

CITY OF CHICAGO
DEPARTMENT OF REVENUE
UNIFORM REVENUE PROCEDURES RULING

Uniform Revenue Procedures Ruling #1

Subject: Late Penalties

Effective date: June 1, 2004

Original effective date: September 9, 1996

Section 1. Section 3-4-200 of the Uniform Revenue Procedures Ordinance, chapter 3-4 of the Chicago Municipal Code, generally imposes a late filing penalty if a tax return or remittance return required by a tax ordinance is not filed with the Department of Revenue (“Department”) within the time or in the manner provided by the tax ordinance. This penalty applies to returns that are incomplete even if they are filed on or before the date provided by the applicable ordinance. A return shall be considered complete only if it satisfies all of the following requirements:

a. The return must be filed on an original, unaltered form furnished by the Department or on a copy of an original, unaltered form; or the return must be filed by the taxpayer electronically via the Internet through the City of Chicago website.

b. Each applicable item on the front and back of the return must be completed according to the instructions provided on the return; and taxpayers that file electronically via the Internet through the City of Chicago website must fill in all applicable items on the electronic return.

c. The return must be signed and dated by the taxpayer or by the person duly authorized to sign on the taxpayer’s behalf. If the return is filed electronically via the City of Chicago website, the proper pin number that was assigned to the taxpayer must be used, and the taxpayer must receive a confirming message from the website stating that the return has been accepted as complete, in order for the return to be considered signed and filed.

Section 2. If a tax collector or taxpayer files an incomplete return and then files an amended return with the Department on or before the due date provided by the applicable tax ordinance, and the amended return is complete, then the amended return will be accepted as timely filed and no late filing penalty shall apply. However, if the amended return is filed after the due date, the late filing penalty shall be imposed.

Section 3. If a payment accompanies an incomplete return, the payment will be accepted for deposit by the Department; however, the return will not be considered to be timely filed and will be returned to the tax collector or taxpayer for completion.

Section 4. Pursuant to Section 3-4-090 of the Uniform Revenue Procedures Ordinance, for all periods before January 1, 2000, any payment or remittance received by

the Department for a tax period will first be applied to penalties due for the period, then to interest due for the period, and then to the tax due for the period; for all periods on and after January 1, 2000, any payment or remittance received by the Department for a tax period will be applied first to the interest due for the period, then to the tax due for the period and then to the penalties for the period.

Section 5. Pursuant to subsection 3-4-120(E) of the Uniform Revenue Procedures Ordinance, unless the applicable tax ordinance provides otherwise, if a tax collector or taxpayer files an amended return, any applicable statute of limitations period shall commence at the end of the calendar year in which the amended return was filed.