



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB2705

Introduced 2/21/2013, 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 beginning in 2016, employer contributions shall be paid in quarterly installments.

LRB098 04117 JLS 34140 b

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 In calendar year 2016 and in each calendar year thereafter,
6 payment of contributions with respect to wages, as defined in
7 Section 235, shall be made in quarterly installments. The
8 payment due for the first quarter of the year shall be 25% of
9 the liability incurred during that quarter. The payment due for
10 the second quarter shall be determined by adding 25% of the
11 liability incurred during the first quarter plus 33.33% of the
12 liability incurred during the second quarter. The payment due
13 for the third quarter shall be determined by adding 25% of the
14 liability incurred during the first quarter plus 33.33% of the
15 liability incurred during the second quarter plus 50% of the
16 liability incurred during the third quarter. The payment due
17 for the fourth quarter shall be the balance of the liability
18 incurred during the calendar year. The changes made by this
19 amendatory Act of the 98th General Assembly shall not reduce an
20 employer's liability for contributions under this Act.

21 (Source: P.A. 94-723, eff. 1-19-06.)