

AN ACT concerning taxpayers.

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

Section 5. The Taxpayers' Bill of Rights Act is amended by changing Section 4 as follows:

(20 ILCS 2520/4) (from Ch. 120, par. 2304)

Sec. 4. Department responsibilities. The Department of Revenue shall have the following powers and duties to protect the rights of taxpayers:

(a) To furnish each taxpayer with a written statement of rights whenever such taxpayer receives a protestable notice, a bill, a claim denial or reduction regarding any tax. Such statement shall explain the rights of such person and the obligations of the Department during the audit, appeals, refund and collections processes.

(b) To include on all tax notices an explanation of tax liabilities and penalties.

(c) To abate taxes and penalties assessed based upon erroneous written information or advice given by the Department.

(d) To not cancel any installment contracts unless the taxpayer fails to provide accurate financial information, fails to pay any tax or does not respond to any Department request for additional financial information.

(e) To place non-perishable property seized for taxes in escrow for safekeeping for a period of 20 days to permit the taxpayer to correct any Department error. If seized property is of a perishable nature and in danger of immediate waste or decay, such property need not be placed in escrow prior to sale.

(f) To place seized taxpayer bank accounts in escrow with the bank for 20 days to permit the taxpayer to correct any

Department error.

(g) To adopt regulations setting standards for setting times and places for taxpayer interviews and to permit any taxpayer to record such interviews.

(h) To pay interest to taxpayers who have made overpayments at the same rate as interest charged on underpayments.

(i) To grant automatic extensions to taxpayers in filing income tax returns when such taxpayer has been granted an extension in filing a federal tax return.

(j) To annually perform a systematic identification of areas of recurrent taxpayer non-compliances with rules or guidelines and to report its findings and recommendations concerning such non-compliance to the General Assembly in an annual report.

(k) In the case of an audit, if no violations are found, the Department shall provide the taxpayer a closing letter acknowledging this and thanking the taxpayer for his, her, or its cooperation. If there are changes, the auditor is required to provide in writing to the taxpayer (i) the audit findings and (ii), unless the taxpayer declines, the audit methods and procedures (but not information concerning audit selection methods). The auditor must, at the request of the taxpayer, provide written information as to what records constitute the minimum requirements for record-keeping. If the auditor recommends changes in the record-keeping process, these recommendations must be provided in writing to the taxpayer.

(Source: P.A. 86-176; 86-189; 87-860.)