

Common Illinois Withholding Income Tax Errors

The Department has noticed several common errors taxpayers have been making on their Form IL-941, Illinois Withholding Income Tax Return. These have resulted in delays in processing, errors on accounts, and penalties being assessed. We have compiled a list of common errors below.

Note: Many of these errors can be avoided by filing through [MyTax Illinois](#), our free online account management program that offers a centralized location for businesses to register for taxes, file returns, make payments, review correspondence from the Department, and manage their tax accounts.

- ✓ On Form IL-941, Step 4,
 - monthly totals are entered on Lines 2a, 2c, and 2d with no daily amounts entered on Lines 1-31 in each month. Make sure to enter the amount of Illinois tax withheld on the exact day that tax was withheld.
 - taxpayers are making mathematical errors and not entering the correct totals on Lines 2a, 2c, and 2d. These lines should equal the total of all daily amounts for each corresponding month. Always review Step 4 and check your math before submitting. An easy way to avoid mathematical errors is to file on MyTax Illinois.
 - other amounts, such as wage amounts or federal withholding amounts, are being entered. Step 4 should only include Illinois withholding amounts.
 - Illinois withholding amounts are being entered on invalid dates, e.g., February 31. Make sure Illinois withholding amounts are entered on the exact dates they were withheld.
 - **negative** daily or monthly withholding amounts are being entered. All amounts entered should be positive numbers.
 - Line 2d instead of Line 2 is being used to list the total tax for the quarter. Lines 2b, 2c, and 2d should be added to get the total for Line 2 which represents the total Illinois withholding for the quarter.
 - daily figures are being entered on the first few lines of each month, instead of the actual days the tax was withheld. The Illinois withholding amounts should be entered on the days the compensation was paid.
- ✓ The **wrong** year Form IL-941 is being used. Make sure to use the **correct year** Form IL-941 to file your Illinois withholding. For example, if you are filing your Illinois withholding for 2nd quarter of 2017 (April, 2017 through June, 2017), you must use the **2017** Form IL-941.
- ✓ If using a software company or program, make sure to complete all provided updates.
- ✓ **Duplicate** IL-941 returns are being submitted in an attempt to change originally filed figures. All changes to the originally filed Form IL-941 must be made on Form IL-941-X, Amended Illinois Withholding Income Tax Return.
- ✓ Form IL-941 is being printed from our website, then **altered** (whited out and written over) for a different quarter. Returns printed from our website have a scanline generated on the bottom of the form that includes specific information from what has been entered on the form. The scanline is used to direct the return to the correct account and period. Form IL-941 should never be altered and submitted.
- ✓ **Blank** returns are being submitted – zero must be entered in the total lines 2a, 2b, 2c, and 2d to submit a return reporting **no** Illinois withholding.
- ✓ Form IL-941 is being mailed with the front and back page in **separate envelopes**. The entire return should be mailed in a single envelope.
- ✓ Annual wages and withholding are submitted on the 4th Quarter IL-941. Only 4th Quarter wages and withholding should be included on the 4th Quarter IL-941. Illinois does not require an annual reconciliation return.
- ✓ **Payments** are being submitted to the wrong tax period. Be sure to select the correct tax period when using MyTax Illinois or any other electronic payment method. When mailing a payment, make sure the IL-501 is complete and is for the correct tax period.

For more information, see the [2017 Form IL-941 Information and Instructions](#).

Coming soon: [Tutorial videos](#) (providing additional guidance and examples of common errors)