

# HB1074



## 104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB1074

Introduced 1/9/2025, by Rep. Janet Yang Rohr

### SYNOPSIS AS INTRODUCED:

35 ILCS 5/502.2 new

Amends the Illinois Income Tax Act. Provides that it is unlawful for an income tax return preparer or a software company to charge a separate fee for the electronic filing of returns under the Act. Provides that it is unlawful for a software company to offer for sale a version of its tax software that charges a separate fee for the electronic filing of returns under the Act and a version of the same tax software that does not. Sets forth penalties for violations of the provisions of the amendatory Act.

LRB104 05871 HLH 15902 b

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 5. The Illinois Income Tax Act is amended by  
5 adding Section 502.2 as follows:

6 (35 ILCS 5/502.2 new)

7 Sec. 502.2. Fees for electronic filing prohibited.

8 (a) It shall be unlawful for an income tax return preparer  
9 or a software company to charge a separate fee for the  
10 electronic filing of returns under this Act. It shall also be  
11 unlawful for a software company to offer for sale a version of  
12 its tax software that charges a separate fee for the  
13 electronic filing of returns under this Act and a version of  
14 the same tax software that does not.

15 (b) Any income tax return preparer or software company  
16 that violates this Section is liable for a civil penalty of  
17 \$500 for the first violation and \$1,000 for each succeeding  
18 violation. Each fee that is charged on or after the effective  
19 date of this amendatory Act of the 104th General Assembly in  
20 violation of this Section by an income tax return preparer and  
21 each fee that is charged in violation of this Section through  
22 the use of tax software that is offered for sale on or after  
23 the effective date of this amendatory Act of the 104th General

1 Assembly by a software company shall constitute a separate  
2 violation. The civil penalties imposed by this Section shall  
3 be paid to the Department upon notice and demand and shall be  
4 assessed, collected, and paid in the same manner as taxes  
5 under this Act.

6 (c) All final administrative decisions of the Department  
7 under this Section shall be subject to judicial review  
8 pursuant to the provisions of the Administrative Review Law.  
9 Proceedings for judicial review shall be commenced in the  
10 circuit court of the county in which the party applying for  
11 review resides, except that, if the party is not a resident of  
12 this State, the venue shall be in Sangamon County or Cook  
13 County.

14 (d) As used in this Section:

15 "Administrative decision" has the meaning given to that  
16 term in Section 3-101 of the Code of Civil Procedure.

17 "Income tax return preparer" has the meaning given to that  
18 term in Section 1501.

19 "Software company" means a developer of tax software.

20 "Tax software" means any computer software program  
21 intended for tax return preparation purposes, including, but  
22 not limited to, an off-the-shelf software program loaded onto  
23 a tax return preparer's or taxpayer's computer or an online  
24 tax preparation application.