# Illinois Department of Revenue Local Government



# LTAD Newsletter

October 2021

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This newsletter is written to inform you of recent updates or news provided by the Local Tax Allocation Division.

#### For information or forms:

Visit our website at: tax.illinois.gov

#### Contact us at:

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# **Census Updates**

The Local Tax Allocation Division (LTAD) has received numerous allocation inquiries related to the 2020 Census and its population changes. The Illinois Department of Revenue (IDOR) will update its population data once the Illinois Secretary of State's Office transmits the certified Census data. As of this publishing, that data has not yet been received. Once received, we estimate that it will take two months before the disbursements reflect the new data. We will notify local government officials via a MyLocalTax message and through IDOR's email/SMS text subscription service once the population figures have been updated.

#### **October Disbursements**

Due to increases in corporate tax receipts, your October Personal Property Replacement Tax (PPRT) and Income Tax (INC) disbursements will be much higher than the same period last year. The PPRT distribution will be over three times what you received in October last year, which was also an increase over previous October distributions.

#### **Annexations**

As discussed during the 2021 Local Government Workshop, municipalities are required to report annexations to LTAD within 30 days of when an annexation occurs. Delays in submitting proper notification of an annexation that included a retail business may result in unrecoverable revenue losses. You can also make the process easier for impacted retailers by making the annexation effective the first of the subsequent month.

More information about the documentation required by LTAD for annexations can be found on the <u>Local Government Section</u> of IDOR's website.

# **Business Districts (BD)**

Compliance Alert to Local Governments LG-2021-01 was sent to municipalities with business districts in June 2021. As a reminder, if there are residential addresses within your established business district boundaries, they need to be added to your business district. These addresses will generate BD revenue for you on some online purchases due to the Leveling the Playing Field for Illinois Retail Act. For these addresses to be effective January 1, 2022, they needed to be submitted by October 1, 2021. If you have not yet done so, you can supply those <a href="new addresses">new addresses</a> to LTAD by April 1, 2022, to take effect July 1, 2022.

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#### Training Materials

Our <u>Training Materials</u> for <u>Local Government Officials</u> webpage now includes updated materials, including a video of our annual workshop, PowerPoint slides, and a local taxing district presentation to cover information not typically covered during the workshop. We are also preparing an updated MyLocalTax tutorial that will be posted soon.

# **MyLocalTax Updates**

As you may have noticed, we have updated the MyLocalTax (MLT) portal. With the update, the most frequently used functions can now be found on the home page. Also, users with confidential access can now submit reciprocal agreements and ordinances through MLT. To do so, you must first choose "View More Account Options" from your Allocation Account. You will then see the two new functions listed under "Account Options." Please scan all documentation into one file before attaching so you can avoid the need to complete the submission process multiple times. Additional updates are in progress, and we will notify you as those upgrades become available.

# **MyLocalTax Logons - Important Reminder**

It has come to our attention that MyLocalTax (MLT) logons are being shared and/or used by employees that have replaced the original users. Please do not share logons, specifically logons with confidential access.

To obtain confidential access, you must first be added to your local government's reciprocal agreement. If a person not included on the reciprocal agreement accesses confidential data through MLT, they are guilty of a Class B misdemeanor and subject to a \$7,500 fine per disclosure. This can be avoided by updating the approved individuals on your reciprocal agreement and not sharing logons. You should notify LTAD when individuals are no longer employed by your government so we can close their MLT accounts and update the reciprocal agreement. We take confidentiality seriously and expect you to do your part to protect this data as well.

# **Contacting Businesses**

Just a reminder, local government officials should not contact businesses directly if you feel there are discrepancies with their tax rate or the amount of revenue you are receiving from them. Please contact LTAD with your concerns and our staff will research the issue and get back to you.

# Third Parties - Reciprocal Agreement Reminder

If your local government enters into a contract with a third party and you want to share confidential data with them, you must add the employee(s) from the third party to your reciprocal agreement. Their employee can then register for their own MyLocalTax account and order their own remittance reports. Even if you choose to share your reports with a contracted third party yourself instead of the third party creating a MyLocalTax account, you still need to add them to your reciprocal agreement.

# **IDOR News & Updates**

Don't forget to sign up for IDOR's email/SMS text subscription service to receive the latest news and updates specific to municipalities, counties, and local taxing districts. Since the last newsletter, LTAD has used this service to send information on workshop materials, FY2022 PPRT estimates, and more.

Sign up by visiting our website (<u>tax.illinois.gov</u>). **Please note**: As indicated in the previous edition, our LTAD Newsletters will only be sent via a MyLocalTax message and through IDOR's email/SMS text subscription service.