



Informational

Bulletin

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This bulletin is written to inform you of recent changes; it does not replace statutes, rules and regulations, or court decisions.

For information or forms

Visit our website at:
tax.illinois.gov

Call us at:
1 800 732-8866 or
217 782-3336

Call our TDD
(telecommunications device
for the deaf) at:
1 800 544-5304

New Illinois Electronic Filing Requirements for Issuers of Forms 1099-K

To: Any payer responsible for issuing federal Form 1099-K, Payment Card and Third Party Network Transactions, to Illinois payees

Illinois has new filing requirements for Forms 1099-K issued to a payee with an Illinois address.

- Starting with the 2019 tax year, Forms 1099-K due **March 31, 2020**, must be filed with Illinois if you are required by the Internal Revenue Service (IRS)* to electronically file Forms 1099-K.
- Starting with the 2020 tax year and after, Forms 1099-K must be submitted electronically to Illinois when four or more separate transactions exceed \$1,000 or if you are required by the IRS* to electronically file Forms 1099-K.

How must I file Forms 1099-K?

Payers who issue Forms 1099-K **must** file these forms electronically through the [Illinois FIRE Electronic Transmission Program](#). You **cannot** electronically submit Forms 1099-K on MyTax Illinois.

The electronic file must be developed following the IRS Filing Information Returns Electronically (FIRE) format and the additional requirements in the [Illinois FIRE Electronic Transmission Guide](#).

The Illinois FIRE Electronic Transmission Program and its instructions are available on our website at <https://www2.illinois.gov/rev/programs/electronic services/Pages/electronicw2g.aspx>.

NOTE: Payers may use a third-party, such as a software provider, to electronically create the file and/or electronically transmit it to us. A payer does not register with us as a transmitter if the third-party service is transmitting the file. Make sure the software provider you select provides an option to electronically file with Illinois.

If you use a third-party service, obtain your proof of filing/transmission acknowledgement from that service. However, some third-party services only create the file. In this instance, you must electronically transmit the file to us.

When is the due date to electronically file Forms 1099-K?

Forms 1099-K must be accepted as filed by Illinois Department of Revenue (IDOR) no later than March 31 of the following year.

If the due date falls on a weekend or federally observed holiday, the forms are due the next business day. If you receive a federal extension to file your Forms 1099-K, you are automatically allowed that extension for Illinois. Businesses unable to comply with the March 31 due date should electronically file Forms 1099-K as soon as possible.

Am I subject to penalty if I don't comply?

A \$5 penalty may be assessed for each Form 1099-K that is not transmitted to us electronically through the [Illinois FIRE Electronic Transmission Program](#) or a third-party software provider.