**Section 2760.140 Use of Electronic Data Processing Media for Quarterly Reporting Prior to 2013**

a) Except as provided in subsections (g) and (h), the reports required by Sections 2760.120 and 2760.125 for a quarter beginning prior to calendar year 2013 must be filed by the use of an electronic data processing medium that meets the approval of the Director. The Director shall approve the use of electronic data processing media for reporting if he/she finds that:

1) All of the data required by the Director for quarterly reporting are also provided by the employer on the electronic data processing medium; and

2) The employer's electronically data processed reports are compatible and readable by the electronic data processing equipment used by the Director without the need for any programming adjustment by the Director.

b) Subsection (a) shall only apply to an employer for a calendar year if the employer had 250 or more individuals in its employ (though not necessarily at the same time) during the prior calendar year.

EXAMPLE: During 2011, the employer has no more than 225 individuals in its employ at any one time. However, during the year, 30 of these individuals leave the employ of the employer and are replaced by 30 other individuals. Though the employer's labor force never exceeds 225 individuals at any one time, the employer had 255 individuals in its employ during 2011 and, therefore, is subject to subsection (a) for 2012.

c) The failure of an employer that is subject to subsection (a) to report in the manner required by that subsection shall subject the employer to the penalties set forth in Section 1402 of the Act.

EXAMPLE: On October 20, 2012, an employer subject to the reporting requirements of subsection (a) mails a paper version of the report due for the third quarter of 2012 instead of filing it as required by subsection (a). On November1, 2012, if that employer has not yet complied with subsection (a), it is delinquent in the filing of its report for the third quarter of 2012, the penalty set forth in Section 1402 of the Act shall be imposed, and any payment it ultimately submits for the third quarter of 2012 shall be reallocated in accordance with 56 Ill. Adm. Code 2765.45 to reflect the payment of the penalty and a delinquency in contributions due. If the requirements of subsection (a) have still not been complied with before December 1, 2012 and the maximum penalty has not yet been imposed, the penalty will be increased on that date and the employer's payment again reallocated to reflect payment of the increased penalty and an additional delinquency.

d) When not required by subsection (a), the reports required by Sections 2760.120 and 2760.125 may be made by the use of an electronic data processing medium that meets the prior approval of the Director. The Director shall approve the use of an electronic data processing medium for reporting if it meets the requirements of subsection (a) and if the employer agrees to file both reports by the use of that electronic data processing medium.

e) Any employer that was authorized by the Director, before December 27, 1993, to submit both of its quarterly reports on an electronic data processing medium may continue to do so without further approval by the Director, on the condition that the medium continues to meet the requirements of subsection (a). The employer is, however, subject to the requirements of subsection (f).

f) The first report submitted electronically pursuant to this Section for any calendar year must be accompanied by a certification, on a form provided for this purpose by the Director, signed by the owner, partner or authorized officer or official, that the information submitted is true and correct to the best of his or her knowledge and belief and that no part of the contribution reported was or is to be deducted from the worker's wages. This subsection (f) does not apply if the method of electronic submission being used includes the certification described in this subsection (f) as part of the report.

g) When the employer demonstrates that the Commissioner of the Internal Revenue Service has waived the electronic reporting requirements of Treasury Regulation 301.6011-2 (26 CFR 301.6011-2), as in effect on January 1, 2012, for the employer with respect to documents covering a calendar year, the Director shall waive the reporting requirements of this Section for the employer with respect to reports covering the subsequent calendar year.

EXAMPLE: In February 2012, the Commissioner of the Internal Revenue Service notifies an employer that the requirements of Treasury Regulation 301.6011-2 (26 CFR 301.6011-2) have been waived with respect to Form W-2 data covering calendar year 2011, meaning that the employer will not be required to submit the data electronically in 2012. If the employer demonstrates the waiver to the Director, the Director will waive the requirements of subsection (a) with respect to reports covering 2012.

h) When an employer was not subject to the mandatory electronic reporting requirements of this Section for any quarter of the prior calendar year, but is subject to those requirements for the current calendar year, the employer may, for any period through the second quarter of the current calendar year, file its quarterly reports by mailing paper versions of the reports in compliance with Sections 2760.120 and 2760.125.

EXAMPLE: The employer had, in total, 240 individuals in its employ during calendar year 2010. In calendar year 2011, the employer had, in total, 260 individuals in its employ. The employer will not be required to report electronically for any period through the second quarter of calendar year 2012 but will be required to report electronically for at least the third and fourth quarters of that year.

(Source: Amended at 43 Ill. Reg. 1566, effective January 15, 2019)