

1 AN ACT concerning regulation.

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

4 Section 5. The Illinois Income Tax Act is amended by
5 adding Section 513 and by changing Section 917 as follows:

6 (35 ILCS 5/513 new)

7 Sec. 513. Health benefits; easy enrollment program.

8 (a) For tax years ending on or after December 31, 2022, the
9 Department shall print on each standard individual income tax
10 return a single provision that (i) allows the taxpayer to
11 request information about the taxpayer's eligibility for
12 health insurance benefits and (ii) authorizes the Department
13 to share the taxpayer's income information with the State
14 health benefits exchange for that purpose if a State health
15 benefits exchange is operational. The Department shall
16 indicate on the return that, by marking the provision under
17 this subsection (a), the taxpayer is authorizing the
18 Department to provide health insurance eligibility information
19 to the taxpayer and to share the taxpayer's income information
20 with the State health benefits exchange.

21 (b) By June 1 and October 1 of each year, the Department of
22 Healthcare and Family Services and the Department of Insurance
23 shall provide the Department with a form letter describing

1 health insurance enrollment options for taxpayers. This
2 subsection (b) shall not apply in any calendar year if, as of
3 January 1 of that calendar year, the State health benefits
4 exchange is operational.

5 (c) By July 1 and November 1 of each year, the Department
6 shall send, by e-mail or first class mail, the most recent form
7 letter prepared under subsection (b) to the taxpayers who have
8 indicated on their most recent individual income tax return
9 that they would like to request information about their
10 eligibility for health insurance benefits. This subsection (c)
11 shall not apply in any calendar year if, as of January 1 of
12 that calendar year, the State health benefits exchange is
13 operational.

14 (d) Any marketplace enrollment platform for a State health
15 benefits exchange that becomes operational on or after the
16 effective date of this amendatory Act of the 102nd General
17 Assembly must interface with the Department's tax system. As
18 soon as the State health benefits exchange is operational, the
19 Director shall make individual income tax information
20 available to the State health benefits exchange if the
21 disclosure is authorized by the taxpayer on the individual
22 income tax return that contains that information. The
23 Department is not required to provide income tax information
24 to the State health benefits exchange under this subsection
25 (d) for a tax year that begins more than 2 years prior to the
26 date the State health benefits exchange is operational. The

1 State health benefits exchange shall use the information
2 provided by the Department to assess the individual taxpayer's
3 potential eligibility for health insurance premium tax credits
4 and Medicaid. The State health benefits exchange shall inform
5 the taxpayer of the results of its eligibility assessment.

6 (e) As used in this Section, "State health benefits
7 exchange" means a State health benefits exchange established
8 by the State of Illinois in accordance with Section 1311 of the
9 federal Patient Protection and Affordable Care Act.

10 (35 ILCS 5/917) (from Ch. 120, par. 9-917)

11 Sec. 917. Confidentiality and information sharing.

12 (a) Confidentiality. Except as provided in this Section,
13 all information received by the Department from returns filed
14 under this Act, or from any investigation conducted under the
15 provisions of this Act, shall be confidential, except for
16 official purposes within the Department or pursuant to
17 official procedures for collection of any State tax or
18 pursuant to an investigation or audit by the Illinois State
19 Scholarship Commission of a delinquent student loan or
20 monetary award or enforcement of any civil or criminal penalty
21 or sanction imposed by this Act or by another statute imposing
22 a State tax, and any person who divulges any such information
23 in any manner, except for such purposes and pursuant to order
24 of the Director or in accordance with a proper judicial order,
25 shall be guilty of a Class A misdemeanor. However, the

1 provisions of this paragraph are not applicable to information
2 furnished to (i) the Department of Healthcare and Family
3 Services (formerly Department of Public Aid), State's
4 Attorneys, and the Attorney General for child support
5 enforcement purposes and (ii) a licensed attorney representing
6 the taxpayer where an appeal or a protest has been filed on
7 behalf of the taxpayer. If it is necessary to file information
8 obtained pursuant to this Act in a child support enforcement
9 proceeding, the information shall be filed under seal. The
10 furnishing upon request of the Auditor General, or his or her
11 authorized agents, for official use of returns filed and
12 information related thereto under this Act is deemed to be an
13 official purpose within the Department within the meaning of
14 this Section.

15 (b) Public information. Nothing contained in this Act
16 shall prevent the Director from publishing or making available
17 to the public the names and addresses of persons filing
18 returns under this Act, or from publishing or making available
19 reasonable statistics concerning the operation of the tax
20 wherein the contents of returns are grouped into aggregates in
21 such a way that the information contained in any individual
22 return shall not be disclosed.

23 (c) Governmental agencies. The Director may make available
24 to the Secretary of the Treasury of the United States or his
25 delegate, or the proper officer or his delegate of any other
26 state imposing a tax upon or measured by income, for

1 exclusively official purposes, information received by the
2 Department in the administration of this Act, but such
3 permission shall be granted only if the United States or such
4 other state, as the case may be, grants the Department
5 substantially similar privileges. The Director may exchange
6 information with the Department of Healthcare and Family
7 Services and the Department of Human Services (acting as
8 successor to the Department of Public Aid under the Department
9 of Human Services Act) for the purpose of verifying sources
10 and amounts of income and for other purposes directly
11 connected with the administration of this Act, the Illinois
12 Public Aid Code, and any other health benefit program
13 administered by the State. The Director may exchange
14 information with the Director of the Department of Employment
15 Security for the purpose of verifying sources and amounts of
16 income and for other purposes directly connected with the
17 administration of this Act and Acts administered by the
18 Department of Employment Security. The Director may make
19 available to the Illinois Workers' Compensation Commission
20 information regarding employers for the purpose of verifying
21 the insurance coverage required under the Workers'
22 Compensation Act and Workers' Occupational Diseases Act. The
23 Director may exchange information with the Illinois Department
24 on Aging for the purpose of verifying sources and amounts of
25 income for purposes directly related to confirming eligibility
26 for participation in the programs of benefits authorized by

1 the Senior Citizens and Persons with Disabilities Property Tax
2 Relief and Pharmaceutical Assistance Act. The Director may
3 exchange information with the State Treasurer's Office and the
4 Department of Employment Security for the purpose of
5 implementing, administering, and enforcing the Illinois Secure
6 Choice Savings Program Act. The Director may exchange
7 information with the State Treasurer's Office for the purpose
8 of administering the Revised Uniform Unclaimed Property Act or
9 successor Acts. The Director may exchange information with the
10 State Treasurer's Office for the purpose of administering the
11 Illinois Higher Education Savings Program established under
12 Section 16.8 of the State Treasurer Act. The Director may make
13 individual income tax information available to the State
14 health benefits exchange, as defined in Section 513, if the
15 disclosure is authorized by the taxpayer pursuant to Section
16 513.

17 The Director may make available to any State agency,
18 including the Illinois Supreme Court, which licenses persons
19 to engage in any occupation, information that a person
20 licensed by such agency has failed to file returns under this
21 Act or pay the tax, penalty and interest shown therein, or has
22 failed to pay any final assessment of tax, penalty or interest
23 due under this Act. The Director may make available to any
24 State agency, including the Illinois Supreme Court,
25 information regarding whether a bidder, contractor, or an
26 affiliate of a bidder or contractor has failed to file returns

1 under this Act or pay the tax, penalty, and interest shown
2 therein, or has failed to pay any final assessment of tax,
3 penalty, or interest due under this Act, for the limited
4 purpose of enforcing bidder and contractor certifications. For
5 purposes of this Section, the term "affiliate" means any
6 entity that (1) directly, indirectly, or constructively
7 controls another entity, (2) is directly, indirectly, or
8 constructively controlled by another entity, or (3) is subject
9 to the control of a common entity. For purposes of this
10 subsection (a), an entity controls another entity if it owns,
11 directly or individually, more than 10% of the voting
12 securities of that entity. As used in this subsection (a), the
13 term "voting security" means a security that (1) confers upon
14 the holder the right to vote for the election of members of the
15 board of directors or similar governing body of the business
16 or (2) is convertible into, or entitles the holder to receive
17 upon its exercise, a security that confers such a right to
18 vote. A general partnership interest is a voting security.

19 The Director may make available to any State agency,
20 including the Illinois Supreme Court, units of local
21 government, and school districts, information regarding
22 whether a bidder or contractor is an affiliate of a person who
23 is not collecting and remitting Illinois Use taxes, for the
24 limited purpose of enforcing bidder and contractor
25 certifications.

26 The Director may also make available to the Secretary of

1 State information that a corporation which has been issued a
2 certificate of incorporation by the Secretary of State has
3 failed to file returns under this Act or pay the tax, penalty
4 and interest shown therein, or has failed to pay any final
5 assessment of tax, penalty or interest due under this Act. An
6 assessment is final when all proceedings in court for review
7 of such assessment have terminated or the time for the taking
8 thereof has expired without such proceedings being instituted.
9 For taxable years ending on or after December 31, 1987, the
10 Director may make available to the Director or principal
11 officer of any Department of the State of Illinois,
12 information that a person employed by such Department has
13 failed to file returns under this Act or pay the tax, penalty
14 and interest shown therein. For purposes of this paragraph,
15 the word "Department" shall have the same meaning as provided
16 in Section 3 of the State Employees Group Insurance Act of
17 1971.

18 (d) The Director shall make available for public
19 inspection in the Department's principal office and for
20 publication, at cost, administrative decisions issued on or
21 after January 1, 1995. These decisions are to be made
22 available in a manner so that the following taxpayer
23 information is not disclosed:

24 (1) The names, addresses, and identification numbers
25 of the taxpayer, related entities, and employees.

26 (2) At the sole discretion of the Director, trade

1 secrets or other confidential information identified as
2 such by the taxpayer, no later than 30 days after receipt
3 of an administrative decision, by such means as the
4 Department shall provide by rule.

5 The Director shall determine the appropriate extent of the
6 deletions allowed in paragraph (2). In the event the taxpayer
7 does not submit deletions, the Director shall make only the
8 deletions specified in paragraph (1).

9 The Director shall make available for public inspection
10 and publication an administrative decision within 180 days
11 after the issuance of the administrative decision. The term
12 "administrative decision" has the same meaning as defined in
13 Section 3-101 of Article III of the Code of Civil Procedure.
14 Costs collected under this Section shall be paid into the Tax
15 Compliance and Administration Fund.

16 (e) Nothing contained in this Act shall prevent the
17 Director from divulging information to any person pursuant to
18 a request or authorization made by the taxpayer, by an
19 authorized representative of the taxpayer, or, in the case of
20 information related to a joint return, by the spouse filing
21 the joint return with the taxpayer.

22 (Source: P.A. 102-61, eff. 7-9-21; 102-129, eff. 7-23-21;
23 revised 8-10-21.)

24 Section 99. Effective date. This Act takes effect upon
25 becoming law.