**Section 760.950 Waiver of Interest and Penalties**

a) *The administrator may waive, in whole or in part, interest under Section 15-1204(a)* *of the Act and penalties under Section 15-1204(b)* [765 ILCS 1026/15-1206(1)].

1) This authority does not provide for waiver of penalties imposed for willful failure or filing a fraudulent report. However, the imposition of penalties under Section 15-1205 is not mandatory.

2) The administrator may agree to reduce or waive interest and penalties as part of an audit resolution agreement (see Section 760.820).

3) Unless the holder willfully failed to report, pay or deliver property within the time prescribed by the Act, the administrator will waive the payment of interest of less than 3 months.

b) *The administrator shall waive a penalty under Section 15-1204(b) of the Act if the administrator determines that the holder acted in good faith and without negligence.* [765 ILCS 1026/15-1206(2)]

1) Good faith will only apply to situations in which the holder has attempted to comply with the Act.

2) If the holder has failed to file a report, the holder did not act in good faith and without negligence as the holder has not attempted to comply with the Act.

c) *A holder who fails to report, pay or deliver property within the time prescribed by* *the Act shall not be required to pay interest, or be subject to penalties, if the failure to report, pay or deliver the property was due to the lack of knowledge of the death that established the period of abandonment under the Act.* [765 ILCS 1026/15-1204(c)]