

AN ACT concerning revenue.

**Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:**

Section 5. The Illinois Income Tax Act is amended by changing Section 909 as follows:

(35 ILCS 5/909) (from Ch. 120, par. 9-909)

Sec. 909. Credits and Refunds.

(a) In general. In the case of any overpayment, the Department, within the applicable period of limitations for a claim for refund, may credit the amount of such overpayment, including any interest allowed thereon, against any liability in respect of the tax imposed by this Act, regardless of whether other collection remedies are closed to the Department on the part of the person who made the overpayment and shall refund any balance to such person or credit any balance to that person pursuant to an election under subsection (b) of this Section.

(b) Credits against estimated tax. The Department shall ~~may~~ prescribe regulations providing for a taxpayer election on an original return, an amended return, or otherwise for the crediting against the estimated tax for any taxable year of the amount determined by the taxpayer or the Department to be an overpayment of the tax imposed by this Act for a preceding

taxable year.

(c) Interest on overpayment. Interest shall be allowed and paid at the rate and in the manner prescribed in Section 3-2 of the Uniform Penalty and Interest Act upon any overpayment in respect of the tax imposed by this Act. For purposes of this subsection, no amount of tax, for any taxable year, shall be treated as having been paid before the date on which the tax return for such year was due under Section 505, without regard to any extension of the time for filing such return.

(d) Refund claim. Every claim for refund shall be filed with the Department in writing in such form as the Department may by regulations prescribe, and shall state the specific grounds upon which it is founded.

(e) Notice of denial. As soon as practicable after a claim for refund is filed, the Department shall examine it and either issue a notice of refund, abatement or credit to the claimant or issue a notice of denial. If the Department has failed to approve or deny the claim before the expiration of 6 months from the date the claim was filed, the claimant may nevertheless thereafter file with the Department a written protest in such form as the Department may by regulation prescribe, provided that, on or after July 1, 2013, protests concerning matters that are subject to the jurisdiction of the Illinois Independent Tax Tribunal shall be filed with the Illinois Independent Tax Tribunal and not with the Department. If the protest is subject to the jurisdiction of the

Department, the Department shall consider the claim and, if the taxpayer has so requested, shall grant the taxpayer or the taxpayer's authorized representative a hearing within 6 months after the date such request is filed.

On and after July 1, 2013, if the protest would otherwise be subject to the jurisdiction of the Illinois Independent Tax Tribunal, the claimant may elect to treat the Department's non-action as a denial of the claim by filing a petition to review the Department's administrative decision with the Illinois Independent Tax Tribunal, as provided by Section 910.

(f) Effect of denial. A denial of a claim for refund becomes final 60 days after the date of issuance of the notice of such denial except for such amounts denied as to which the claimant has filed a protest with the Department or a petition with the Illinois Independent Tax Tribunal, as provided by Section 910.

(g) An overpayment of tax shown on the face of an unsigned return shall be considered forfeited to the State if after notice and demand for signature by the Department the taxpayer fails to provide a signature and 3 years have passed from the date the return was filed. An overpayment of tax refunded to a taxpayer whose return was filed electronically shall be considered an erroneous refund under Section 912 of this Act if, after proper notice and demand by the Department, the taxpayer fails to provide a required signature document. A notice and demand for signature in the case of a return

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reflecting an overpayment may be made by first class mail. This subsection (g) shall apply to all returns filed pursuant to this Act since 1969.

(h) This amendatory Act of 1983 applies to returns and claims for refunds filed with the Department on and after July 1, 1983.

(Source: P.A. 97-507, eff. 8-23-11; 97-1129, eff. 8-28-12; 98-463, eff. 8-16-13.)