) Primary Drinking Water Standards (35 Ill. Adm. Code 611);
 - D) Permits (35 Ill. Adm. Code 652); and
 - E) Emergency operation requirements found in 35 Ill. Adm. Code 607.103;
 - 5) daily equipment checks;

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- 6) collection of required samples and submission of these samples to a certified laboratory;
 - 7) maintaining booster pump stations and high service pumps;
 - 8) maintaining spare parts inventory;
 - 9) ~~maintaining and timely submitting to the Agency all required operating records and reports, including but not limited to:~~
 - A) ~~consumer confidence reports;~~
 - B) ~~drinking water compliance monitoring reports;~~
 - C) ~~discharge monitoring reports; and~~
 - D) ~~monthly operating reports;~~
 - ~~9)10)~~ providing labor and materials for correcting any maintenance and operational problems;
 - ~~10)11)~~ maintaining and implementing emergency operating plans;
 - ~~11)12)~~ performing preventive maintenance on equipment as recommended by the manufacturer;
 - ~~12)13)~~ performing routine operational control testing as recommended by the Agency;
 - ~~13)14)~~ issuing public notices when required by 35 Ill. Adm. Code 653.403;
 - ~~14)15)~~ issuing boil orders to the public and contacting the regional office and local health department whenever boil orders are issued; and
 - ~~15)16)~~ responding to Agency requests for information or site visits;
- ~~f)e)~~ The signatures of the contract operator and the owner or official custodian of the community water supply.

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(Source: Amended at 41 Ill. Reg. 14182, effective November 13, 2017)

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- 1) Heading of the Part: Income Tax
- 2) Code Citation: 86 Ill. Adm. Code 100
- 3)

<u>Section Numbers:</u>	<u>Adopted Actions:</u>
100.2050	Amendment
100.2055	New Section
100.5270	Amendment
100.7050	Amendment
100.7070	Amendment
100.7100	Amendment
- 4) Statutory Authority: 35 ILCS 5/1401
- 5) Effective Date of Rules: November 7, 2017
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted rules, including any material incorporated by reference, is on file in the Agency's principal office and is available for public inspection.
- 9) Notice of Proposal published in the *Illinois Register*: 41 Ill. Reg. 6436; June 9, 2017
- 10) Has JCAR issued a Statement of Objection to this Rulemaking? No
- 11) Differences between Proposal and Final Version: The only changes made were the ones agreed upon with JCAR. All changes made were grammar and punctuation or technical.
- 12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreements letter issued by JCAR? Yes
- 13) Will this rulemaking replace an emergency rule currently in effect? No
- 14) Are there any rulemakings pending on this Part? No
- 15) Summary and Purpose of Rulemaking: This rulemaking adds new Section 100.2055 and amends Sections 100.2050, 100.5270, 100.7050, 100.7070 and 100.7100 of the income

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tax regulations to reflect changes in the IITA provisions regarding the exemption amounts and tax rates.

- 16) Information and questions regarding these adopted rules shall be directed to:

Brian Stocker
Staff Attorney
Illinois Department of Revenue
Legal Services Office
101 West Jefferson
Springfield IL 62796

217/782-2844

The full text of the Adopted Amendments begins on the next page:

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TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUEPART 100
INCOME TAX

SUBPART A: TAX IMPOSED

Section	
100.2000	Introduction
100.2050	Net Income (IITA Section 202)
100.2055	Standard Exemption (IITA Section 204)
100.2060	Compassionate Use of Medical Cannabis Pilot Program Act Surcharge (IITA Section 201(o))

SUBPART B: CREDITS

Section	
100.2100	Replacement Tax Investment Credit Prior to January 1, 1994 (IITA Section 201(e))
100.2101	Replacement Tax Investment Credit (IITA 201(e))
100.2110	Investment Credit; Enterprise Zone and River Edge Redevelopment Zone (IITA Section 201(f))
100.2120	Jobs Tax Credit; Enterprise Zone and Foreign Trade Zone or Sub-Zone and River Edge Redevelopment Zone (IITA Section 201(g))
100.2130	Investment Credit; High Impact Business (IITA 201(h))
100.2140	Credit Against Income Tax for Replacement Tax (IITA 201(i))
100.2150	Training Expense Credit (IITA 201(j))
100.2160	Research and Development Credit (IITA Section 201(k))
100.2163	Environmental Remediation Credit (IITA 201(l))
100.2165	Education Expense Credit (IITA 201(m))
100.2170	Tax Credits for Coal Research and Coal Utilization Equipment (IITA 206)
100.2171	Angel Investment Credit (IITA 220)
100.2180	Credit for Residential Real Property Taxes (IITA 208)
100.2185	Film Production Services Credit (IITA Section 213)
100.2190	Tax Credit for Affordable Housing Donations (IITA Section 214)
100.2193	Student-Assistance Contributions Credit (IITA 218)
100.2195	Dependent Care Assistance Program Tax Credit (IITA 210)
100.2196	Employee Child Care Assistance Program Tax Credit (IITA Section 210.5)

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- 100.2197 Foreign Tax Credit (IITA Section 601(b)(3))
100.2198 Economic Development for a Growing Economy Credit (IITA 211)
100.2199 Illinois Earned Income Tax Credit (IITA Section 212)

SUBPART C: NET OPERATING LOSSES OF UNITARY BUSINESS GROUPS
OCCURRING PRIOR TO DECEMBER 31, 1986

Section

- 100.2200 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group. (IITA Section 202) – Scope
100.2210 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group (IITA Section 202) – Definitions
100.2220 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group. (IITA Section 202) – Current Net Operating Losses: Offsets Between Members
100.2230 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group. (IITA Section 202) – Carrybacks and Carryforwards
100.2240 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group: (IITA Section 202) – Effect of Combined Net Operating Loss in Computing Illinois Base Income
100.2250 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group: (IITA Section 202) – Deadline for Filing Claims Based on Net Operating Losses Carried Back From a Combined Apportionment Year

SUBPART D: ILLINOIS NET LOSS DEDUCTIONS FOR LOSSES
OCCURRING ON OR AFTER DECEMBER 31, 1986

Section

- 100.2300 Illinois Net Loss Deduction for Losses Occurring On or After December 31, 1986 (IITA 207)
100.2310 Computation of the Illinois Net Loss Deduction for Losses Occurring On or After December 31, 1986 (IITA 207)
100.2320 Determination of the Amount of Illinois Net Loss for Losses Occurring On or After December 31, 1986

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- 100.2330 Illinois Net Loss Carrybacks and Net Loss Carryovers for Losses Occurring On or After December 31, 1986
- 100.2340 Illinois Net Losses and Illinois Net Loss Deductions for Losses Occurring On or After December 31, 1986, of Corporations that are Members of a Unitary Business Group: Separate Unitary Versus Combined Unitary Returns
- 100.2350 Illinois Net Losses and Illinois Net Loss Deductions, for Losses Occurring On or After December 31, 1986, of Corporations that are Members of a Unitary Business Group: Changes in Membership

SUBPART E: ADDITIONS TO AND SUBTRACTIONS FROM TAXABLE INCOME OF INDIVIDUALS, CORPORATIONS, TRUSTS AND ESTATES AND PARTNERSHIPS

Section

- 100.2405 Gross Income, Adjusted Gross Income, Taxable Income and Base Income Defined; Double Deductions Prohibited; Legislative Intention (IITA Section 203(e), (g) and (h))
- 100.2410 Net Operating Loss Carryovers for Individuals, and Capital Loss and Other Carryovers for All Taxpayers (IITA Section 203)
- 100.2430 Addition and Subtraction Modifications for Transactions with 80-20 and Noncombination Rule Companies
- 100.2435 Addition Modification for Student-Assistance Contribution Credit (IITA Sections 203(a)(2)(D-23), (b)(2)(E-16), (c)(2)(G-15), (d)(2)(D-10))
- 100.2450 IIT Refunds (IITA Section 203(a)(2)(H), (b)(2)(F), (c)(2)(J) and (d)(2)(F))
- 100.2455 Subtraction Modification: Federally Disallowed Deductions (IITA Sections 203(a)(2)(M), 203(b)(2)(I), 203(c)(2)(L) and 203(d)(2)(J))
- 100.2465 Claim of Right Repayments (IITA Section 203(a)(2)(P), (b)(2)(Q), (c)(2)(P) and (d)(2)(M))
- 100.2470 Subtraction of Amounts Exempt from Taxation by Virtue of Illinois Law, the Illinois or U.S. Constitutions, or by Reason of U.S. Treaties or Statutes (IITA Sections 203(a)(2)(N), 203(b)(2)(J), 203(c)(2)(K) and 203(d)(2)(G))
- 100.2480 Enterprise Zone and River Edge Redevelopment Zone Dividend Subtraction (IITA Sections 203(a)(2)(J), 203(b)(2)(K), 203(c)(2)(M) and 203(d)(2)(K))
- 100.2490 Foreign Trade Zone/High Impact Business Dividend Subtraction (IITA Sections 203(a)(2)(K), 203(b)(2)(L), 203(c)(2)(O), 203(d)(2)(M))

SUBPART F: BASE INCOME OF INDIVIDUALS

Section

- 100.2510 Subtraction for Contributions to Illinois Qualified Tuition Programs (Section 529

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- Plans) (IITA Section 203(a)(2)(Y))
100.2580 Medical Care Savings Accounts (IITA Sections 203(a)(2)(D-5), 203(a)(2)(S) and 203(a)(2)(T))
100.2590 Taxation of Certain Employees of Railroads, Motor Carriers, Air Carriers and Water Carriers

SUBPART H: BASE INCOME OF TRUSTS AND ESTATES

- Section
100.2655 Subtraction Modification for Enterprise Zone and River Edge Redevelopment Zone Interest (IITA Section 203(b)(2)(M))
100.2657 Subtraction Modification for High Impact Business Interest (IITA Section 203(b)(2)(M-1))
100.2680 Capital Gain Income of Estates and Trusts Paid to or Permanently Set Aside for Charity (Repealed)

SUBPART J: GENERAL RULES OF ALLOCATION AND APPORTIONMENT OF BASE INCOME

- Section
100.3000 Terms Used in Article 3 (IITA Section 301)
100.3010 Business and Nonbusiness Income (IITA Section 301)
100.3015 Business Income Election (IITA Section 1501)
100.3020 Resident (IITA Section 301)

SUBPART K: COMPENSATION

- Section
100.3100 Compensation (IITA Section 302)
100.3110 State (IITA Section 302)
100.3120 Allocation of Compensation Paid to Nonresidents (IITA Section 302)

SUBPART L: NON-BUSINESS INCOME OF PERSONS OTHER THAN RESIDENTS

- Section
100.3200 Taxability in Other State (IITA Section 303)
100.3210 Commercial Domicile (IITA Section 303)
100.3220 Allocation of Certain Items of Nonbusiness Income by Persons Other Than Residents (IITA Section 303)

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SUBPART M: BUSINESS INCOME OF PERSONS OTHER THAN RESIDENTS

Section	
100.3300	Allocation and Apportionment of Base Income (IITA Section 304)
100.3310	Business Income of Persons Other Than Residents (IITA Section 304) – In General
100.3320	Business Income of Persons Other Than Residents (IITA Section 304) – Apportionment (Repealed)
100.3330	Business Income of Persons Other Than Residents (IITA Section 304) – Allocation
100.3340	Business Income of Persons Other Than Residents (IITA Section 304)
100.3350	Property Factor (IITA Section 304)
100.3360	Payroll Factor (IITA Section 304)
100.3370	Sales Factor (IITA Section 304)
100.3371	Sales Factor for Telecommunications Services
100.3373	Sales Factor for Publishing
100.3380	Special Rules (IITA Section 304)
100.3390	Petitions for Alternative Allocation or Apportionment (IITA Section 304(f))
100.3400	Apportionment of Business Income of Financial Organizations for Taxable Years Ending Prior to December 31, 2008 (IITA Section 304(c))
100.3405	Apportionment of Business Income of Financial Organizations for Taxable Years Ending on or after December 31, 2008 (IITA Section 304(c))
100.3420	Apportionment of Business Income of Insurance Companies (IITA Section 304(b))
100.3450	Apportionment of Business Income of Transportation Companies (IITA Section 304(d))
100.3500	Allocation and Apportionment of Base Income by Nonresident Partners

SUBPART N: ACCOUNTING

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100.4500	Carryovers of Tax Attributes (IITA Section 405)

SUBPART O: TIME AND PLACE FOR FILING RETURNS

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100.5000	Time for Filing Returns (IITA Section 505)
100.5010	Place for Filing Returns: All Taxpayers (IITA Section 505)

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100.5020	Extensions of Time for Filing Returns: All Taxpayers (IITA Section 505)
100.5030	Taxpayer's Notification to the Department of Certain Federal Changes Arising in Federal Consolidated Return Years, and Arising in Certain Loss Carryback Years (IITA Section 506)
100.5040	Innocent Spouses
100.5050	Frivolous Returns
100.5060	Reportable Transactions (IITA Section 501(b))
100.5070	List of Investors in Potentially Abusive Tax Shelters and Reportable Transactions
100.5080	Registration of Tax Shelters (IITA Section 1405.5)

SUBPART P: COMPOSITE RETURNS

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100.5100	Composite Returns: Eligibility (IITA Section 502(f))
100.5110	Composite Returns: Responsibilities of Authorized Agent
100.5120	Composite Returns: Individual Liability
100.5130	Composite Returns: Required forms and computation of Income (IITA Section 502(f))
100.5140	Composite Returns: Estimated Payments
100.5150	Composite Returns: Tax, Penalties and Interest
100.5160	Composite Returns: Credits on Separate Returns
100.5170	Composite Returns: Definition of a "Lloyd's Plan of Operation"
100.5180	Composite Returns: Overpayments and Underpayments

SUBPART Q: COMBINED RETURNS

Section	
100.5200	Filing of Combined Returns
100.5201	Definitions and Miscellaneous Provisions Relating to Combined Returns
100.5205	Election to File a Combined Return
100.5210	Procedures for Elective and Mandatory Filing of Combined Returns
100.5215	Filing of Separate Unitary Returns (IITA Section 304(e))
100.5220	Designated Agent for the Members
100.5230	Combined Estimated Tax Payments
100.5240	Claims for Credit of Overpayments
100.5250	Liability for Combined Tax, Penalty and Interest
100.5260	Combined Amended Returns
100.5265	Common Taxable Year
100.5270	Computation of Combined Net Income and Tax

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100.5280 Combined Return Issues Related to Audits

SUBPART R: PAYMENTS

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100.6000 Payment on Due Date of Return (IITA Section 601)

SUBPART S: REQUIREMENT AND AMOUNT OF WITHHOLDING

Section

100.7000 Requirement of Withholding (IITA Section 701)
100.7010 Compensation Paid in this State (IITA Section 701)
100.7020 Transacting Business Within this State (IITA Section 701)
100.7030 Payments to Residents (IITA Section 701)
100.7035 Nonresident Partners, Subchapter S Corporation Shareholders, and Trust
Beneficiaries (IITA Section 709.5)
100.7040 Employer Registration (IITA Section 701)
100.7050 Computation of Amount Withheld (IITA Section 702)
100.7060 Additional Withholding (IITA Section 701)
100.7070 Voluntary Withholding (IITA Section 701)
100.7080 Correction of Underwithholding or Overwithholding (IITA Section 701)
100.7090 Reciprocal Agreement (IITA Section 701)
100.7095 Cross References

SUBPART T: AMOUNT EXEMPT FROM WITHHOLDING

Section

100.7100 Withholding Exemption (IITA Section 702)
100.7110 Withholding Exemption Certificate (IITA Section 702)
100.7120 Exempt Withholding Under Reciprocal Agreements (IITA Section 702)

SUBPART U: INFORMATION STATEMENT

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100.7200 Reports for Employee (IITA Section 703)

SUBPART V: EMPLOYER'S RETURN AND PAYMENT OF TAX WITHHELD

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- 100.7300 Returns and Payments of Income Tax Withheld from Wages (IITA Sections 704 and 704A)
- 100.7310 Returns Filed and Payments Made on Annual Basis (IITA Sections 704 and 704A)
- 100.7320 Time for Filing Returns and Making Payments for Taxes Required to Be Withheld Prior to January 1, 2008 (IITA Section 704)
- 100.7325 Time for Filing Returns and Making Payments for Taxes Required to Be Withheld On or After January 1, 2008 (IITA Section 704A)
- 100.7330 Payment of Tax Required to be Shown Due on a Return (IITA Sections 704 and 704A)
- 100.7340 Correction of Underwithholding or Overwithholding (IITA Section 704)
- 100.7350 Domestic Service Employment (IITA Sections 704 and 704A)
- 100.7360 Definitions and Special Provisions Relating to Reporting and Payment of Income Tax Withheld (IITA Sections 704 and 704A)
- 100.7370 Penalty and Interest Provisions Relating to Reporting and Payment of Income Tax Withheld (IITA Sections 704 and 704A)
- 100.7380 Economic Development for a Growing Economy (EDGE) and Small Business Job Creation Credit (IITA Section 704A(g) and (h))

SUBPART W: ESTIMATED TAX PAYMENTS

Section

- 100.8000 Payment of Estimated Tax (IITA Section 803)
- 100.8010 Failure to Pay Estimated Tax (IITA Sections 804 and 806)

SUBPART X: COLLECTION AUTHORITY

Section

- 100.9000 General Income Tax Procedures (IITA Section 901)
- 100.9010 Collection Authority (IITA Section 901)
- 100.9020 Child Support Collection (IITA Section 901)

SUBPART Y: NOTICE AND DEMAND

Section

- 100.9100 Notice and Demand (IITA Section 902)

SUBPART Z: ASSESSMENT

Section

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- 100.9200 Assessment (IITA Section 903)
100.9210 Waiver of Restrictions on Assessment (IITA Section 907)

SUBPART AA: DEFICIENCIES AND OVERPAYMENTS

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- 100.9300 Deficiencies and Overpayments (IITA Section 904)
100.9310 Application of Tax Payments Within Unitary Business Groups (IITA Section 603)
100.9320 Limitations on Notices of Deficiency (IITA Section 905)
100.9330 Further Notices of Deficiency Restricted (IITA Section 906)

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Section

- 100.9400 Credits and Refunds (IITA Section 909)
100.9410 Limitations on Claims for Refund (IITA Section 911)
100.9420 Recovery of Erroneous Refund (IITA Section 912)

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Section

- 100.9500 Access to Books and Records (IITA Section 913)
100.9505 Access to Books and Records – 60-Day Letters (IITA Section 913) (Repealed)
100.9510 Taxpayer Representation and Practice Requirements
100.9520 Conduct of Investigations and Hearings (IITA Section 914)
100.9530 Books and Records

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Section

- 100.9600 Administrative Review Law (IITA Section 1201)

SUBPART EE: DEFINITIONS

Section

- 100.9700 Unitary Business Group Defined (IITA Section 1501)
100.9710 Financial Organizations (IITA Section 1501)
100.9720 Nexus
100.9730 Investment Partnerships (IITA Section 1501(a)(11.5))

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100.9750 Corporation, Subchapter S Corporation, Partnership and Trust Defined (IITA Section 1501)

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Section
100.9800 Letter Ruling Procedures

SUBPART GG: MISCELLANEOUS

Section
100.9900 Tax Shelter Voluntary Compliance Program
100.9910 State Tax Preparer Oversight Act [35 ILCS 35]

100.APPENDIX A Business Income Of Persons Other Than Residents
100.TABLE A Example of Unitary Business Apportionment
100.TABLE B Example of Unitary Business Apportionment for Groups Which Include Members Using Three-Factor and Single-Factor Formulas

AUTHORITY: Implementing the Illinois Income Tax Act [35 ILCS 5] and authorized by Section 1401 of the Illinois Income Tax Act [35 ILCS 5/1401].

SOURCE: Filed July 14, 1971, effective July 24, 1971; amended at 2 Ill. Reg. 49, p. 84, effective November 29, 1978; amended at 5 Ill. Reg. 813, effective January 7, 1981; amended at 5 Ill. Reg. 4617, effective April 14, 1981; amended at 5 Ill. Reg. 4624, effective April 14, 1981; amended at 5 Ill. Reg. 5537, effective May 7, 1981; amended at 5 Ill. Reg. 5705, effective May 20, 1981; amended at 5 Ill. Reg. 5883, effective May 20, 1981; amended at 5 Ill. Reg. 6843, effective June 16, 1981; amended at 5 Ill. Reg. 13244, effective November 13, 1981; amended at 5 Ill. Reg. 13724, effective November 30, 1981; amended at 6 Ill. Reg. 579, effective December 29, 1981; amended at 6 Ill. Reg. 9701, effective July 26, 1982; amended at 7 Ill. Reg. 399, effective December 28, 1982; amended at 8 Ill. Reg. 6184, effective April 24, 1984; codified at 8 Ill. Reg. 19574; amended at 9 Ill. Reg. 16986, effective October 21, 1985; amended at 9 Ill. Reg. 685, effective December 31, 1985; amended at 10 Ill. Reg. 7913, effective April 28, 1986; amended at 10 Ill. Reg. 19512, effective November 3, 1986; amended at 10 Ill. Reg. 21941, effective December 15, 1986; amended at 11 Ill. Reg. 831, effective December 24, 1986; amended at 11 Ill. Reg. 2450, effective January 20, 1987; amended at 11 Ill. Reg. 12410, effective July 8, 1987; amended at 11 Ill. Reg. 17782, effective October 16, 1987; amended at 12 Ill. Reg. 4865, effective February 25, 1988; amended at 12 Ill. Reg. 6748, effective March 25, 1988; amended at 12 Ill. Reg. 11766, effective July 1, 1988; amended at 12 Ill. Reg. 14307,

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effective August 29, 1988; amended at 13 Ill. Reg. 8917, effective May 30, 1989; amended at 13 Ill. Reg. 10952, effective June 26, 1989; amended at 14 Ill. Reg. 4558, effective March 8, 1990; amended at 14 Ill. Reg. 6810, effective April 19, 1990; amended at 14 Ill. Reg. 10082, effective June 7, 1990; amended at 14 Ill. Reg. 16012, effective September 17, 1990; emergency amendment at 17 Ill. Reg. 473, effective December 22, 1992, for a maximum of 150 days; amended at 17 Ill. Reg. 8869, effective June 2, 1993; amended at 17 Ill. Reg. 13776, effective August 9, 1993; recodified at 17 Ill. Reg. 14189; amended at 17 Ill. Reg. 19632, effective November 1, 1993; amended at 17 Ill. Reg. 19966, effective November 9, 1993; amended at 18 Ill. Reg. 1510, effective January 13, 1994; amended at 18 Ill. Reg. 2494, effective January 28, 1994; amended at 18 Ill. Reg. 7768, effective May 4, 1994; amended at 19 Ill. Reg. 1839, effective February 6, 1995; amended at 19 Ill. Reg. 5824, effective March 31, 1995; emergency amendment at 20 Ill. Reg. 1616, effective January 9, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 6981, effective May 7, 1996; amended at 20 Ill. Reg. 10706, effective July 29, 1996; amended at 20 Ill. Reg. 13365, effective September 27, 1996; amended at 20 Ill. Reg. 14617, effective October 29, 1996; amended at 21 Ill. Reg. 958, effective January 6, 1997; emergency amendment at 21 Ill. Reg. 2969, effective February 24, 1997, for a maximum of 150 days; emergency expired July 24, 1997; amended at 22 Ill. Reg. 2234, effective January 9, 1998; amended at 22 Ill. Reg. 19033, effective October 1, 1998; amended at 22 Ill. Reg. 21623, effective December 15, 1998; amended at 23 Ill. Reg. 3808, effective March 11, 1999; amended at 24 Ill. Reg. 10593, effective July 7, 2000; amended at 24 Ill. Reg. 12068, effective July 26, 2000; emergency amendment at 24 Ill. Reg. 17585, effective November 17, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 18731, effective December 11, 2000; amended at 25 Ill. Reg. 4640, effective March 15, 2001; amended at 25 Ill. Reg. 4929, effective March 23, 2001; amended at 25 Ill. Reg. 5374, effective April 2, 2001; amended at 25 Ill. Reg. 6687, effective May 9, 2001; amended at 25 Ill. Reg. 7250, effective May 25, 2001; amended at 25 Ill. Reg. 8333, effective June 22, 2001; amended at 26 Ill. Reg. 192, effective December 20, 2001; amended at 26 Ill. Reg. 1274, effective January 15, 2002; amended at 26 Ill. Reg. 9854, effective June 20, 2002; amended at 26 Ill. Reg. 13237, effective August 23, 2002; amended at 26 Ill. Reg. 15304, effective October 9, 2002; amended at 26 Ill. Reg. 17250, effective November 18, 2002; amended at 27 Ill. Reg. 13536, effective July 28, 2003; amended at 27 Ill. Reg. 18225, effective November 17, 2003; emergency amendment at 27 Ill. Reg. 18464, effective November 20, 2003, for a maximum of 150 days; emergency expired April 17, 2004; amended at 28 Ill. Reg. 1378, effective January 12, 2004; amended at 28 Ill. Reg. 5694, effective March 17, 2004; amended at 28 Ill. Reg. 7125, effective April 29, 2004; amended at 28 Ill. Reg. 8881, effective June 11, 2004; emergency amendment at 28 Ill. Reg. 14271, effective October 18, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 14868, effective October 26, 2004; emergency amendment at 28 Ill. Reg. 15858, effective November 29, 2004, for a maximum of 150 days; amended at 29 Ill. Reg. 2420, effective January 28, 2005; amended at 29 Ill. Reg. 6986, effective April 26, 2005; amended at 29 Ill. Reg. 13211, effective August 15, 2005; amended at 29 Ill. Reg. 20516,

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effective December 2, 2005; amended at 30 Ill. Reg. 6389, effective March 30, 2006; amended at 30 Ill. Reg. 10473, effective May 23, 2006; amended by 30 Ill. Reg. 13890, effective August 1, 2006; amended at 30 Ill. Reg. 18739, effective November 20, 2006; amended at 31 Ill. Reg. 16240, effective November 26, 2007; amended at 32 Ill. Reg. 872, effective January 7, 2008; amended at 32 Ill. Reg. 1407, effective January 17, 2008; amended at 32 Ill. Reg. 3400, effective February 25, 2008; amended at 32 Ill. Reg. 6055, effective March 25, 2008; amended at 32 Ill. Reg. 10170, effective June 30, 2008; amended at 32 Ill. Reg. 13223, effective July 24, 2008; amended at 32 Ill. Reg. 17492, effective October 24, 2008; amended at 33 Ill. Reg. 1195, effective December 31, 2008; amended at 33 Ill. Reg. 2306, effective January 23, 2009; amended at 33 Ill. Reg. 14168, effective September 28, 2009; amended at 33 Ill. Reg. 15044, effective October 26, 2009; amended at 34 Ill. Reg. 550, effective December 22, 2009; amended at 34 Ill. Reg. 3886, effective March 12, 2010; amended at 34 Ill. Reg. 12891, effective August 19, 2010; amended at 35 Ill. Reg. 4223, effective February 25, 2011; amended at 35 Ill. Reg. 15092, effective August 24, 2011; amended at 36 Ill. Reg. 2363, effective January 25, 2012; amended at 36 Ill. Reg. 9247, effective June 5, 2012; amended at 37 Ill. Reg. 5823, effective April 19, 2013; amended at 37 Ill. Reg. 20751, effective December 13, 2013; recodified at 38 Ill. Reg. 4527; amended at 38 Ill. Reg. 9550, effective April 21, 2014; amended at 38 Ill. Reg. 13941, effective June 19, 2014; amended at 38 Ill. Reg. 15994, effective July 9, 2014; amended at 38 Ill. Reg. 17043, effective July 23, 2014; amended at 38 Ill. Reg. 18568, effective August 20, 2014; amended at 38 Ill. Reg. 23158, effective November 21, 2014; emergency amendment at 39 Ill. Reg. 483, effective December 23, 2014, for a maximum of 150 days; amended at 39 Ill. Reg. 1768, effective January 7, 2015; amended at 39 Ill. Reg. 5057, effective March 17, 2015; amended at 39 Ill. Reg. 6884, effective April 29, 2015; amended at 39 Ill. Reg. 15594, effective November 18, 2015; amended at 40 Ill. Reg. 1848, effective January 5, 2016; amended at 40 Ill. Reg. 10925, effective July 29, 2016; amended at 40 Ill. Reg. 13432, effective September 7, 2016; amended at 40 Ill. Reg. 14762, effective October 12, 2016; amended at 40 Ill. Reg. 15575, effective November 2, 2016; amended at 41 Ill. Reg. 4193, effective March 27, 2017; amended at 41 Ill. Reg. 6379, effective May 22, 2017; amended at 41 Ill. Reg. 10662, effective August 3, 2017; amended at 41 Ill. Reg. 12608, effective September 21, 2017; amended at 41 Ill. Reg. 14217, effective November 7, 2017.

SUBPART A: TAX IMPOSED

Section 100.2050 Net Income (IITA Section 202)

- a) *A taxpayer's net income under the ~~Illinois Income Tax Act (IITA)~~ is that portion of the taxpayer's base income (determined under IITA Section 203) for the taxable year ~~that which~~ is allocable or apportionable to Illinois under the provisions of Article 3 of the ~~IITAAet~~, less the Illinois net loss deduction allowed*

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by IITA Section 207 and the ~~exemptions~~~~standard exemption~~ allowed by IITA Section 204 and Section 100.2055. (IITA Section 202) In computing net income, any Illinois net operating loss deduction shall be subtracted before the subtraction for the ~~exemptions~~~~standard exemption~~.

- b) For tax years ending on or after December 31, 1986, net income for income tax (IITA [Section 201\(a\)](#) and (b)) and for replacement tax (IITA [Section 201\(c\)](#) and (d)) are identical amounts. For prior tax years, the net income amount for replacement tax was usually a greater amount than net income for income tax. For purposes of the net loss deduction that may be subtracted from net income in ~~those~~~~such~~ prior years, the amount deductible for income tax purposes shall govern, and the amount that may be deducted for replacement tax purposes in a given tax year shall be the same amount as may be deducted for income tax purposes.

(Source: Amended at 41 Ill. Reg. 14217, effective November 7, 2017)

Section 100.2055 Standard Exemption (IITA Section 204)

- a) *In computing net income, there shall be allowed as an exemption the sum of the basic amounts provided under subsections (b) and (c) plus the additional exemptions allowed under subsection (d), multiplied by a fraction, the numerator of which is the amount of the taxpayer's base income allocable to this State for the taxable year and the denominator of which is the taxpayer's total base income for the taxable year. (IITA Section 204(a))*
- b) Each taxpayer shall be allowed an exemption in the basic amount equal to:
- 1) in the case of an individual:
 - A) *for taxable years ending prior to December 31, 1998, \$1,000; (IITA Section 204(b))*
 - B) *for taxable years ending on or after December 31, 1998 and prior to December 31, 1999, \$1,300; (IITA Section 204(b)(1))*
 - C) *for taxable years ending on or after December 31, 1999 and prior to December 31, 2000, \$1,650; (IITA Section 204(b)(2))*

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- D) for taxable years ending on or after December 31, 2000, and prior to December 31, 2012, \$2,000; (IITA Section 204(b)(3))
- E) for taxable years ending on or after December 31, 2012 and prior to December 31, 2013 and for taxable years beginning on or after June 1, 2017, \$2,050; (IITA Section 204(b)(4))
- F) for taxable years ending on or after December 31, 2013 and beginning prior to June 1, 2017, \$2,050 plus the cost-of-living adjustment under subsection (e); and (IITA Section 204(b)(5))
- G) because the increase of the basic amount to \$2,050 in subsection (b)(1)(E) and the cost-of-living adjustment in subsection (e) are subject to sunset under IITA Section 250, the basic amount is \$2,000 for taxable years beginning on or after June 1, 2017, the fifth anniversary of the effective date of Public Act 97-0652.
- 2) for taxable years ending on or after December 31, 1992, a taxpayer whose Illinois base income exceeds the basic amount and who is claimed as a dependent on another person's tax return under the Internal Revenue Code shall not be allowed any basic amount under this subsection (b). (IITA Section 204(b))
- 3) in the case of a corporation, \$1000 for taxable years ending prior to December 31, 2003 and \$0 for taxable years ending on or after December 31, 2003. (IITA Section 204(b))
- 4) in the case of an organization exempt from tax under IITA Section 205(a), \$0. (See IITA Section 205.)
- 5) in all other cases, \$1,000. (See IITA Section 204(b).)
- c) Each individual taxpayer shall be allowed an additional exemption equal to the basic amount for each exemption in excess of one allowable to that individual taxpayer for the taxable year under 26 USC 151. (IITA Section 204(c))
- d) Additional Exemptions
- 1) Each individual taxpayer is allowed:

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- A) an additional exemption of \$1,000 for the taxpayer if he or she has attained the age of 65 before the end of the taxable year; (IITA Section 204(d)(1))
- B) an additional exemption of \$1,000 for the taxpayer if he or she is blind at the end of the taxable year; (IITA Section 204(d)(2))
- C) an additional exemption of \$1,000 for the spouse of the taxpayer if the spouse has attained the age of 65 before the end of the taxable year plus an additional exemption of \$1,000 for the spouse of the taxpayer if the spouse is blind as of the end of the taxable year and, in either case:
- i) a joint return is not made by the taxpayer and his or her spouse;
- ii) for the calendar year in which the taxable year of the taxpayer begins, the spouse has no gross income and is not the dependent of another taxpayer. (IITA Section 204(d)(1) and (2))
- 2) For purposes of this subsection (d), an individual is blind only if his or her central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or if his or her visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual fields subtends an angle no greater than 20 degrees. A spouse who dies before the end of a taxpayer's taxable year and who is blind at the time of his or her death shall be treated as blind as of the end of the taxable year. (IITA Section 204(d)(2))
- e) The cost-of-living adjustment for any calendar year and for taxable years ending prior to the end of the subsequent calendar year is equal to \$2,050 times the percentage (if any) by which the Consumer Price Index for the preceding calendar year exceeds the Consumer Price Index for the calendar year 2011. For purposes of this subsection (e):

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- 1) *The Consumer Price Index for any calendar year is the average of the Consumer Price Index as of the close of the 12-month period ending on August 31 of that calendar year.*
- 2) *The term "Consumer Price Index" means the last Consumer Price Index for All Urban Consumers published by the United States Department of Labor or any successor agency.*
- 3) *If any cost-of-living adjustment is not a multiple of \$25, that adjustment shall be rounded to the next lowest multiple of \$25. (IITA Section 204(d-5))*
- f) *In the case of a taxable year for a period of less than 12 months, the standard exemption allowed under this Section shall be prorated on the basis of the number of days in that year to 365. (IITA Section 401(b))*

(Source: Added at 41 Ill. Reg. 14217, effective November 7, 2017)

SUBPART Q: COMBINED RETURNS

Section 100.5270 Computation of Combined Net Income and Tax

- a) Determination of Base Income~~base income~~. The combined base income shall be determined by first computing the combined group's combined taxable income and then modifying this amount by the combined group's combined Illinois addition and subtraction modification amounts.
 - 1) Combined Net Income~~net income~~. The designated agent will determine combined base income by treating all members of the unitary business group (including ineligible members) as if they constituted a federal consolidated group and by applying the federal regulations for determining consolidated taxable income, except that the separate return limitation year provisions and the limitations on consolidation of life and non-life companies in 26 CFR~~Treasury Reg. Section~~ 1.1502-47 shall not apply. (See Treasury Reg. Section 1.1502-11, 26 CFR 1.1502-11.) A consolidated net operating loss deduction, as defined in Treasury Reg. Section 1.1502-21, 26 CFR 1.1502-21 shall be added back to taxable income, in whole or in part, in accordance with subsections (a)(2), (4) and (5)~~below~~. Pursuant to IITA Section 203(e)(2)(E), combined base income

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shall be determined as if the election provided by ~~26 USC Section 243(b)(2) of the Internal Revenue Code~~ had been in effect.

~~EXAMPLE~~Example 1. Corporations A and B properly make an election under IITA Section 502(e), or are properly required to file a combined return under IITA Section 502(e). On a separate return basis, A's federal taxable income would be a loss of (\$500). This amount does not include an excess capital loss of \$75 pursuant to ~~26 USC Internal Revenue Code Section 1211(a)~~. B's federal taxable income is \$1,000 of which \$100 is capital gain. As a result of applying ~~26 CFR Treasury Reg. Section 1.1502-11 and 26 CFR Section 1.1502-22 (26 CFR 1.1502-22)~~, the combined federal taxable income for A and B is \$425.

- 2) Combined Illinois ~~Net Loss~~net loss. The combined group's current year combined taxable income may be less than zero, in which case it shall be determined by applying the provisions of ~~26 CFR Treasury Reg. 1.1502-21(f)~~ (consolidated net operating loss) to the unitary business group.

~~EXAMPLE~~Example 2. Same facts as Example 1 in subsection (a)(1) ~~above~~ except that Corporation C has also properly joined in the election, or is properly required to join in the combined return filing, and its federal taxable income is a loss of (\$800). If there are no addition or subtraction modifications and all of the group's base income is apportioned to Illinois, the group's combined Illinois net loss for the taxable year will be (\$375).

- 3) Carrybacks and ~~Carryover~~carryovers. Carrybacks and carryovers, if any, shall be determined for each member and not for the group. A pro rata share of the loss is attributable to each of the loss members. For Illinois net losses that occurred in taxable years ending on or after December 31, 1986, the amount of any carryback or carryover shall be determined by applying Sections 100.2340, 100.2350(c)(3) and (c)(4) ~~of this Part~~. For federal net operating losses that occurred in taxable years ending prior to December 31, 1986, the amount of any carryback or carryforward shall be determined by applying Section 100.2230 ~~of this Part~~.

~~EXAMPLE~~Example 3. Same facts as Example 2 in subsection (a)(2) ~~above~~. Assuming the taxable year ends prior to December

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31, 1986, the group's combined net operating loss of (\$375) will be divided between A and C as follows for purposes of carryback and carryover:

$$\text{Corp. A: } 500/1,300 \times (375) = 144$$

$$\text{Corp. C: } 800/1,300 \times (375) = 231$$

- 4) NOL Addition Modification ~~addition modification~~ of Federal Net Operating Loss Deductions ~~federal net operating loss deductions~~ from a Loss Incurred ~~loss incurred~~ in a Taxable Year Ending ~~taxable year ending~~ on or after December 31, 1986. IITA Section 203(b)(2)(D) requires that the amount of any federal net operating loss deduction taken in arriving at taxable income for federal tax purposes, other than from a loss in a taxable year ending prior to December 31, 1986, shall be added back to taxable income in the computation of base income. See Section 100.2320(a) ~~of this Part~~.
- 5) NOL Addition Modification ~~addition modification~~ of Pre-December ~~pre December~~ 31, 1986, Federal Losses ~~federal losses~~. IITA Section 203(b)(2)(E) requires an addition modification subject to two limitations for taxable years in which a federal net operating loss carryforward from a taxable year ending prior to December 31, 1986, is an element of taxable income. Consequently, each member allowed to carryback or forward a portion of the group's combined net operating loss from a year in which that combined loss was used to offset a portion of the group's combined excess addition modifications must take as an addition modification in the carryback or carryover year its respective share of the NOL addition modification required by IITA Section 203(b)(2)(E). In accordance with Section 100.2240 ~~of this Part~~, the respective shares shall be determined in the same manner as the determination of the amount of NOL carryback or carryover.

EXAMPLE ~~Example~~ 4. Same facts as Example 2 in subsection (a)(2) ~~above~~ except that the group had combined excess addition modifications of \$100. This amount will be divided among the loss members as follows:

$$\text{Corp. A: } 500/1,300 \times 100 = 38$$

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Corp. C: $800/1,300 \times 100 = 62$

- b) Combined Base Income Allocable ~~base income allocable~~ to Illinois. Combined base income allocable to Illinois is the sum of the combined business income or loss apportioned to Illinois plus the combined nonbusiness income or loss allocated to Illinois plus the combined ~~business nonunitary partnership~~ income or loss ~~apportioned~~ allocated to Illinois by partnerships in which the members are partners (other than partnerships that apportion business income under Section 100.3380(d)), less the combined net loss deduction.
- 1) Combined Business Income Apportionable ~~business income apportionable~~ to Illinois. In the case of a combined group required to apportion its business income using the three-factor (payroll, property and sales) formula under IITA Section 304(a) ~~of the HTA~~, the designated agent will apportion the unitary business group's combined business income by using the total Illinois payroll, property and sales of each member of the combined group and the total everywhere payroll, property and sales of each member of the unitary business group (including ineligible members). In the case of groups composed exclusively of one-factor apportionment taxpayers (financial, insurance, or transportation), the unitary business group's combined business income will be apportioned by using the combined group's total Illinois financial, insurance, or transportation factors and total everywhere factors of the unitary business group. Items of income and deduction arising from transactions between members of the unitary business groups must be eliminated whenever necessary to avoid distortion of the denominators used by the unitary business group in calculating apportionment factors, or of the numerators used by the combined group or by ineligible members of the group in calculating apportionment factors.
- A) EXAMPLE ~~Example~~ 1:
- i) Corporations A, B, and C constitute a unitary business group. Corporations A and B are eligible to make the election under IITA Section 502(e) for tax years ending before December 31, 1993. However, under Public Law 86-272, Corporation C is not taxable in Illinois.

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- ii) Based on these facts, if the election to be treated as one taxpayer is made, the combined Illinois sales factor must be determined by dividing the combined group's total combined Illinois sales (that is, excluding any sales of Corporation C shipped to purchasers in Illinois) by the total combined sales of the unitary business group everywhere. If the same facts are applied to a tax year ending on or after December 31, 1993, the same result will occur in the mandatory combined return situation.
- B) ~~EXAMPLE~~Example 2:
- i) Same facts as in Example 1, except these additional facts also exist. Under Public Law 86-272, Corporations B and C are taxable in South Carolina, but corporation A is not.
 - ii) Based on these facts, if the election to be treated as one taxpayer is made, or the taxpayers are required to be treated as one taxpayer, the combined Illinois sales factor must be determined by dividing the combined group's total Illinois sales (including any sales of Corporation A shipped to purchasers in South Carolina from any place of storage in Illinois, i.e., throwback sales) by the total sales of the unitary business group everywhere.
- 2) Combined ~~Nonbusiness Income nonbusiness~~ and ~~Business Income nonunitary partnership income~~ Apportioned allocable to Illinois by Partnerships in which the Members are Partners (other than partnerships that apportion business income under Section 100.3380(d)). The designated agent shall compute the amount of combined nonbusiness income or loss allocable to Illinois by first determining the amount for each member of the combined group and then combining these amounts. Similarly, the designated agent shall compute the amount of combined ~~business nonunitary partnership~~ income or loss apportioned allocable to Illinois by partnerships in which the members are partners (other than partnerships that apportion business income under Section 100.3380(d)) by first determining the amount for each member and then combining these amounts.

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- 3) Combined Illinois ~~Net Loss Deduction~~net loss deduction. The designated agent shall compute the combined Illinois net loss deduction for losses originating in tax years ending on or after December 31, 1986 by determining the amount of deduction available for each member of the combined group in accordance with Sections 100.2330, 100.2340 and 100.2350 ~~of this Part~~ and then by combining these amounts.
- c) Combined ~~Exemption~~exemption. Under the election or requirement to be treated as one taxpayer, there is one exemption per combined return. The designated agent shall compute the combined exemption by multiplying the amount of the exemption allowed under IITA Section 204 and Section 100.2055~~\$1,000~~ by a fraction, the numerator of which is combined base income allocable to Illinois and the denominator of which is the group's combined base income. The exemption amount for members of unitary groups not making the election, or subject to the requirement, and for members of unitary groups ineligible to make the election, or not subject to the requirement, is computed by multiplying the amount of the exemption allowed under IITA Section 204 and Section 100.2055~~\$1,000~~ by a fraction, the numerator of which is that member's base income allocable to Illinois, and the denominator of which is the group's combined base income.
- d) Combined ~~Credits~~credits
- 1) Applicability of ~~Credits~~credits. The designated agent will compute any credit allowed by the IITA based on the combined activities of the members of the combined group and ~~that such~~ credit will be applied against the combined liability of the combined group.
- 2) Credits ~~Based based on~~ Members' Activities~~members' activities~~. The investment credits provided in IITA Sections 201(e), (f) and (h) and 206(b) are available when certain property is purchased and placed in service by a taxpayer. The combined group shall be entitled to a combined credit, assuming the other statutory or regulatory requirements applicable to the given credit are satisfied, even if one of the members purchases the qualified property and another member uses the property in a qualified manner.
- 3) Effective January 1, 1994, the investment credit provided in IITA Section 201(e) is allowed for a taxpayer who is *primarily engaged in manufacturing, or in mining coal or fluorite, or in retailing*. In the case of

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a combined group, the determination of eligibility shall be made for the combined group as a whole, rather than for any individual member. The determination of whether a combined group is primarily engaged in a qualifying activity shall be made by applying the 50% of gross receipts test in Section 100.2101(f) ~~of this Part~~ by taking into account the gross receipts of only the eligible members of the combined group. Gross receipts of corporations which would otherwise be members of the combined group, but which have no taxable presence in Illinois or which cannot be combined for any other reason, are not considered in this determination. In determining whether a combined group is primarily engaged in retailing, gross receipts from transactions between eligible members of the combined group shall be eliminated from both the numerator and the denominator of the computation. In determining whether a combined group is primarily engaged in manufacturing or in the mining of coal or fluorite, gross receipts from manufacturing or the mining of coal or fluorite shall include:

- A) gross receipts from sales of products manufactured or coal or fluorite mined by one eligible member of the combined group to another eligible member of the combined group for use or consumption, and not for resale, provided, however, that the amount of ~~those such~~ gross receipts shall be subject to adjustment by the Department under the provisions of IITA Section 404 ~~of the IITA~~; and
 - B) gross receipts from sales to persons outside the combined group by one eligible member of the combined group of items manufactured, or coal or fluorite mined, by another eligible member of the combined group.
- 4) The additional credit provided in IITA Section 201(e) and the credit provided in IITA Section 201(g) are based on specified increases in employment in Illinois. For purposes of determining entitlement to these credits during a combined-return year, the increase in employment shall be determined with respect to the employment of all members of the combined group in Illinois and not an individual member's employment. For purposes of determining the increase in employment in Illinois for a common taxable year, the Illinois employment of all taxpayers who are members of the combined group during that common taxable year shall be

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used; that is, both prior and current year Illinois employment of current members who were not members of the combined group in the prior year shall be included in the determination, while prior and current year Illinois employment of taxpayers who ceased to be members of the combined group during the current or prior year shall be excluded. The application of this subsection (d)(4) is illustrated by the following examples:

EXAMPLEExample 1. Corporations A, B and C were members of a unitary business group which elected to file a combined return for 1989. Corporation D was not a member of the ABC combined group in 1989, but becomes a member of combined group ABCD filing a combined return for 1990. During 1989, Corporations A, B and C employed a total of 150 persons in Illinois and Corporation D employed 50 people in Illinois, for a total of 200.

During 1990, Corporations A, B and C employed 100 persons in Illinois and Corporation D employed 100 persons in Illinois, again for a total of 200.

IITA Section 201(e), which provides for a Replacement Tax Investment Credit for qualified property placed in service by the taxpayer during the year, allows an additional 0.5% credit for thatsueh property to a taxpayer whose Illinois employment has increased by at least 1% over its Illinois employment in the immediately preceding year. Combined group ABCD cannot qualify for the additional 0.5% credit during 1990 because the combined Illinois employment of Corporations A, B, C and D remained unchanged between 1989 and 1990. Because eligibility is determined at the combined group level, no additional credit can be allowed for qualified property placed in service by Corporation D in 1990, even though Corporation D's Illinois employment doubled between 1989 and 1990.

EXAMPLEExample 2. Corporations P, Q, R and S filed a combined Illinois return for calendar year 1990. On January 1, 1991, Corporation S was sold to an unrelated purchaser. Corporations P, Q and R filed a combined Illinois return for calendar year 1991.

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Combined group PQRS employed 400 people in Illinois during 1990, 100 of whom were actually employees of Corporation P and 100 of whom were actually employees of Corporation S.

Combined group PQR employed 350 people in Illinois during 1991, 50 of whom were actually employees of Corporation P.

Combined group PQR can qualify for the additional 0.5% Replacement Tax Investment Credit allowed under IITA Section 201(e) for qualified property placed in service during 1990 because the Illinois employment of the three members of the combined group increased from 300 in 1989 to 400 in 1990. Because the eligibility is determined at the combined group level, property placed in service by Corporation P during 1990 may qualify for the additional 0.5% credit even though Corporation P's Illinois employment actually decreased.

~~EXAMPLE~~ Example 3. Prior to its 2013 repeal by Public Act 98-109, IITA Section 201(g) ~~allowed~~ allows a Jobs Tax Credit equal to \$500 per eligible employee hired to work in an enterprise zone during a taxable year. The taxpayer must hire 5 or more eligible employees during the taxable year in order to qualify for the credit. The credit is taken in the taxable year following the year the employee is hired. Corporations W, X, Y and Z filed a combined Illinois return for calendar year 1990. Corporation Z was sold to an unrelated purchaser on December 31, 1990. Corporations W, X and Y filed a combined return for 1991.

During 1990, WXYZ hired 5 eligible employees to work in an enterprise zone, 3 of whom were actually hired by Corporation Z. Combined group WXY may claim a Jobs Tax Credit of \$2,500 for 1991 because it hired 5 eligible employees during 1990. The fact that Corporation Z, which hired 3 of the employees, left the combined group at the beginning of 1991 does not alter the fact that the combined group earned the Jobs Tax Credit nor entitle Corporation Z to any portion of the credit for its separate company return for 1991.

- 5) The research and development credit provided in IITA Section 203(j) is based on increasing research activities in this State (see Section 100.2160

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of this Part). For purposes of determining entitlement to the credit during a combined-return year, the increase in research activities shall be determined with respect to research activities conducted by all members of the combined group in Illinois and not an individual member's research activities. The following series of examples illustrate the application of the research and development credit in combined return situations involving Corporations A, B and C that incurred the following expenses for qualified research activities in Illinois:

	1990	1991	1992	1993
Corp. A	50,000	50,000	50,000	0
Corp. B	25,000	25,000	100,000	200,000
Corp. C	75,000	125,000	100,000	100,000
	150,000	200,000	250,000	300,000

A) EXAMPLEExample 1. A, B, and C filed combined returns for the years ending December 31, 1990, December 31, 1991, December 31, 1992 and December 31, 1993. The proper amount of the Research and Development Credit for the year ending December 31, 1993 is determined based upon the combined activities on the combined return and is calculated as follows:

Total qualified expenditures for 1993	300,000
Average qualified expenditures for 1990-92	200,000
Excess of 1993 expenditures over base period	100,000
Research and development credit for 1993	6,500

B) EXAMPLEExample 2. A and B filed a combined return for the year ending December 31, 1990. C filed a separate return for the year ending December 31, 1990. A purchased the common stock of C on January 1, 1991. A, B and C filed combined returns for the years ending December 31, 1991, December 31, 1992 and December 31, 1993. The \$75,000 of expenses for qualified research activities in Illinois incurred by C for the year ending December 31, 1990 should be included in the calculation of the

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average qualified expenditures for the base period. The credit for the combined return would be calculated as follows:

Total qualified expenditures for 1993	300,000
Average qualified expenditures for 1990-92	200,000
Excess of 1993 expenditures over base period.....	100,000
Research & Development Credit for 1993	6,500

C) EXAMPLEExample 3. A, B and C filed combined returns for the years ending December 31, 1990, December 31, 1991 and December 31, 1992. On January 1, 1993, A sold the common stock of C to P (an unrelated corporation). For the year ending December 31, 1993, C was included in the combined return filed by P. In determining the proper amount of the Research and Development Credit for the combined return filed by A and B for the year ending December 31, 1993, the expenses for qualified research activities in Illinois incurred by C of \$75,000, \$125,000 and \$100,000 for the years ending December 31, 1990, December 31, 1991 and December 31, 1992, respectively, may not be included in the calculation of the average qualified expenditures for the base period for A and B for the year ending December 31, 1993. The credit for the combined return for A and B for the year ending December 31, 1993 would be calculated as follows:

Total qualified expenditures for 1993	200,000
Average qualified expenditures for 1990-92	100,000
Excess of 1993 expenditures over base period.....	100,000
Research & Development Credit for 1993	6,500

6) Credit Carryforwardcarryforward. Any combined credit carryforward shall be available to the combined group for the next combined-return year. For purposes of the credits allowed with respect to certain qualifying property under IITA Sections 201(e), (f), and (h) and 206(b),

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where a member becomes ineligible to join in the election, or is no longer required to be part of the combined return, the credit carryforward shall be available to the remaining members if ~~those~~ members continue to both own and use the property for which the credit was claimed in a qualifying manner for 48 months after the placed-in-service date. The credit carryforward shall be available to the former member that has become ineligible if that former member both owns and uses the property for which the credit was claimed in a qualifying manner for the remainder of the 48-month period after the placed-in-service date. If a credit carryforward is available to the former member that has become ineligible, the amount of the carryforward is equal to the combined unused credit multiplied by a fraction, the numerator of which is the credit attributable to the qualified property of ~~that~~ former member for the combined unused credit year, and the denominator of which is the qualified property of the combined group for ~~the~~ unused credit year.

~~EXAMPLE~~Example 1. In 1985, Corporation A purchased \$300,000 of eligible property, \$200,000 of which was used by A and \$100,000 of which was transferred to and used by Corporation B. A and B filed a combined return for that year which showed an income tax liability of \$1,000 and an investment credit of \$1,500. The group's unused credit was \$500. In 1987, B left the group, and during that year it owned and continued to use the \$100,000 of eligible property. Its credit carryforward would be computed as follows:

$$\$500 \times \$100,000/\$300,000 = \$166.67$$

- 7) Recapture. For purposes of credits which are recaptured when property ceases to be qualified property or is moved out of Illinois or when property is moved outside of an enterprise zone within 48 months of the placed-in-service date, the members of the combined group are responsible for the recapture of any personal property replacement tax or income tax.

~~EXAMPLE~~Example 2. Same facts as in the Example 1 in subsection (d)(6) ~~above~~ except in 1987 Corporation A transferred its eligible property (originally purchased for \$200,000, in 1985) to Corporation B. Corporation B was acquired by Corporation C in

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1987 and, immediately afterward, B sold all the eligible property (originally purchased for a total of \$300,000) to an unrelated third party. B and C file a combined return for that year and they must increase their tax liability by \$1,000 due to the credit that was allowed on the combined return filed by A and B in 1985.

- e) Ineligible ~~Members~~ members. If a unitary business group contains one or more ~~an~~ ineligible members (e.g., a partnership that is not required to apply the apportionment method prescribed in Section 100.3380(d), a subchapter~~i.e., an S~~ Corporation or, for years ending prior to December 31, 1987, a corporation with a different taxable year), the ineligible members shall file ~~a~~ separate unitary returns. In the separate unitary return, the apportionment percentage of that any such ineligible member shall be determined by dividing the Illinois factor or factors of that member by the combined everywhere factor or factors of all members of the unitary business group. The apportionment percentage shall then be multiplied by the combined business income of the unitary business group to determine the business income of that such ineligible member apportionable to Illinois. The taxable income of the members ~~that joined in the election~~ shall be their combined taxable income as determined under subsection (a)(1) ~~of this Section~~. If a corporation is ineligible because it has a different taxable year, it shall use either method of accounting available to part-year members and set forth in subsection (f)(2) ~~of this Section~~. If two or more corporations are ineligible because they have an accounting period that is different from other members making the election, they may elect to file their own combined return if they have the same taxable year. The foregoing rule also applies in the case of erroneous inclusion of a member in a group otherwise required to file a combined return.
- f) Part-year Members ~~members~~
- 1) General Rule ~~rule~~. If a corporation becomes a member of a unitary business group after the beginning of the combined return year or ceases to be a member of the unitary business group during the combined return year, two tax returns will be affected for that taxable year. The combined return shall include the separate company items of that such corporation for the part of the year it was a member of the unitary business group. Separate company items of a part-year member for any portion of its taxable year prior to the date it joins or after the date it leaves the unitary business group shall either be reported in a short-year separate return filed by that such part-year member (if it is subject to Illinois income tax during

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that period) or included in any combined return filed on behalf of a unitary business group to which ~~that~~ part-year member belongs during that portion of the year.

- 2) Accounting. The part-year member shall use either Method 1 or Method 2 (described in Section 100.5265(b) ~~of this Part~~) to determine its separate company items for the portion of the year before it becomes a member and the portion of the year after it becomes a member of the combined group.

(Source: Amended at 41 Ill. Reg. 14217, effective November 7, 2017)

SUBPART S: REQUIREMENT AND AMOUNT OF WITHHOLDING

Section 100.7050 Computation of Amount Withheld (IITA Section 702)

- a) Amount ~~Withheld~~. Every employer required to deduct and withhold a tax on compensation paid in Illinois to an individual shall deduct and withhold for each payroll period an amount equal to the tax rate in effect for the date the compensation is paid times 3% (.03) ~~of~~ the amount by which ~~that~~ individual's compensation exceeds the proportionate part of his or her withholding exemption attributable to the payroll period for which ~~that~~ compensation is payable. "Payroll period" for Illinois withholding purposes shall have the same definition as in 26 USC 3401 and shall include "miscellaneous payroll period" as that term is defined and used in that section and the regulations thereunder.
- b) Methods of Computations ~~computations~~
 - 1) General Rules ~~rules~~. Employers required to withhold Illinois income tax on compensation paid in this State shall compute the amount of tax to be withheld for each payroll period pursuant to the methods and rules provided for withholding on ~~that~~ compensation under the Internal Revenue Code.
 - 2) Direct Percentage Computations ~~percentage computations~~
 - A) An employer may elect a direct percentage computation to determine the amount of withholding utilizing the following allowances per claimed exemption (see Section 100.7150 ~~of this Part~~) for the appropriate payroll period. A tax rate in effect for the

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date the compensation is paid ~~of 3% (-.03)~~ is to be used in the determination of the amount of tax to be withheld. For compensation paid in years prior to 1998, the exemption is:

Weekly	\$ 19.23
Bi-Weekly	38.46
Semi-monthly	41.67
Monthly	83.33
Quarterly	250.00
Semi-annually	500.00
Annually	1,000.00
Daily or Miscellaneous	2.74

For years after 1997, the basic amount of the exemption is changed from \$1,000. For those years, the amount of an exemption allocable to a period of less than a year should be taken from the applicable version of Booklet IL-700-T, Illinois Employer's Withholding Tax Guide and Withholding Tax Tables, available from the Department. If the Booklet IL-700-T is not available, these amounts can be computed by multiplying the above amounts by a fraction equal to the basic amount of exemption allowed for the year divided by \$1,000.

- B) The steps in computing the amount to be withheld under the percentage method of withholding are as follows:
- i) Step 1: Determine the amount of one withholding exemption for the particular payroll period from the preceding table;
 - ii) Step 2: Multiply the amount determined in Step 1 by the number of exemptions claimed by the employee;
 - iii) Step 3: Subtract the amount determined in Step 2 from the employee's compensation;
 - iv) Step 4: Multiply the difference determined in Step 3 by the tax rate in effect for the date the compensation is paid ~~3% (-.03)~~. The result is the amount of tax to be withheld for the

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particular payroll period.

- C) If an employee has claimed no withholding exemptions, either by filing a withholding exemption certificate claiming zero exemptions or by not filing a withholding exemption certificate, the amount to be withheld is the tax rate in effect for the date the compensation is paid times 3% (.03) of the compensation payable for each payroll period.
- 3) Tables. An employer may elect to use the withholding tables set out in the Booklet IL-700-T, Illinois Employer's Withholding Tax Guide and Withholding Tax Tables, available from the Department.
- 4) Other Methods ~~methods~~
- A) An employer may use any other method for computing the amount of tax to be deducted and withheld for each payroll period thatwhich is permitted for withholding for federal income tax purposes.
- B) If theany such other method for the computation of the amount of tax to be deducted and withheld for federal income tax purposes required prior approval of the Commissioner of Internal Revenue, then the Department shall be notified of thatsueh federal approval by the submission of a copy of the employer's request and the Commissioner's approval.
- c) Supplemental Wage Payments~~wage payments~~. An employee's compensation may consist of wages paid for a payroll period and supplemental wages, such as bonuses, commissions, and overtime pay, paid for the same or a different period or without regard to a particular period. When such supplemental wages are paid, the amount of tax required to be withheld shall be determined in accordance with the same methods provided for withholding on thosesueh wages under the Internal Revenue Code and the regulations thereunder. However, an employer may elect to compute the amount of tax to be withheld using the tax rate in effect for the date the compensation is paid a flat rate of 3% (.03).
- d) Vacation Paypay. An amount~~Amount~~ of so-called "vacation allowances" shall be subject to withholding as though they were regular wage payments made for the

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period covered by the vacation. If the vacation allowance is paid in addition to the regular wage payment for ~~that~~ such period, the allowance shall be treated as a supplemental wage ~~payment~~ payments.

(Source: Amended at 41 Ill. Reg. 14217, effective November 7, 2017)

Section 100.7070 Voluntary Withholding (IITA Section 701)

Any individual receiving periodic payments may enter into an agreement with the payor to provide for withholding of Illinois income tax on ~~those~~ such payments. An agreement under this section between the payor and the individual shall be in writing and shall be governed by the provisions of Section 100.7060(b) ~~of this Part~~. The amount of tax to be deducted and withheld from each payment shall be equal to an amount mutually agreed upon in the written agreement or ~~computed using the tax rate in effect for the date the compensation is paid~~ 3% ~~(.03)~~ and shall be considered as a tax withheld from compensation for the purposes of ~~IITA~~ Article 6 and Article 7 ~~of the Illinois Income Tax Act~~. A payor who has entered into an agreement under this ~~Section~~ section shall be considered an employer required to deduct and withhold tax for the purposes of ~~IITA~~ Article 7 and ~~IITA~~ Section 1002 and shall accordingly be required to register as a withholding agent and file the reports and returns required of all employers withholding tax.

(Source: Amended at 41 Ill. Reg. 14217, effective November 7, 2017)

SUBPART T: AMOUNT EXEMPT FROM WITHHOLDING

Section 100.7100 Withholding Exemption (IITA Section 702)

- a) General ~~Rules~~ rules. An employee is entitled to a withholding exemption equal to the basic amount ~~under IITA Section 204 and Section 100.2055 of this Part~~ multiplied by the number of withholding exemptions to which he ~~or she~~ is entitled for federal income tax withholding purposes plus additional exemptions in the ~~amounts allowed under IITA Section 204 and Section 100.2055~~ amount of \$1,000 ~~if the taxpayer or the taxpayer's spouse is age 65 or older or is blind~~. Since the Act does not provide for itemized deductions for individuals in the computation of net income, no additional withholding allowances based on ~~those~~ such deductions (as provided under 26 USC 3402(m)) are permitted). ~~The basic amount is \$1,000 for years prior to 1998; \$1,300 for 1998; \$1,650 for 1999; and \$2,000 for subsequent years.~~
- b) Married ~~Employees~~ employees. A married employee may not claim a withholding

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exemption for any dependent (as defined in 26 USC 152) unless, if he or she filed a separate federal income tax return, he or she could claim that dependent on ~~that~~ separate return. He or she may claim any withholding exemption to which his or her spouse may be entitled (except for dependents) for federal withholding purposes if the spouse has not claimed ~~that~~ exemption on an Illinois withholding exemption certificate. However, a married employee is not entitled to claim any withholding exemption in respect of a spouse unless they expect to file a joint Illinois income tax return.

- c) Examples. Section 100.7100(a) and (b) ~~of this Part~~ may be illustrated by the following examples:
- 1) ~~EXAMPLE~~Example 1: A and B are married and intend to file separate federal returns. A and B are residents of Illinois. A, is employed and works for a company in State X. None of the compensation received from his employer is subject to Illinois withholding (see Section 100.7010 ~~of this Part~~). B works in Illinois and her salary is subject to Illinois withholding. For federal withholding purposes, A claims no exemption and B claims two exemptions, one for herself and one for her spouse, who has not claimed a withholding exemption for himself on a federal withholding exemption certificate filed with his employer. Under IITA Section 502(c), A and B must file a return in Illinois on a separate basis. B may claim only one withholding exemption for Illinois withholding purposes (i.e., her own exemption) even though she is entitled to claim two exemptions for federal withholding purposes.
 - 2) ~~EXAMPLE~~Example 2: Assume the same facts as Example 1, except that A and B have both attained the age of 65. Accordingly, B claims four withholding exemptions for federal purposes. However, for Illinois withholding purposes B may claim only her own two exemptions; one exemption equal to the basic amount for herself and one additional \$1,000 exemption for having attained the age of 65.
 - 3) ~~EXAMPLE~~Example 3: Assume the same facts as Example 1, except that A and not B claims the two exemptions on a federal withholding exemption certificate. B is entitled to claim one withholding exemption (her own) for Illinois withholding purposes. However, if A and B expect to file a joint federal return and accordingly a joint Illinois return, B may claim two withholding exemptions for Illinois withholding purposes.

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- 4) [EXAMPLE](#)~~Example~~ 4: Assume the same facts as Example 1, except that A has two dependents who qualify as his dependents under 26 USC 152. Only A may claim these dependents as withholding exemptions for both federal and Illinois purposes.

(Source: Amended at 41 Ill. Reg. 14217, effective November 7, 2017)

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- 1) Heading of the Part: Taxpayer Rights
- 2) Code Citation: 86 Ill. Adm. Code 205
- 3) Section Number: 205.10 Adopted Action:
Repealed
- 4) Statutory Authority: 20 ILCS 2505/2505-795
- 5) Effective Date of Rule: November 7, 2017
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted rules, including any material incorporated by reference, is on file in the Agency's principal office and is available for public inspection.
- 9) Notice of Proposal published in the *Illinois Register*: 41 Ill. Reg. 10328, August 4, 2017
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between Proposal and Final Version: The only changes made were the ones agreed upon with JCAR. All changes made were grammar and punctuation or technical.
- 12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreements letter issued by JCAR? None were made.
- 13) Will this rulemaking replace an emergency rule currently in effect? No
- 14) Are there any rulemakings pending on this Part? No
- 15) Summary and Purpose of Rulemaking: This rulemaking repeals 86 Ill. Adm. Code 205.10 to reflect the repeal by PA 87-860 of Section 3 of the Taxpayers' Bill of Rights (20 ILCS 2520/3), which authorized the office of the taxpayer ombudsman.
- 16) Information and questions regarding this adopted rule shall be directed to:

Brian Stocker

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENT

Staff Attorney
Illinois Department of Revenue
Legal Services Office
101 West Jefferson
Springfield IL 62796

217/782-2844

The full text of the Adopted Amendment begins on the next page.

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENT

TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUEPART 205
TAXPAYER RIGHTS

Section

205.10	Taxpayer Ombudsman <u>(Repealed)</u>
205.20	Department Responsibilities
205.30	Taxpayer Interviews

AUTHORITY: Implementing the Taxpayers' Bill of Rights Act [20 ILCS 2520] and authorized by Section 2505-795 of the Civil Administrative Code of Illinois [20 ILCS 2505/2505-795].

SOURCE: Adopted at 14 Ill. Reg. 6831, effective April 19, 1990; amended at 41 Ill. Reg. 14253, effective November 7, 2017.

Section 205.10 Taxpayer Ombudsman (Repealed)

~~There is created within the Department of Revenue an office of taxpayer ombudsman to investigate and facilitate the resolution of taxpayer complaints; to identify forms, procedures, laws or regulations which are confusing and lead to taxpayer error; and to take appropriate action to reduce confusion and errors. (Section 3 of the Taxpayers' Bill of Rights Act (the Act) P.A. 86-189, effective January 1, 1990).~~

(Source: Repealed at 41 Ill. Reg. 14253, effective November 7, 2017)

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

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- 1) Heading of the Part: The Administration and Operation of the Teachers' Retirement System
- 2) Code Citation: 80 Ill. Adm. Code 1650
- 3)

<u>Section Numbers</u> :	<u>Adopted Actions</u> :
1650.345	Amendment
1650.346	Amendment
1650.481	Amendment
- 4) Statutory Authority: Implementing and authorized by Article 16 of the Illinois Pension Code [40 ILCS 5/16].
- 5) Effective Date of Rules: November 8, 2017
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) The adopted rules, including any material incorporated by reference, is on file in the Teachers' Retirement System's principal office and is available for public inspection.
- 9) Notice of Proposal published in the Illinois Register: 41 Ill. Reg. 7942; July 7, 2017
- 10) Has JCAR issued a Statement of Objection this rulemaking? No
- 11) Differences between Proposal and Final Version: Various punctuation changes recommended by JCAR were made in the final version.
- 12) Have all the changes agreed upon by the Agency and JCAR been as indicated in the agreements issued by JCAR? None were made.
- 13) Will this rulemaking replace an emergency rule currently in effect? No
- 14) Are there any rulemakings pending on this Part? No
- 15) Summary and Purpose of Rulemaking: The amendments were drafted in response to a recommendation by the Joint Committee on Administrative Rules (JCAR) that policies in the TRS Employer Guide are reflected in administrative rule. The amendments address

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

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the maximum lifetime amount of credit for leave of absence and the types allowed, as well as clarifying the salary rate used for evaluating employer excess salary costs in the event of part time employment.

- 16) Information and questions regarding these adopted rules shall be directed to:

Cynthia M. Fain, Senior Legal Counsel
Teachers' Retirement System
2815 West Washington, P.O. Box 19253
Springfield IL 62794-9253

217/753-0375

The full text of the Adopted Amendments begins on the next page:

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

NOTICE OF ADOPTED AMENDMENTS

TITLE 80: PUBLIC OFFICIALS AND EMPLOYEES

SUBTITLE D: RETIREMENT SYSTEMS

CHAPTER III: TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

PART 1650

THE ADMINISTRATION AND OPERATION OF THE
TEACHERS' RETIREMENT SYSTEM

SUBPART A: REPORTS BY BOARD OF TRUSTEES

Section

1650.10 Annual Financial Report (Repealed)

SUBPART B: BASIC RECORDS AND ACCOUNTS

Section

1650.110 Membership Records
1650.120 Claims Records (Repealed)
1650.130 Individual Accounts (Repealed)
1650.140 Ledger and Accounts Books (Repealed)
1650.150 Statistics (Repealed)
1650.160 Confidentiality of Records
1650.180 Filing and Payment Requirements
1650.181 Early Retirement Incentive Payment Requirements (Repealed)
1650.182 Waiver of Additional Amounts Due
1650.183 Definition of Employer's Normal Cost

SUBPART C: FILING OF CLAIMS

Section

1650.201 Disability Benefits – Application Procedure; Effective Date
1650.202 Disability Benefits – Definitions
1650.203 Disability Retirement Annuity – Definitions
1650.204 Gainful Employment – Consequences
1650.205 Medical Examinations and Investigation of Disability Claims
1650.206 Physician Certificates
1650.207 Disability Due to Pregnancy
1650.208 Disability Payments
1650.209 Computation of Annual Salary When Member Has Different Semester Salary

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	Rates (Repealed)
1650.210	Claim Applications
1650.211	Disability Recipient Eligible to Receive an Age or Disability Retirement Annuity
1650.220	Reclassification of Disability Claim (Repealed)
1650.221	When Member Becomes Annuitant
1650.222	Death Out of Service
1650.230	Medical Examinations and Investigations of Claims (Repealed)
1650.240	Refunds; Canceled Service; Repayment
1650.250	Death Benefits
1650.260	Evidence of Age
1650.270	Reversionary Annuity – Evidence of Dependency
1650.271	Evidence of Parentage
1650.272	Eligible Child Dependent By Reason of a Physical or Mental Disability
1650.280	Evidence of Marriage
1650.290	Offsets

SUBPART D: MEMBERSHIP AND SERVICE CREDITS

Section	
1650.301	Early Retirement Without Discount – Return to Teaching from a Break in Service
1650.310	Effective Date of Membership
1650.315	Verifying Service Credit
1650.320	Method of Calculating Service Credits
1650.325	Method of Calculating Service Credit for Recipients of a Disability Benefit or Occupational Disability Benefit
1650.330	Duplicate Service Credit
1650.335	Unreported Regular Service Credit and Earnings
1650.340	Service Credit for Leaves of Absence
1650.341	Service Credit for Involuntary Layoffs
1650.345	Service Credit for Periods Away From Teaching Due to Pregnancy
1650.346	Service Credit for Periods Away From Teaching Due to Adoption
1650.350	Service Credit for Unused Accumulated Sick Leave Upon Retirement
1650.351	Employer Contribution for Excess Sick Leave
1650.355	Purchase of Optional Service – Required Minimum Payment
1650.356	Payroll Deduction Program (Repealed)
1650.357	Employer Payment of Member's Optional Service and/or Upgrade Contribution Balance (Repealed)
1650.360	Settlement Agreements and Judgments
1650.370	Calculation of Average Salary (Renumbered)

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- 1650.380 Definition of Actuarial Equivalent (Repealed)
- 1650.390 Independent Contractors
- 1650.391 Optional 2.2 Upgrade of Earned and Credited Service
- 1650.392 2.2 Upgrade of Optional Service Not Credited at Initial Upgrade

SUBPART E: CONTRIBUTION CREDITS AND PAYMENTS

Section

- 1650.410 Return of Contributions for Duplicate or Excess Service
- 1650.415 Return of Optional Increase in Retirement Annuity Contributions
- 1650.416 Optional Increase in Retirement Annuity – 1% Contribution Reduction
- 1650.417 Mandatory Distributions Pursuant to Section 401(a)(9) of the Internal Revenue Code
- 1650.420 Interest on Deficiencies (Repealed)
- 1650.430 Installment Payments (Repealed)
- 1650.440 Small Deficiencies, Credits or Death Benefit Payments (Repealed)
- 1650.450 Compensation Recognized As "Salary"
- 1650.451 Reporting of Conditional Payments
- 1650.460 Calculation of Average Salary
- 1650.470 Rollover Distributions
- 1650.480 Rollovers to the System
- 1650.481 Employer Contribution Required for Salary Increases in Excess of 6%
- 1650.482 Contracts and Collective Bargaining Agreements – Loss of Exemption from Employer Contributions
- 1650.483 Employer Contributions for Salary Increases in Excess of 6% and Excess Sick Leave Exemption from Contributions
- 1650.484 Members Not Covered by Collective Bargaining Agreements or Employment Contracts
- 1650.485 Employer Contributions for Salary Increases in Excess of 6% – Receipt of Bill
- 1650.486 Employer Payment of Member's Optional Service, Refund and/or Upgrade Contribution Balance

SUBPART F: ANNUITANTS AND BENEFICIARIES

Section

- 1650.505 Beneficiary (Repealed)
- 1650.510 Re-entry Into Service (Repealed)
- 1650.511 Separation from Service
- 1650.512 Verification of Compliance with Post-Retirement Employment Limitations

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1650.520	Suspension of Benefits
1650.530	Power of Attorney
1650.540	Conservators/Guardians
1650.550	Presumption of Death
1650.560	Benefits Payable on Death
1650.561	Valid Beneficiary Designations
1650.570	Survivors' Benefits
1650.571	Payment of Monthly Survivor Benefits to a Trust
1650.575	Full-time Student – Receipt of Survivors Benefits Until Age 22
1650.580	Evidence of Eligibility
1650.590	Comptroller Offset
1650.595	Overpayments

SUBPART G: ATTORNEY GENERALS' OPINION

Section

1650.605	Policy of the Board Concerning Attorney Generals' Opinion (Repealed)
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SUBPART H: ADMINISTRATIVE REVIEW

Section

1650.610	Staff Responsibility
1650.620	Right of Appeal
1650.630	Form of Written Request
1650.635	Presiding Hearing Officer – Duties and Responsibilities
1650.640	Prehearing Procedure
1650.641	Claims Hearing Committee Hearing Packet
1650.650	Hearing Procedure
1650.660	Rules of Evidence (Repealed)

SUBPART I: AMENDMENTS TO BYLAWS AND RULES

Section

1650.710	Amendments
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SUBPART J: RULES OF ORDER

Section

1650.810	Parliamentary Procedure
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SUBPART K: PUBLIC RECORD REQUESTS

Section

1650.910	Summary and Purpose (Repealed)
1650.920	Definitions (Repealed)
1650.930	Submission of Requests
1650.940	Form and Content of FOIA Requests (Repealed)
1650.950	Appeal of a Denial (Repealed)
1650.960	Executive Director's Response to Appeal (Repealed)
1650.970	Response to FOIA Requests (Repealed)
1650.980	Inspection of Records at System Office
1650.990	Copies of Public Records
1650.995	Materials Immediately Available

SUBPART L: BOARD ELECTION PROCEDURES

Section

1650.1000	Nomination of Candidates
1650.1001	Elections Date/Election Day – Defined
1650.1010	Petitions
1650.1020	Eligible Voters
1650.1030	Election Materials
1650.1040	Marking of Ballots
1650.1050	Return of Ballots
1650.1060	Observation of Ballot Counting
1650.1070	Certification of Ballot Counting
1650.1080	Challenges to Ballot Counting
1650.1090	Special Election to Fill Un-Expired Term of Elected Trustee

SUBPART M: QUALIFIED ILLINOIS DOMESTIC RELATIONS ORDERS

Section

1650.1110	Definitions
1650.1111	Requirements for a Valid Qualified Illinois Domestic Relations Order
1650.1112	Requirements for a Valid QILDRO Calculation Order
1650.1113	Required Forms
1650.1114	Filing a QILDRO or a Calculation Order with the System
1650.1115	Benefits Affected by a QILDRO

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- 1650.1116 Effect of a Valid QILDRO
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- 1650.3010 Public Markets Manager Database
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AUTHORITY: Implementing and authorized by Articles 1 and 16 of the Illinois Pension Code [40 ILCS 5/Arts. 1 and 16]; Freedom of Information Act [5 ILCS 140]; Internal Revenue Code (26 USC 1 et seq.); Section 5-15 of the Illinois Administrative Procedure Act [5 ILCS 100/5-15].

SOURCE: Filed June 20, 1958; emergency rules adopted at 2 Ill. Reg. 49, p. 249, effective November 29, 1978, for a maximum of 150 days; adopted at 3 Ill. Reg. 9, p. 1, effective March 3, 1979; codified at 8 Ill. Reg. 16350; amended at 9 Ill. Reg. 20885, effective December 17, 1985; amended at 12 Ill. Reg. 16896, effective October 3, 1988; amended at 14 Ill. Reg. 18305, effective October 29, 1990; amended at 15 Ill. Reg. 16731, effective November 5, 1991; amended at 17 Ill. Reg. 1631, effective January 22, 1993; amended at 18 Ill. Reg. 6349, effective April 15, 1994; emergency amendment at 18 Ill. Reg. 8949, effective May 24, 1994, for a maximum of 150 days; emergency modified at 18 Ill. Reg. 12880; amended at 18 Ill. Reg. 15154, effective September 27, 1994; amended at 20 Ill. Reg. 3118, effective February 5, 1996; emergency amendment at 21 Ill. Reg. 483, effective January 1, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 2422, effective January 31, 1997; amended at 21 Ill. Reg. 4844, effective March 27, 1997; emergency amendment at 21 Ill. Reg. 17159, effective December 9, 1997, for a maximum of 150 days; amended at 22 Ill. Reg. 7243, effective April 9, 1998; emergency amendment at 22 Ill. Reg. 7314, effective April 9, 1998, for a maximum of 150 days; emergency amendment at 22 Ill. Reg. 9374, effective May 14, 1998, for a maximum of 150 days; emergency rule modified in response to JCAR Objection at 22 Ill. Reg. 11640; emergency amendment at 22 Ill. Reg. 13151, effective June 29, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 15620, effective August 17, 1998; amended at 22 Ill. Reg. 19079, effective October 1, 1998; amended at 22 Ill. Reg. 22090, effective December 1, 1998; amended at 23 Ill.

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Reg. 3079, effective February 23, 1999; amended at 24 Ill. Reg. 2440, effective January 27, 2000; amended at 24 Ill. Reg. 10300, effective June 26, 2000; amended at 25 Ill. Reg. 203, effective December 22, 2000; amended at 26 Ill. Reg. 2758, effective February 11, 2002; amended at 26 Ill. Reg. 11476, effective July 11, 2002; amended at 27 Ill. Reg. 1668, effective January 17, 2003; amended at 27 Ill. Reg. 9209, effective May 28, 2003; amended at 28 Ill. Reg. 10055, effective June 29, 2004; amended at 29 Ill. Reg. 1546, effective January 14, 2005; amended at 29 Ill. Reg. 13244, effective August 9, 2005; amended at 30 Ill. Reg. 194, effective December 23, 2005; amended at 30 Ill. Reg. 472, effective December 21, 2005; amended at 30 Ill. Reg. 11728, effective June 23, 2006; amended at 30 Ill. Reg. 17525, effective October 18, 2006; amended at 31 Ill. Reg. 10688, effective July 13, 2007; amended at 32 Ill. Reg. 4073, effective February 28, 2008; amended at 32 Ill. Reg. 7979, effective May 6, 2008; amended at 32 Ill. Reg. 13534, effective August 6, 2008; amended at 33 Ill. Reg. 4401, effective March 3, 2009; amended at 33 Ill. Reg. 15863, effective November 2, 2009; amended at 34 Ill. Reg. 4900, effective March 22, 2010; amended at 34 Ill. Reg. 7787, effective May 21, 2010; amended at 35 Ill. Reg. 2413, effective January 21, 2011; amended at 35 Ill. Reg. 2788, effective January 25, 2011; amended at 35 Ill. Reg. 3781, effective February 18, 2011; amended at 35 Ill. Reg. 19541, effective November 18, 2011; amended at 36 Ill. Reg. 7688, effective May 4, 2012; amended at 36 Ill. Reg. 18914, effective December 14, 2012; amended at 37 Ill. Reg. 5150, effective April 4, 2013; amended at 38 Ill. Reg. 21239, effective October 21, 2014; amended at 39 Ill. Reg. 5259, effective March 20, 2015; amended at 39 Ill. Reg. 14989, effective October 30, 2015; amended at 40 Ill. Reg. 14099, effective September 28, 2016; amended at 41 Ill. Reg. 718, effective January 11, 2017; amended at 41 Ill. Reg. 14256, effective November 8, 2017.

SUBPART D: MEMBERSHIP AND SERVICE CREDITS

Section 1650.345 Service Credit for Periods Away From Teaching Due to Pregnancy

- a) Service credit of up to three years shall be granted for periods beginning prior to July 1, 1983, during which a teacher ceased covered employment due to pregnancy. The maximum lifetime amount of credit available for any type of leave of absence, including pregnancy related absences, is 3.000 years. Type of leave of absences include pregnancy, leave of absence, involuntary layoff, and adoption.
- b) For purposes of determining eligibility to receive optional service credit under the provisions of 40 ILCS 5/16-127(b)(5)(iii), the following definitions shall apply:
 - 1) "Pregnancy" shall mean the period beginning at the moment of conception and continuing through termination of the pregnancy or delivery of the

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child.

- 2) "Due to pregnancy" shall mean due to the state of being pregnant and recovery therefrom due to the termination of a pregnancy or due to the delivery of a child.
 - 3) "Covered employment" means employment in a position requiring membership contributions to the System as a condition of employment.
 - 4) "Teaching service creditable under this System or the State Universities Retirement System" means employment in a position requiring membership contributions to the System or the State Universities Retirement System as a condition of employment.
- c) The documents necessary to establish service credit under this Section shall include:
- 1) School employment records;
 - 2) Medical records;
 - 3) Birth or death certificates; and/or
 - 4) Other contemporaneous documentation that reliably supports the service credit to be established while eliminating the possibility of mistake or fraud.
- d) For purposes of granting service credit for periods away from teaching due to pregnancy, the statutory return-to-teaching requirement is met when the member returns to teaching service creditable under this System or the State Universities Retirement System for the period the member was away from teaching due to pregnancy or one year, whichever is less.

(Source: Amended at 41 Ill. Reg. 14256, effective November 8, 2017)

Section 1650.346 Service Credit for Periods Away From Teaching Due to Adoption

- a) Service credit of up to three years shall be granted for periods beginning prior to July 1, 1983, during which a teacher ceased covered employment for the purpose

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of adopting an infant under three years of age or caring for a newly adopted infant under three years of age. The maximum lifetime amount of credit available for any type of leave of absence, including pregnancy related absences, is 3.000 years. Type of leave of absences include pregnancy, leave of absence, involuntary layoff, and adoption.

- b) For purposes of determining eligibility to receive optional service credit under the provisions of 40 ILCS 5/16-127(b)(5)(iv), the following definitions shall apply:
- 1) "Ceased covered employment" shall mean the submission of a resignation that terminated employment in a position requiring membership contributions to the System as a condition of employment.
 - 2) "For the purpose of adopting an infant under three years of age" shall mean the termination of covered employment:
 - A) To meet the requirements of an adoption agency or similar entity resulting in the adoption of an infant who is under the age of three at the time the member terminates covered employment;
 - B) To formally commence judicial or administrative proceedings to adopt an infant who is under the age of three at the time the adoption proceedings were initiated; or
 - C) To care for an infant under the age of three while an adoption proceeding is ongoing which results in the adoption of the infant.
 - 3) "Caring for a newly adopted infant under three years of age" shall mean providing care to an adopted infant of less than three years of age when the interruption of service begins within 180 days after the court order declaring the member the adoptive parent of such an infant.
 - 4) "Teaching service creditable under this System or the State Universities Retirement System" means employment in a position requiring membership contributions to the System or the State Universities Retirement System as a condition of employment.
- c) The documents necessary to establish service credit under this Section shall include:

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- 1) Employment records;
 - 2) Birth certificates;
 - 3) Court records;
 - 4) Adoption agency records;
 - 5) Governmental records; and/or
 - 6) Other contemporaneous documentation that reliably supports the service credit to be established while eliminating the possibility of mistake or fraud.
- d) For purposes of granting service credit for periods away from teaching due to adoption, the statutory return-to-teaching requirement is met when the member returns to teaching service creditable under this System or the State Universities Retirement System for the period the member was away from teaching due to adoption or one year, whichever is less.

(Source: Amended at 41 Ill. Reg. 14256, effective November 8, 2017)

SUBPART E: CONTRIBUTION CREDITS AND PAYMENTS

Section 1650.481 Employer Contribution Required for Salary Increases in Excess of 6%

The employer contribution required under 40 ILCS 5/16-158(f) will be determined as follows:

- a) Calculate the member's monthly benefit using salaries as reported, excluding that part of the member's salary that exceeds the member's annual full-time salary rate with the same employer for the preceding year by more than 20%.
- b) Calculate the member's monthly benefit using salaries as reported, excluding that part of the member's salary that exceeds the member's salary with the same employer for the preceding year by more than 6%.
- c) Subtract (b) from (a).

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- d) Multiply (c) by a Monthly Benefit Factor for the member's exact age at the retirement date. The Monthly Benefit Factors are based on the actuarial assumptions of the System for life expectancy and investment return as determined by the System's actuaries at five year intervals pursuant to 40 ILCS 5/16-176.
- e) If a member's monthly benefit is calculated pursuant to 40 ILCS 5/16-133(a), this Section will not apply.
- f) If there is more than one employer during the final average salary period, each employer will pay its respective contribution based on salary increases granted by that employer in excess of 6%.
- g) If the member's benefit is increased as a result of applying the provisions of Section 20 of the Retirement Systems Reciprocal Act [40 ILCS 5/20], no additional employer contribution will be due.
- h) If the member's benefit is reduced as a result of applying proportional reductions required by 40 ILCS 5/20-124, no employer contribution will be assessed for any salaries attributable to any reciprocal employment used in the calculation.
- i) If the average salary is calculated using salary earned through employment covered by another participating system under 40 ILCS 5/20, no employer will be assessed for any salaries attributable to that employment.
- j) The member's salary for any school year used to determine final average salary shall be excluded for purposes of determining the employer contribution required for salary increases in excess of 6% in any year in which the member's creditable earnings are less than 50% of the preceding year's mean salary for downstate teachers as determined by the survey of school district salaries provided in Section 2-3.103 of the School Code.

(Source: Amended at 41 Ill. Reg. 14256, effective November 8, 2017)

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- 1) Heading of the Part: Invest in Kids Act
- 2) Code Citation: 86 Ill. Adm. Code 1000
- 3)

<u>Section Numbers</u> :	<u>Emergency Actions</u> :
1000.100	New Section
1000.200	New Section
1000.250	New Section
1000.300	New Section
1000.400	New Section
1000.500	New Section
1000.600	New Section
1000.700	New Section
1000.800	New Section
1000.900	New Section
1000.1000	New Section
1000.Illustration A	New Section
- 4) Statutory Authority: Implementing and authorized by the Invest in Kids Act, 35 ILCS 40.
- 5) Effective Date of Emergency Rules: November 13, 2017
- 6) If this Emergency Rulemaking is to expire before the end of the 150-day period, please specify the date on which it is to expire: There is no date for this rulemaking to expire.
- 7) Date Filed with the Index Department: November 13, 2017
- 8) A copy of this emergency rulemaking, including any material incorporated by reference, is on file in the Agency's principal office and is available for public inspection.
- 9) Reason for Emergency: PA 100-465, effective August 31, 2017, established the Invest in Kids Act ("Act"). This program allows income tax credits for tax years beginning on and after January 1, 2017 and ending before January 1, 2023 for taxpayers who make qualified contributions to approved Scholarship Granting Organizations ("SGOs"). After receiving contributions from taxpayers, SGOs, in turn, provide scholarships for eligible Illinois students to attend qualifying recognized non-public schools. SGOs must be approved by the Department before issuing Certificates of Receipt ("CORs") to taxpayers that have made authorized contributions under the program. Taxpayers wishing to make

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contributions must first apply to the Department for Contribution Authorization Certificates ("CACs"). In order to implement the program for the 2018-2019 school year, SGOs must be approved beginning December 1, 2017 and no later than January 15, 2018; similarly, taxpayers must be able to apply for CACs starting January 2, 2018. The Act requires SGOs to begin granting scholarships no later than February 1, 2018.

Immediately after the law was enacted, the Department began drafting regulations and developing and testing system changes to implement the new program. These changes were recently finalized. Emergency rules are required in order to timely implement the program by December 1. Unless emergency rules are utilized, the public interest in ensuring timely implementation of the Act will be threatened. For the program to succeed, timely implementation of the income tax provisions of the Act is required. Similarly, SGOs must immediately be provided with guidance on how to properly structure their scholarship programs under the Act, how to obtain approval from the Department to issue CORs and the deadlines with which they must comply. It is also critical that donors be timely advised of the requirements for making contributions and the deadlines with which they must comply. Unless students are also promptly provided with information on the scholarship application process, including applicable deadlines, they may be unable to obtain scholarships. The Act, in short, cannot be effectively implemented without use of emergency rules.

- 10) A Complete Description of the Subjects and Issues Involved: These rules detail the manner in which the Invest in Kids Act will be administered by the Department. The rules provide a general overview of the program and the manner in which credits will be awarded to taxpayers making contributions. The rules establish the manner in which SGOs obtain approval from the Department to issue CORs to taxpayers making authorized contributions under the Act, the requirements for taxpayers applying to the Department for CACs, and the process under which SGOs grant scholarships to students under the Act. The rules also outline the responsibilities of qualified schools receiving funds under the Act, custodian and student responsibilities, and SGO reporting and recertification requirements. Illustration A contains a list of the regions into which the State has been divided by the Department to comply with the Act's requirement that credits be awarded in a manner that is geographically proportionate to enrollment in recognized non-public schools.
- 11) Are there any other rulemakings to this Part pending? No
- 12) Statement of Statewide Policy Objective: This rulemaking neither imposes a State mandate, nor modifies an existing mandate.

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- 13) Information and questions regarding these emergency rules shall be directed to:

Beverly K. Langenfeld
Illinois Department of Revenue
101 West Jefferson
Springfield IL 62794

217/782-2844

The full text of the Emergency Rules begins on the next page:

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TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUEPART 1000
INVEST IN KIDS ACT

Section

1000.100 Definitions

EMERGENCY

1000.200 Invest In Kids Act: Program Overview and Award of Credits

EMERGENCY

1000.250 Electronic Notice and Filing Requirements; Books and Records

EMERGENCY

1000.300 Scholarship Granting Organization: Approval to Issue Certificates

EMERGENCY

1000.400 Taxpayer Contribution Authorization Certificates

EMERGENCY

1000.500 Scholarship Granting Organizations: Issuance of Certificates of Receipt

EMERGENCY

1000.600 Scholarship Granting Organizations: Issuance of Scholarships

EMERGENCY

1000.700 Qualified Schools Responsibilities

EMERGENCY

1000.800 Custodian and Student Responsibilities

EMERGENCY

1000.900 Scholarship Granting Organizations: Reports

EMERGENCY

1000.1000 Scholarship Granting Organizations: Annual Recertification; Revocation

EMERGENCY

1000.ILLUSTRATION A Invest in Kids: The Five Regions of the State of Illinois

EMERGENCY

AUTHORITY: Implementing and authorized by the Invest in Kids Act [35 ILCS 40].

SOURCE: Adopted by emergency rulemaking at 41 Ill. Reg. 14270, effective November 13, 2017, for a maximum of 150 days.

Section 1000.100 Definitions

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"Act" means the Invest in Kids Act [35 ILCS 40].

"Authorized contribution" means the contribution amount that is listed on the contribution authorization certificate issued to the taxpayer.

"Board" means the State Board of Education.

"Certificate of receipt" or "COR" means a certificate issued by the scholarship granting organization to a taxpayer pursuant to Section 1000.500 of this Part.

"Contribution" means a donation made by the taxpayer during the taxable year for providing scholarships as provided in the Act.

"Contribution authorization certificate" or "CAC" means a certificate issued by the Department to a taxpayer pursuant to Section 1000.400 of this Part.

"Custodian" means, with respect to eligible students, an Illinois resident who is a parent or legal guardian of the eligible student or students. In cases where the parent or legal guardian is unwilling or unable to act for the eligible student for purposes of the Invest in Kids Act, the person with whom the eligible student is living, such as a foster parent, will be considered the custodian.

"Department" means the Department of Revenue.

"Eligible student" means a child who:

is a member of a household whose federal adjusted gross income the year before he or she initially receives a scholarship under this program, as determined by the Department, does not exceed 300% of the federal poverty level and, once the child receives a scholarship, does not exceed 400% of the federal poverty level;

is eligible to attend a public elementary school or high school in Illinois in the semester immediately preceding the semester for which he or she first receives a scholarship or is starting school in Illinois for the first time when he or she first receives a scholarship; and

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resides in Illinois while receiving a scholarship.

"Eligible student" also means foster children who are under the legal responsibility of a foster care agency or court.

"Family member" means a parent, child, or sibling, whether by whole blood, half blood, or adoption; spouse; or stepchild.

"Federal poverty level" means the poverty guidelines established each year by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2) and published in the Federal Register.

"Focus district" means a school district, as determined by the Illinois State Board of Education, which has a school that is either:

a school that has one or more subgroups in which the average student performance is at or below the State average for the lowest 10% of student performance in that subgroup; or

a school with an average graduation rate of less than 60% and not identified for priority.

For purposes of this definition, "subgroups" means "subgroup of students" as defined in the Every Student Succeeds Act (Public Law 114-95).

"Household" means an individual or group of individuals living together in a room or group of rooms as a housing unit.

"Household income" means the combined federal adjusted gross income of the members of a household. Household income does not include the federal adjusted gross income of a child residing in a household who is under 18 years of age and attending an elementary or secondary school on a full time basis. Foster children under the legal responsibility of a foster care agency or court are deemed to have a household income that does not exceed 185% of the poverty level.

"Necessary costs and fees" includes the customary charge for instruction and use of facilities in general and the additional fixed fees charged for specified purposes that are required generally of non-scholarship recipients for each academic period for which the scholarship applicant actually enrolls, including costs

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associated with student assessments, but does not include fees payable only once and other contingent deposits that are refundable in whole or in part. Necessary costs and fees are determined by the Board pursuant to 23 Ill. Adm. Code 425.100.

"Participating qualified school" or "participating school" means a qualified school that has not been determined to be ineligible by the Board under Section 1000.700(c).

"Person" means an individual, corporation, company, association, partnership, unit of local government, state agency, federal agency, or other legal entity.

"Qualified contribution" means the authorized contribution made by a taxpayer to a scholarship granting organization for which the taxpayer has received a certificate of receipt from such organization.

"Qualified school" means a non-public school located in Illinois and recognized by the Board pursuant to Section 2-3.25o of the School Code.

"Scholarship" means an educational scholarship awarded by an SGO to an eligible student to attend a qualified school of their custodians' choice in an amount not exceeding the lesser of the necessary costs and fees to attend that school or the statewide average operational expense per student among public schools, except as provided in Section 1000.600(f)(2).

"Scholarship granting organization" or "SGO" means an entity that:

is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code;

uses at least 95% of the qualified contributions received during a taxable year for scholarships;

provides scholarships to students according to the guidelines of the Invest in Kids Act;

deposits and holds qualified contributions and any income derived from qualified contributions in an account that is separate from the

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organization's operating fund or other funds until such qualified contributions or income are withdrawn for use; and

is approved to issue certificates of receipts.

"Taxpayer" means any individual, corporation, partnership, trust, or other entity subject to the Illinois income tax. For purposes of the Act, 2 individuals filing a joint return shall be considered one taxpayer. [35 ILCS 40/5]

Section 1000.200 Invest In Kids Act: Program Overview and Award of Credits**EMERGENCY**

- a) Program Overview. The Act authorizes taxpayers, subject to specific limitations and requirements, to receive an income tax credit for qualified contributions made to scholarship granting organizations. Taxpayers wishing to make qualified contributions must first apply to the Department for approval to make qualified contributions. Once approved, taxpayers are issued contribution authorization certificates by the Department, which must be provided to scholarship granting organizations by taxpayers when making their qualified contributions. A scholarship granting organization must apply to the Department for approval before it can issue certificates of receipt to taxpayers making qualified contributions. Certificates of receipt issued to the taxpayer by an SGO may be used to document the tax credit claimed by the taxpayer under subsection (b).
- b) Award of Credits by the Department – Requirements and Limitations. *The Department shall award credits against the tax imposed under Section 201(a) and (b) of the Illinois Income Tax Act to taxpayers who make qualified contributions. The credit shall be equal to 75% of the total amount of qualified contributions made by the taxpayer during a taxable year, not to exceed a credit of \$1,000,000 per taxpayer (i.e., total qualified contributions made by a taxpayer for which a credit may be obtained may not exceed \$1,333,333 during a taxable year).*
 - 1) *The aggregate amount of all credits the Department may award in any calendar year may not exceed \$75,000,000 (i.e., the total qualified contributions made by all taxpayers for which credits may be obtained may not exceed \$100,000,000 in the aggregate during a taxable year).*
 - 2) *Contributions made by corporations (including Subchapter S corporations), partnerships, and trusts may not be directed to a particular*

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subset of schools, a particular school, a particular group of students, or a particular student. Contributions made by corporations (including Subchapter S corporations), partnerships, and trusts must specify a region under subsection (b)(6) of this Section to which the contribution will be directed. Contributions made to a scholarship granting organization without conditions will satisfy the requirements of this subsection.

- 3) *Contributions made by individuals may be directed to a particular subset of schools or a particular school but may not be directed to a particular group of students or a particular student.* Contributions made by individuals must specify a region under subsection (b)(6) of this Section to which the contribution will be directed.
- 4) *Two individuals filing a joint return shall be considered one taxpayer for purposes of making qualified contributions.* For instance, if two married individuals each contribute \$1,333,333 intending at the time of the contribution to file separate returns but subsequently file a joint return, the maximum credit allowed is \$1,000,000.
- 5) *No credit shall be taken for any qualified contribution for which the taxpayer claims a federal income tax deduction.*
- 6) *Credits shall be awarded in a manner that is geographically proportionate to enrollment in recognized non-public schools in Illinois.* For purposes of awarding credits in a manner that is geographically proportionate to enrollment in recognized non-public schools, the State of Illinois shall be divided into 5 regions. The boundaries of the regions shall be coterminous with the districts established for the Illinois Appellate courts. See Section 1000.Illustration A for a listing of counties in each region.
 - A) On or before December 1 of each year, the State Board of Education shall provide the Department with a list of non-public schools that are recognized under Section 2-3.25o of the School Code. This list shall contain enrollment numbers for each recognized non-public school, and shall be used by the Department to determine enrollment in recognized non-public schools in each region for purposes of calculating the geographic distribution of credits.

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- B) For purposes of awarding credits in a manner that is geographically proportionate to enrollment in recognized non-public schools, the Department shall track the amount of qualified contributions designated in each region by taxpayers. See 1000.400(c)(3).
- C) If the \$75,000,000 cap in aggregate credits that can be awarded by the Department (i.e., \$100,000,000 in qualified contributions made by taxpayers) is not reached by June 1 of a given year, the Department shall award remaining credits on a first-come, first-served basis, without regard to the requirement that the credits be awarded in a manner that is geographically proportionate to enrollment in recognized non-public schools. [35 ILCS 40/10]

Section 1000.250 Electronic Notice and Filing Requirements; Books and Records
EMERGENCY

- a) Unless otherwise provided, all applications, notices, filings, certificates, or other documents required by this Part to be submitted to or issued by the Department shall be made by electronic means.
- b) Scholarship granting organizations and taxpayers shall maintain books and records under this Part and make them available upon request by the Department.
- c) Scholarship granting organizations shall maintain their books and records for no less than three years. Taxpayers shall maintain their books and records in accordance with the Illinois Income Tax Act and regulations promulgated thereunder.

Section 1000.300 Scholarship Granting Organization: Approval to Issue Certificates of Receipt
EMERGENCY

- a) *No scholarship granting organization shall issue any certificates of receipt without first being approved by the Department to issue certificates of receipt.*
- b) *A scholarship granting organization shall submit an application for approval to issue certificates of receipt in the form and manner prescribed by the Department. Applications for approval to issue CORs must be received by the Department no later than January 15 preceding the school year for which the scholarships will be*

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granted. Each application shall be submitted electronically, shall be signed and verified by a board member, officer, executive director, or employee with managerial authority of the scholarship granting organization, or a board member, officer, executive director, or employee with managerial authority of any entity retained by the scholarship granting organization to operate the scholarship granting organization, and shall include:

- 1) a copy of the letter issued by the Internal Revenue Service to the scholarship granting organization demonstrating *that the scholarship granting organization has been granted an exemption from taxation under Section 501(c)(3) of the Internal Revenue Code;*
- 2) *certification that all qualified contributions and any income derived from qualified contributions are or will be deposited and held in an account that is separate from the scholarship granting organization's operating or other funds until such qualified contributions or income are withdrawn for use;*
- 3) *certification that the scholarship granting organization will use at least 95% of its annual revenue from qualified contributions for scholarships;*
- 4) *certification that the scholarship granting organization will provide scholarships to eligible students;*
- 5) the region or regions in which it will grant scholarships;
- 6) *a list of the names and addresses of all members of the governing board of the SGO;*
- 7) *a list of the names, addresses, and social security numbers of the officers, executive director, and employees with managerial authority of the scholarship granting organization, and the officers, executive director, and employees with managerial authority of any entity retained by the scholarship granting organization to operate the scholarship granting organization;*
- 8) certification that, in the last 7 years, no officers, executive director, or employees with managerial authority of the scholarship granting organization, or officers, executive director, or employees with managerial

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authority of any entity retained by the scholarship granting organization to operate the scholarship granting organization *have filed for personal bankruptcy or corporate bankruptcy in a corporation of which they owned more than 20%. An SGO that cannot make the certification required by this subsection (b)(8) shall not be eligible to provide scholarships;*

- 9) certification that the officers, executive director, and employees with managerial authority of the scholarship granting organization, or the officers, executive director, and employees with managerial authority of any entity retained by the scholarship granting organization to operate the scholarship granting organization are not board members or paid staff members of a participating school, *do not own or operate a qualified school, and do not have a family member who is a board member or a paid staff member of a participating qualified school;*
 - 10) certification that *the scholarship granting organization is and will remain in compliance with the anti-discrimination provisions of 42 U.S.C. 2000d;*
 - 11) the primary email address to which notices and other documents provided for under the Act shall be sent;
 - 12) *a copy of the most recent financial audit of the scholarship granting organization's accounts and records conducted by an independent certified public accountant in accordance with government auditing standards and auditing standards generally accepted in the United States. For the initial application to be approved to issue CORs, an SGO registered under Section 2 of the Solicitation for Charity Act who is subject to the provisions of Section 4(b) of that Act and who files with the Attorney General a summary financial statement or written report in accordance with that subsection may satisfy the requirements of this subsection (b)(12) by submitting to the Department a copy of the most recent summary financial statement or written report. No application will be approved unless the requirements of this subsection (b)(12) have been met; and*
 - 13) the beginning and ending dates of the SGO's fiscal year.
- c) *The Department shall review and either approve or deny each application to issue certificates of receipt pursuant to the Act. Each SGO that has been approved will*

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be assigned a unique identifier. *Applicants shall be notified of the Department's determination within 30 business days after the application is received.*

- d) An SGO whose application to issue CORs is denied by the Department may reapply subject to the deadlines in this Section. [35 ILCS 40/15]

Section 1000.400 Taxpayer Contribution Authorization Certificates
EMERGENCY

- a) *A taxpayer shall not be allowed a credit pursuant to the Act for any contribution to a scholarship granting organization that was made prior to the Department's issuance of a contribution authorization certificate for such contribution to the taxpayer.*
- b) *Prior to making a contribution to a scholarship granting organization, the taxpayer shall apply to the Department for a contribution authorization certificate.*
- c) *A taxpayer who makes more than one contribution to one or more scholarship granting organizations must make a separate application for each contribution authorization certificate. The application shall include:*
- 1) *the taxpayer's name and address;*
 - 2) *the amount the taxpayer will contribute;*
 - 3) *the region for which the contribution will be made;*
 - 4) *the SGO to which the contribution will be made; and*
 - 5) *an acknowledgement that no credit may be taken for any qualified contribution for which the taxpayer claims a federal income tax deduction.*
- d) Multiple applications for contribution authorization certificates cannot be made on the same form.
- e) Applications shall be reviewed by the Department and shall either be approved or denied.

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- f) *If approved, the Department shall issue contribution authorization certificates on a first-come, first-served basis based upon the date and time that the Department received the taxpayer's application for the certificate, subject to the requirement that credits must be awarded in a manner that is geographically proportionate to enrollment in recognized non-public schools in Illinois contained in Section 10(e) of the Act (see Section 1000.200(b)(6)).*
- g) *A taxpayer's aggregate authorized contribution amount as listed on one or more contribution authorization certificates issued to the taxpayer shall not exceed the aggregate of the amounts listed on the taxpayer's application or applications submitted in accordance with this Section.*
- h) A separate CAC shall be issued for each application submitted in accordance with this Section. *Each contribution authorization certificate shall include:*
- 1) *the date such certificate was issued;*
 - 2) *the date by which the authorized contribution listed in the certificate must be made, which shall be 60 days from the date of the issuance of a contribution authorization certificate;*
 - 3) *the amount of the authorized contribution;*
 - 4) *the region for which the contribution authorization certificate is issued;*
 - 5) *the name and unique identifier of the SGO which the taxpayer has designated as the recipient of the qualified contribution;*
 - 6) *a statement that no credit may be taken for any qualified contribution for which the taxpayer claims a federal income tax deduction; and*
 - 7) *a unique identifier for each CAC issued to the taxpayer.*
- i) *Each contribution authorization certificate shall be sent to the taxpayer within 3 business days after its issuance.*
- j) *A taxpayer may rescind all or part of an authorized contribution approved under the Act by providing notice to the Department. Amounts rescinded shall no*

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longer be deducted from the caps prescribed in Section 10 of the Act. See Section 1000.200.

- k) *The Department shall maintain on its website a running total of the amount of credits, in the aggregate and by region, for which taxpayers may make applications for contribution authorization certifications. The running total shall be updated every business day. [35 ILCS 40/25]*

Section 1000.500 Scholarship Granting Organizations: Issuance of Certificates of Receipt
EMERGENCY

- a) *No scholarship granting organization shall issue a certificate of receipt for any qualified contribution made by a taxpayer under the Act unless that scholarship granting organization has been approved to issue certificates of receipt pursuant to Section 15 of the Act. See Section 1000.300.*
- b) *No scholarship granting organization shall issue a certificate of receipt for a contribution made by a taxpayer unless the taxpayer has been issued a contribution authorization certificate by the Department.*
- c) *If a taxpayer makes a contribution to a scholarship granting organization on or before the date by which the authorized contribution is required to be made (see Section 1000.400(h)(2)), the scholarship granting organization shall, within 30 days of receipt of the authorized contribution, issue to the taxpayer a written certificate of receipt. Upon the issuance of a certificate of receipt, the issuing scholarship granting organization shall, within 10 days after issuing the certificate of receipt, provide the Department with notification of the issuance of such certificate. SGOs shall issue CORs to taxpayers by means of electronically completing a COR on the Department's website, but only after payment is confirmed (e.g., the payment has cleared). Online completion of the COR on the Department's website satisfies both the requirement to issue the COR to the taxpayer and to provide the Department with notification of the issuance of the COR.*
- d) *Each certificate of receipt shall state:*
- 1) *the name and address of the issuing scholarship granting organization;*
 - 2) *the taxpayer's name and address;*

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- 3) *the date of each qualified contribution;*
 - 4) *the amount of each qualified contribution;*
 - 5) *the total qualified contribution amount;*
 - 6) the unique identifier for the CAC provided to the SGO for the qualified contribution; and
 - 7) the region for which the COR is issued.
- e) *The notification to the Department shall include:*
- 1) *the taxpayer's name and address;*
 - 2) *the date of the issuance of a certificate of receipt;*
 - 3) *the date or dates on which the qualified contribution was made and the amounts contributed on such dates;*
 - 4) *the total qualified contribution listed on such certificates;*
 - 5) *the issuing scholarship granting organization's name and address;*
 - 6) the unique identifier for the CAC provided to the SGO for the qualified contribution; and
 - 7) the region for which the COR was issued.
- f) *If a taxpayer fails to make all or a portion of an authorized contribution on or before the date by which such authorized contribution is required to be made (see Section 1000.400(h)(2)), the taxpayer shall not be entitled to a certificate of receipt for that portion of the authorized contribution not made. In other words, each COR issued by an SGO may only be issued in the amount of the authorized contribution actually made by the taxpayer on or before the 60-day deadline.*

Example: A CAC in the amount of \$1000 is issued by the Department to the taxpayer on January 20. The taxpayer has 60 days from the date of the CAC to

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make the authorized contribution. On January 21 the taxpayer sends the CAC and a check in the amount of \$500 to an SGO. The SGO receives the check on January 23. The SGO must provide a COR to the taxpayer in the amount of \$500 no later than February 22. On February 25 the taxpayer sends a check in the amount of \$250 to the same SGO. The SGO receives the check on February 27. The SGO must provide a COR to the taxpayer in the amount of \$250 no later than March 29. On March 23 the taxpayer sends a check in the amount of \$250 to the SGO. The SGO cannot issue the taxpayer a COR for the \$250 payment because the payment was made more than 60 days after the issuance of the CAC.

- g) *Any portion of a contribution that a taxpayer fails to make by the date indicated on the contribution authorization certificate shall no longer be deducted from the caps prescribed in Section 10 of the Act. See Section 1000.200. The Department will restore the amounts previously deducted after the last date has passed by which the SGO must notify the Department of the issuance of the COR for any given CAC. [35 ILCS 40/30]*

Section 1000.600 Scholarship Granting Organizations: Issuance of Scholarships**EMERGENCY**

- a) *Before granting a scholarship for an academic year, all scholarship granting organizations shall assess and document each student's eligibility for the academic year. For purposes of determining eligibility for the 2018-2019 school year, SGOs shall use 2016 federal adjusted gross income.*
- b) *A scholarship granting organization shall grant scholarships only to eligible students.*
- c) *A scholarship granting organization shall allow an eligible student to attend any qualified school of the student's choosing, subject to the availability of funds.*
- d) *In granting scholarships, a scholarship granting organization shall give priority to the following priority groups:*
- 1) *eligible students who received a scholarship from a scholarship granting organization during the previous school year;*
 - 2) *eligible students who are members of a household whose previous year's total annual income does not exceed 185% of the federal poverty level;*

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- 3) *eligible students who reside within a focus district; on or before December 1 each year, the Board shall provide the list of focus districts to the Department; and*
- 4) *eligible students who are siblings of students currently receiving a scholarship from a scholarship granting organization.*

The priorities identified in subsection (d)(1) and (d)(4) apply only for scholarships awarded for the 2019-2020 school year and thereafter.

e) Granting of Scholarships by SGOs

A scholarship granting organization shall begin granting scholarships no later than February 1 preceding the school year for which the scholarship is sought. The priority groups identified in subsection (d) of this Section shall be eligible to receive scholarships on a first-come, first-served basis until the April 1 immediately preceding the school year for which the scholarship is sought. Applications for scholarships for eligible students meeting the qualifications of one or more priority groups that are received before April 1 must be either approved or denied within 10 business days after receipt. Beginning April 1, all eligible students shall be eligible to receive scholarships without regard to the priority groups identified in subsection (d) of this Section.

- 1) For purposes of this subsection, "granting scholarships" means that the SGO has reviewed an application, determined the applicant is an eligible student, and has notified the applicant that he or she will receive a scholarship to attend the school chosen by the student, subject to availability of funds.
- 2) An SGO may begin accepting applications after it has been approved by the Department to issue CORs. See Section 1000.300.
- 3) An applicant may file applications with more than 1 SGO. However, an eligible student may accept only 1 scholarship provided for under the terms of the Act. Nothing in the Act prohibits an eligible student from receiving other scholarships from an SGO or other source that are paid from funds not subject to the Act.

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- 4) An SGO must stamp all applications with the date and time they are actually received.
- 5) For a student to receive priority under subsection (d) due to his or her status as a member of a priority group, the SGO must receive the student's application before April 1.
- 6) An SGO must review all applications to determine if an applicant meets the qualifications of one or more priority groups identified in subsection (d). Applicants who meet the qualifications of one or more priority groups shall be placed in Category 1. Applicants who do not meet the qualifications of one or more priority groups will be placed in Category 2.
- 7) Prior to April 1, SGOs shall grant scholarships to applicants in Category 1 in the order in which the applications were received.
- 8) On and after April 1, SGOs shall grant scholarships to applicants in the following order based on the order in which they were received:
 - A) Category 1 applications received prior to April 1;
 - B) Category 2 applications received prior to April 1; and
 - C) all applications received on or after April 1.

Example: Applications are received by an SGO in the following order: Student A on March 27. Student B on March 28. Student C on March 29. Student D on March 30. Student E on March 31. Student F on April 1. Student G on April 2. Student H on April 3. Student I on April 4. Students A, C, E and G are in one of the priority groups identified in subsection (d). The SGO has 10 business days from receipt of application to notify priority Students A, C and E whether their applications are granted or denied. Even though Student G fell within one of the priority groups identified in subsection (d), his application was received after April 1 and thus does not receive priority treatment (see subsection (e)(5)). Scholarships must be granted in the following order: A, C, E, B, D, F, G, H, I.

- f) Determination of Scholarship Amounts by SGO

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Except as provided in subsection (f)(2), scholarships shall not exceed the lesser of the statewide average operational expense per student among public schools or the necessary costs and fees for attendance at the qualified school.

- 1) On or before January 15 each year, the Board shall provide to the Department the statewide average operational expense per student among public schools. For the 2018-2019 school year, the statewide average operational expense per student among public schools is \$12,973.00.
- 2) *The statewide average operational expense per student among public schools shall be multiplied by the following factors:*
 - A) *for students determined eligible to receive services under the federal Individuals with Disabilities Education Act, 2;*
 - B) *for students who are English learners, as defined in Section 14C-2(d) of the School Code, 1.2; and*
 - C) *for students who are gifted and talented children, as defined in Section 14A-20 of the School Code, 1.1.*
- 3) After determining the lesser of the statewide average operational expense per student among public schools (adjusted as necessary for each applicant in accordance with subsection (f)(2)) and the necessary costs and fees for attendance at the qualified school selected by an applicant, the SGO shall calculate the scholarship amount as follows:
 - A) *for eligible students whose household income is less than 185% of the federal poverty level, the scholarship shall be 100% of the amount determined.*
 - B) *for eligible students whose household income is 185% or more of the federal poverty level but less than 250% of the federal poverty level, the average of scholarships shall be 75% of the amount determined. An SGO is presumed to meet the requirements of this subsection (f)(3)(B) if it provides a scholarship to each eligible student meeting these income levels in the amount of 75% of the amount determined.*

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- C) *for eligible students whose household income is 250% or more of the federal poverty level, the average of scholarships shall be 50% of the amount determined. An SGO is presumed to meet the requirements of this subsection (f)(3)(C) if it provides a scholarship to each eligible student meeting these income levels in the amount of 50% of the amount determined.*
- g) *A scholarship granting organization shall distribute scholarship payments to the participating school where the student is enrolled.*
- h) *For the 2018-2019 school year through the 2021-2022 school year, each scholarship granting organization shall expend no less than 75% of the qualified contributions received during the calendar year in which the qualified contributions were received. No more than 25% of the qualified contributions may be carried forward to the following calendar year.*
- i) *For the 2022-2023 school year, each scholarship granting organization shall expend all qualified contributions received during the calendar year in which the qualified contributions were received, as well as any amount carried forward from the previous year. No qualified contributions may be carried forward to the following calendar year.*
- j) *A scholarship granting organization shall allow an eligible student to transfer a scholarship during a school year to any other participating school of the custodian's choice. Such scholarships shall be prorated.*
- k) *With the prior approval of the Department, a scholarship granting organization may transfer funds to another scholarship granting organization if additional funds are required to meet scholarship demands at the receiving scholarship granting organization. Funds transferred before June 1 must be used for scholarships in the same region to which the funds were originally directed in the CAC issued to the taxpayer. All transferred funds must be deposited by the receiving scholarship granting organization into its scholarship accounts. All transferred amounts received by any scholarship granting organization must be separately disclosed to the Department.*
- l) *If the approval of a scholarship granting organization is revoked as provided in Section 20 of the Act or the scholarship granting organization is dissolved, all remaining qualified contributions of the scholarship granting organization shall*

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be transferred to another scholarship granting organization. Funds must be transferred within 10 business days. Within 3 business days after the transfer, the revoked SGO must notify the Department of the amount transferred and the name and address of the receiving SGO or SGOs. Funds transferred before June 1 must be used for scholarships in the same region to which the funds were originally directed in the CAC issued to the taxpayer. All transferred funds must be deposited by the receiving scholarship granting organization into its scholarship accounts.

- m) *Scholarship granting organizations shall make reasonable efforts to advertise the availability of scholarships to eligible students. [35 ILCS 40/40]*

Section 100.700 Qualified Schools Responsibilities**EMERGENCY**

- a) *A qualified school that accepts scholarship students must do all of the following:*
- 1) *provide to a scholarship granting organization, upon request, but no later than April 1, all documentation required for the student's participation, including the non-public school's necessary costs and fees;*
 - 2) *be academically accountable to the custodian for meeting the educational needs of the student by:*
 - A) *at a minimum, annually providing to the custodian a written explanation of the student's progress; and*
 - B) *annually administering assessments required by Section 45(a) of the Act in the same manner in which they are administered at public schools pursuant to Section 2-3.64a-5 of the School Code.*
- b) *The Board shall bill participating qualified schools for all costs associated with administering assessments required by this paragraph. The participating qualified schools shall ensure that all test security and assessment administration procedures are followed and must report individual student scores to the custodians of the students. The independent research organization described in Section 45(b) of the Act shall be provided all student score data in a secure manner by the participating qualified school.*

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- c) *The inability of a qualified school to meet the requirements of this Section shall constitute a basis for the ineligibility of the qualified school to participate in the scholarship program as determined by the Board. [35 ILCS 40/50]*

Section 1000.800 Custodian and Student Responsibilities**EMERGENCY**

- a) *The custodian must select a qualified school and apply for the admission of his or her child.*
- b) *The custodian shall ensure that the student participating in the scholarship program takes the assessment required by Section 45(a) of the Act.*
- c) *Each custodian and each student has an obligation to comply with the qualified school's published policies.*
- d) *The custodian shall authorize the scholarship granting organization to access information needed for income eligibility determinations. [35 ILCS 40/55]*

Section 1000.900 Scholarship Granting Organizations: Reports**EMERGENCY**

- a) *Within 180 days after the end of its fiscal year, each scholarship granting organization must provide to the Department a copy of a financial audit of its accounts and records conducted by an independent certified public accountant in accordance with auditing standards generally accepted in the United States, government auditing standards, and rules adopted by the Department. The audit must include a report on financial statements presented in accordance with generally accepted accounting principles. The audit must include evidence that no less than 95% of qualified contributions received were used to provide scholarships to eligible students. The audit must include an attestation that the SGO awarded scholarships in compliance with the definition of "eligible student" and the guidelines contained in Section 1000.600. The Department shall review all audits submitted pursuant to this subsection. The Department shall request any significant items that were omitted in violation of a rule adopted by the Department (see subsection (b)). The items must be provided within 45 days after the date of request. If a scholarship granting organization does not comply with the Department's request, the department may revoke the scholarship granting organization's ability to issue certificates of receipt.*

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- b) *A scholarship granting organization that is approved to receive qualified contributions shall report to the Department, on a form prescribed by the Department, by January 31 of each calendar year beginning in the year 2019. The report shall include:*
- 1) *the total number of certificates of receipt issued during the immediately preceding calendar year;*
 - 2) *the total dollar amount of qualified contributions received, as set forth in the certificates of receipt issued during the immediately preceding calendar year;*
 - 3) *the total number of eligible students utilizing scholarships for the immediately preceding calendar year and the school year in progress and the total dollar value of the scholarships;*
 - 4) *the name and address of each qualified school for which scholarships using qualified contributions were issued during the immediately preceding calendar year, detailing the number, grade, race, gender, income level, and residency by Zip Code of eligible students and the total dollar value of scholarships being utilized at each qualified school by priority group, as identified in Section 40(d) of the Act; and*
 - 5) *a list of all transfers of funds made pursuant to Section 1000.600(k) and (l) and the names and addresses of the SGOs who received the funds. [35 ILCS 40/35]*

**Section 1000.1000 Scholarship Granting Organizations: Annual Recertification;
Revocation
EMERGENCY**

- a) *Each scholarship granting organization that receives approval to issue certificates of receipt shall file an application for recertification on an annual basis. Such application for recertification shall be in the form and manner prescribed by the Department and shall include:*
- 1) *certification from the Director or Chief Executive Officer of the organization that the organization has complied with and continues to*

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comply with the requirements of the Act, including evidence of that compliance; and

- 2) *a copy of the organization's current financial statements.*
- b) *The Department may revoke the approval of a scholarship granting organization to issue certificates of receipt upon a finding that the organization has violated the Act or any rules adopted under the Act. These violations shall include, but need not be limited to, any of the following:*
- 1) *failure to meet the requirements of the Act;*
 - 2) *failure to maintain full and adequate records with respect to the receipt of qualified contributions;*
 - 3) *failure to supply such records to the Department; or*
 - 4) *failure to provide notice to the Department of the issuance of certificates of receipt pursuant to Section 35 of the Act.*
- c) *Within 5 days after the determination to deny recertification or to revoke approval, the Department shall provide notice of the determination to the scholarship granting organization and information regarding the process to request a hearing to appeal the determination. An SGO whose recertification was denied or approval revoked may, within 20 days after notice of the determination, protest the Department's determination by making a written request for a hearing. After receipt of the request for a hearing, the Department shall give notice to the SGO of the time and place fixed for the hearing, shall hold a hearing, and shall issue its final administrative decision to the SGO. In the absence of a protest within 20 days, the Department's decision shall become final without any further determination being made or notice given. [35 ILCS 40/20]*

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Section 1000.ILLUSTRATION A Invest In Kids: The Five Regions of the State of Illinois
EMERGENCY

This Illustration A sets forth the 5 regions into which the State of Illinois will be divided for purposes of awarding income tax credits under the Invest in Kids Act in a manner that is geographically proportionate to enrollment in recognized non-public schools. The boundaries of these regions are coterminous with the districts established for the Illinois Appellate courts.

- a) Region 1 consists of the following county: Cook;
- b) Region 2 consists of the following counties: Boone, Carroll, DeKalb, DuPage, Joe Daviess, Kane, Kendall, Lake, Lee, McHenry, Ogle, Stephenson and Winnebago;
- c) Region 3 consists of the following counties: Bureau, Fulton, Grundy, Hancock, Henderson, Henry, Iroquois, Kankakee, Knox, LaSalle, Marshall, McDonough, Mercer, Peoria, Putnam, Rock Island, Stark, Tazewell, Warren, Whiteside and Will;
- d) Region 4 consists of the following counties: Adams, Brown, Calhoun, Cass, Champaign, Clark, Coles, Cumberland, De Witt, Douglas, Edgar, Ford, Greene, Jersey, Livingston, Logan, Macon, Macoupin, Mason, McLean, Menard, Morgan, Moultrie, Piatt, Pike, Sangamon, Schuyler, Scott, Vermillion and Woodford; and
- e) Region 5 consists of the following counties: Alexander, Bond, Christian, Clay, Clinton, Crawford, Edwards, Effingham, Fayette, Franklin, Gallatin, Hamilton, Hardin, Jackson, Jasper, Jefferson, Johnson, Lawrence, Madison, Marion, Massac, Monroe, Montgomery, Perry, Pope, Pulaski, Randolph, Richland, Saline, Shelby, St. Clair, Union, Wabash, Washington, Wayne, White and Williamson.

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

STATEMENT OF OBJECTION
TO PROPOSED RULEMAKING

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

Heading of the Part: Appeal of Child Abuse and Neglect Investigation Findings

Code Citation: 89 Ill. Adm. Code 336

<u>Section Numbers:</u>	336.20	336.30	336.40	336.50	336.60
	336.80	336.85	336.90	336.100	336.105
	336.110	336.115	336.120	336.130	336.140
	336.150	336.160	336.170	336.180	336.190
	336.200	336.210	336.220		

Date Originally Published in the Illinois Register: 12/9/16
40 Ill. Reg. 16013

At its meeting on 11/7/17, the Joint Committee on Administrative Rules objected to the above-referenced rulemaking because DCFS has not responded to public comment or to JCAR inquiries regarding this rulemaking in a timely manner and in a way that would adequately explain DCFS' position on outstanding substantive issues.

Failure of the agency to respond within 90 days after receipt of the Statement of Objection shall constitute withdrawal of this proposed rulemaking. The agency's response will be placed on the JCAR agenda for further consideration.

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

STATEMENT OF OBJECTION
TO EMERGENCY RULE

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

Heading of the Part: Economic Development for a Growing Economy Program (EDGE)

Code Citation: 14 Ill. Adm. Code 527

Section Numbers: 527.20

Date Originally Published in the Illinois Register: 10/20/17
41 Ill. Reg. 13104

At its meeting on November 7, 2017, the Joint Committee on Administrative Rules objected to the Department of Commerce and Economic Opportunity's emergency rulemaking titled Economic Development for a Growing Economy Program (EDGE) (14 Ill. Adm. Code 527; 41 Ill. Reg. 13104 - 10/20/17) because the Department, in its definition of "Underserved Area", applied a 2-year look back to the criteria regarding a community's extent of participation in the federal Free Lunch or Reduced-Price Meal program and SNAP, thus exceeding its statutory authority.

Failure of the agency to respond within 90 days after receipt of the Statement of Objection shall be deemed a refusal. The agency's response will be placed on the JCAR agenda for further consideration.

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

SECOND NOTICES RECEIVED

The following second notices were received during the period of November 7, 2017 through November 13, 2017. These rulemakings are scheduled for review at the Committee's December 12, 2017 meeting. Other items not contained in this published list may also be considered. Members of the public wishing to express their views with respect to a rulemaking should submit written comments to the Committee at the following address: Joint Committee on Administrative Rules, 700 Stratton Bldg., Springfield IL 62706.

<u>Second Notice Expires</u>	<u>Agency and Rule</u>	<u>Start of First Notice</u>	<u>JCAR Meeting</u>
12/13/17	<u>Illinois Guardianship and Advocacy Commission</u> , Human Rights Authority (59 Ill. Adm. Code 310)	7/7/17 41 Ill. Reg. 7749	12/12/17
12/17/17	<u>Department of Children and Family Services</u> , Reports of Child Abuse and Neglect (89 Ill. Adm. Code 300)	2/17/17 41 Ill. Reg. 1836	12/12/17
12/17/17	<u>Department of Children and Family Services</u> , Placement and Visitation Services (89 Ill. Adm. Code 301)	2/17/17 41 Ill. Reg. 1853	12/12/17
12/17/17	<u>Department of Children and Family Services</u> , Services Delivered by the Department of Children and Family Services (89 Ill. Adm. Code 302)	2/17/17 41 Ill. Reg. 1863	12/12/17
12/17/17	<u>Department of Children and Family Services</u> , Access to and Eligibility for Child Welfare Services (89 Ill. Adm. Code 304)	2/17/17 41 Ill. Reg. 1874	12/12/17
12/17/17	<u>Department of Children and Family Services</u> , Adoption Services for Children for Whom the Department of Children and Family Services is Legally Responsible (89 Ill. Adm. Code 309)	2/17/17 41 Ill. Reg. 1886	12/12/17

12/17/17	<u>Department of Children and Family Services,</u> Permanency Planning (89 Ill. Adm. Code 315)	2/17/17 41 Ill. Reg. 1896	12/12/17
12/17/17	<u>Department of Children and Family Services,</u> Administrative Case Reviews and Court Hearings (89 Ill. Adm. Code 316)	2/17/17 41 Ill. Reg. 1906	12/12/17
12/17/17	<u>Department of Children and Family Services,</u> Interstate Placement of Children (89 Ill. Adm. Code 328)	2/17/17 41 Ill. Reg. 1913	12/12/17
12/17/17	<u>Department of Children and Family Services,</u> Service Appeal Process (89 Ill. Adm. Code 337)	2/17/17 41 Ill. Reg. 1918	12/12/17
12/17/17	<u>Department of Children and Family Services,</u> Appeal of Foster Family Home License Denials by Relative Caregivers (89 Ill. Adm. Code 338)	2/17/17 41 Ill. Reg. 1928	12/12/17
12/17/17	<u>Department of Children and Family Services,</u> Authorized Child Care Payments (89 Ill. Adm. Code 359)	2/17/17 41 Ill. Reg. 1934	12/12/17
12/17/17	<u>Department of Children and Family Services,</u> Licensing Standards for Foster Family Homes (89 Ill. Adm. Code 402)	2/17/17 41 Ill. Reg. 1940	12/12/17
12/17/17	<u>Secretary of State,</u> Issuance of Licenses (92 Ill. Adm. Code 1030)	8/25/17 41 Ill. Reg. 10906	12/12/17
12/21/17	<u>Central Management Services,</u> Pay Plan (80 Ill. Adm. Code 310)	9/22/17 41 Ill. Reg. 11645	12/12/17
12/22/17	<u>Department of Natural Resources,</u> Forest Management Plan (17 Ill. Adm. Code 1537)	9/15/17 41 Ill. Reg. 11538	12/12/17

ILLINOIS ADMINISTRATIVE CODE
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