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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
Visit our website at:
tax.illinois.gov

Call us at:
217 782-6045

Electronic Filing Requirement for Form TP-1, Tobacco Products Tax Return

To: Distributors of tobacco products

Beginning September 1, 2018, the Illinois Department of Revenue will require distributors to comply with 86 Ill. Adm. Code 660.20(d). As a result, all tobacco product distributors will be required to **electronically** file the Form TP-1, Tobacco Products Tax Return, and attachments. The first return with the electronic filing requirement is for the September 2018 reporting period due October 15, 2018. Failure to file the TP-1 electronically could result in delays in processing and assessment of penalties. If you already file the TP-1 electronically, you will not be required to make any changes. For more information, see 86 Ill. Adm. Code 660.20.

Who must file Form TP-1?

You must file Form TP-1, Tobacco Products Tax Return, if you are an Illinois-licensed distributor of tobacco products. A distributor is any person engaged in the business of selling tobacco products to retailers (and in some cases to consumers) in Illinois. Distributors include any of the following:

- in-state manufacturers and wholesalers.
- out-of-state manufacturers and wholesalers who have nexus in Illinois. You have nexus in Illinois if you
 - have a business site in Illinois; or
 - have or maintain any of the following within Illinois, directly or by subsidiary:
 - a place of business (e.g., office or warehouse); or
 - an agent or other representative operating in this state, even if only occasionally.
- retailers who purchase tobacco products on which the tax has not been paid or will not be paid by another distributor. Retailers who purchase tobacco products from a distributor that did not collect tax must register as a distributor, file the TP-1 electronically, and remit the Tobacco Products Tax directly to the Illinois Department of Revenue. See [Compliance Alert 2011-7](#) for additional information.

You must file Form TP-1 and pay any tax due on or before the 15th day of each month to report transactions you made during the preceding month.

How do I file electronically?

File Form TP-1 electronically by registering and using MyTax Illinois, our free online account management program designed to be an easy, convenient, and fast way for you to electronically submit your return and payment any time. MyTax Illinois, located at mytax.illinois.gov, offers a centralized location for businesses to register for taxes, file returns, make payments and manage their tax accounts.

What are the benefits of filing electronically?

MyTax Illinois has the following features that make filing returns and making payments easier.

- The calculation fields on your return will compute automatically, which reduces math errors.
- Returns can be saved and edited at a later time before they are submitted or withdrawn.
- There are helpful tips available for many of the lines where common mistakes are made. These tips can be viewed or hidden by clicking on the blue question mark icon next to the lines.
- Multiple payments can be scheduled in advance, and changes can be made, as necessary, or the payment can be canceled, up to two business days prior to the date of debit.

For assistance in activating your MyTax Illinois account, call us at 217 785-3707.

Form TP-1 may also be filed electronically through third-party software vendors or by writing your own software. For more information, visit our website at tax.illinois.gov.

What if I am required to file electronically but cannot?

You may request a waiver of the electronic filing requirement if you do not have internet access or it is a hardship to file electronically. Contact Alcohol and Tobacco Processing at 217 782-6045 to request a waiver form. Complete the waiver form and mail it to the address listed on the form. We will notify you once the waiver is approved or denied.

How can I pay Tobacco Products Tax electronically?

MyTax Illinois allows you to make original and amended return payments as well as assessment payments. You also may pay electronically through third-party software vendors or ACH credit method. You must submit Form EFT-1, Authorization Agreement for Certain Electronic Payments, to be authorized to make an ACH credit payment or to pay when using third-party software. MyTax Illinois allows you to make ACH debit payments without completing Form EFT-1.