

HB1430



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB1430

by Rep. La Shawn K. Ford

SYNOPSIS AS INTRODUCED:

820 ILCS 405/1400

from Ch. 48, par. 550

Amends the Unemployment Insurance Act. Provides that in the discretion of the Director, employer contributions may be paid in quarterly installments.

LRB099 07631 JLS 27762 b

A BILL FOR

1 AN ACT concerning employment.

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

4 Section 5. The Unemployment Insurance Act is amended by
5 changing Section 1400 as follows:

6 (820 ILCS 405/1400) (from Ch. 48, par. 550)

7 Sec. 1400. Payment of contributions. On and after July 1,
8 1937, contributions shall accrue and become payable by each
9 employer for each calendar year in which he is subject to this
10 Act, with respect to wages payable for employment occurring
11 during the six months' period beginning July 1, 1937, and the
12 calendar years 1938, 1939, and 1940. For the year 1941 and for
13 each calendar year thereafter, contributions shall accrue and
14 become payable by each employer upon the wages paid with
15 respect to employment after December 31, 1940. Except as
16 otherwise provided in Section 1400.2, such contributions shall
17 become due and shall be paid quarterly on or before the last
18 day of the month next following the calendar quarter for which
19 such contributions have accrued; except that any employer who
20 is delinquent in filing a contribution report or in paying his
21 contributions for any calendar quarter may, at the discretion
22 of the Director, be required to report and to pay contributions
23 on a calendar month basis. Such contributions shall not be

1 deducted, in whole or in part, from the wages of individuals in
2 such employer's employ. If the Director shall find that the
3 collection of any contributions will be jeopardized by delay,
4 he may declare the same to be immediately due and payable.

5 In the payment of any contributions, interest, or
6 penalties, a fractional part of a cent shall be disregarded
7 unless it amounts to one-half cent or more, in which case it
8 shall be increased to one cent.

9 The Director may by regulation provide that if, at any
10 time, a total amount of less than \$2 is payable with respect to
11 a quarter, including any contributions, payments in lieu of
12 contributions, interest or penalties, such amount may be
13 disregarded. Any amounts disregarded under this paragraph are
14 deemed to have been paid for all other purposes of this Act.
15 Nothing in this paragraph is intended to relieve any employer
16 from filing any reports required by this Act or by any rules or
17 regulations adopted by the Director pursuant to this Act.

18 Except with respect to the provisions concerning amounts
19 that may be disregarded pursuant to regulation, this Section
20 does not apply to any nonprofit organization or any
21 governmental entity referred to in subsection B of Section 1405
22 for any period with respect to which it does not incur
23 liability for the payment of contributions by reason of having
24 elected to make payments in lieu of contributions, or to any
25 political subdivision or municipal corporation for any period
26 with respect to which it is not subject to payments in lieu of

1 contributions under the provisions of paragraph 1 of Section
2 302C by reason of having elected to make payments in lieu of
3 contributions under paragraph 2 of that Section, or to the
4 State of Illinois or any of its instrumentalities.

5 At the discretion of the Director, payment of contributions
6 with respect to wages, as defined in Section 235, may be made
7 in quarterly installments. If so, the payment due for the first
8 quarter of the year shall be 25% of the liability incurred
9 during that quarter. The payment due for the second quarter
10 shall be determined by adding 25% of the liability incurred
11 during the first quarter plus 33.33% of the liability incurred
12 during the second quarter. The payment due for the third
13 quarter shall be determined by adding 25% of the liability
14 incurred during the first quarter plus 33.33% of the liability
15 incurred during the second quarter plus 50% of the liability
16 incurred during the third quarter. The payment due for the
17 fourth quarter shall be the balance of the liability incurred
18 during the calendar year. The changes made by this amendatory
19 Act of the 99th General Assembly shall not reduce an employer's
20 liability for contributions under this Act.

21 The Director may, by regulation, provide that amounts due
22 from an employing unit for contributions, payments in lieu of
23 contributions, penalties, or interest be paid by an electronic
24 funds transfer, including amounts paid on behalf of an
25 employing unit by an entity representing the employing unit.
26 The regulation shall not apply to an employing unit until the

1 Director notifies the employing unit of the regulation. Except
2 as otherwise provided in this Section, where the employing
3 unit, within 30 days of the date of service of the notice sent
4 pursuant to this amendatory Act of the 98th General Assembly,
5 notifies the Director that it declines to pay by electronic
6 funds transfer, the regulation shall not apply to the employing
7 unit. Except as otherwise provided in this Section, where the
8 employing unit, within 30 days of the date of service of a
9 notice sent pursuant to Section 1509 of this Act, notifies the
10 Director that it declines to pay by electronic funds transfer,
11 the regulation shall not apply to the employing unit with
12 respect to any payment due after the date the employing unit so
13 notifies the Director. The Director is authorized to provide by
14 regulation reasonable penalties for employing units that are
15 subject to and fail to comply with such a regulation. Any
16 employing unit that is not subject to the regulation may elect
17 to become subject to the regulation by paying amounts due for
18 contributions, payments in lieu of contributions, penalties,
19 or interest by an electronic funds transfer. Notwithstanding
20 any other provision to the contrary, in the case of an entity
21 representing 5 or more employing units, neither the entity nor
22 the employing units (for as long as they are represented by
23 that entity) shall have the option to decline to pay by
24 electronic funds transfer.

25 (Source: P.A. 98-107, eff. 7-23-13.)