

SB3800



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB3800

Introduced 2/6/2026, by Sen. Celina Villanueva

SYNOPSIS AS INTRODUCED:

35 ILCS 5/917

from Ch. 120, par. 9-917

Amends the Illinois Income Tax Act. Provides that the Director of Revenue may exchange information with the Department of Labor for the purpose of administering and enforcing Acts within the Department of Labor's statutory authority.

LRB104 19240 HLH 32686 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 changing Section 917 as follows:

6 (35 ILCS 5/917) (from Ch. 120, par. 9-917)

7 Sec. 917. Confidentiality and information sharing.

8 (a) Confidentiality. Except as provided in this Section,
9 all information received by the Department from returns filed
10 under this Act, or from any investigation conducted under the
11 provisions of this Act, shall be confidential, except for
12 official purposes within the Department or pursuant to
13 official procedures for collection of any State tax or
14 pursuant to an investigation or audit by the Illinois State
15 Scholarship Commission of a delinquent student loan or
16 monetary award or enforcement of any civil or criminal penalty
17 or sanction imposed by this Act or by another statute imposing
18 a State tax, and any person who divulges any such information
19 in any manner, except for such purposes and pursuant to order
20 of the Director or in accordance with a proper judicial order,
21 shall be guilty of a Class A misdemeanor. However, the
22 provisions of this paragraph are not applicable to information
23 furnished to (i) the Department of Healthcare and Family

1 Services (formerly Department of Public Aid), State's
2 Attorneys, and the Attorney General for child support
3 enforcement purposes and (ii) a licensed attorney representing
4 the taxpayer where an appeal or a protest has been filed on
5 behalf of the taxpayer. If it is necessary to file information
6 obtained pursuant to this Act in a child support enforcement
7 proceeding, the information shall be filed under seal. The
8 furnishing upon request of the Auditor General, or his or her
9 authorized agents, for official use of returns filed and
10 information related thereto under this Act is deemed to be an
11 official purpose within the Department within the meaning of
12 this Section.

13 (b) Public information. Nothing contained in this Act
14 shall prevent the Director from publishing or making available
15 to the public the names and addresses of persons filing
16 returns under this Act, or from publishing or making available
17 reasonable statistics concerning the operation of the tax
18 wherein the contents of returns are grouped into aggregates in
19 such a way that the information contained in any individual
20 return shall not be disclosed.

21 (c) Governmental agencies.

22 (1) The Director may make available to the Secretary
23 of the Treasury of the United States or his delegate, or
24 the proper officer or his delegate of any other state
25 imposing a tax upon or measured by income, for exclusively
26 official purposes, information received by the Department

1 in the administration of this Act, but such permission
2 shall be granted only if the United States or such other
3 state, as the case may be, grants the Department
4 substantially similar privileges.

5 (2) The Director may exchange information with the
6 Department of Healthcare and Family Services and the
7 Department of Human Services (acting as successor to the
8 Department of Public Aid under the Department of Human
9 Services Act) for the purpose of verifying sources and
10 amounts of income and for other purposes directly
11 connected with the administration of this Act, the
12 Illinois Public Aid Code, and any other health benefit
13 program administered by the State.

14 (3) The Director may exchange information with the
15 Director of the Department of Employment Security for the
16 purpose of verifying sources and amounts of income and for
17 other purposes directly connected with the administration
18 of this Act and Acts administered by the Department of
19 Employment Security.

20 (4) The Director may make available to the Illinois
21 Workers' Compensation Commission information regarding
22 employers for the purpose of verifying the insurance
23 coverage required under the Workers' Compensation Act and
24 Workers' Occupational Diseases Act.

25 (5) The Director may exchange information with the
26 Illinois Department on Aging for the purpose of verifying

1 sources and amounts of income for purposes directly
2 related to confirming eligibility for participation in the
3 programs of benefits authorized by the Senior Citizens and
4 Persons with Disabilities Property Tax Relief and
5 Pharmaceutical Assistance Act.

6 (6) The Director may exchange information with the
7 State Treasurer's Office and the Department of Employment
8 Security for the purpose of implementing, administering,
9 and enforcing the Illinois Secure Choice Savings Program
10 Act.

11 (7) The Director may exchange information with the
12 State Treasurer's Office for the purpose of administering
13 the Revised Uniform Unclaimed Property Act or successor
14 Acts.

15 (8) The Director may make information available to the
16 Secretary of State for the purpose of administering
17 Section 5-901 of the Illinois Vehicle Code.

18 (9) The Director may exchange information with the
19 State Treasurer's Office for the purpose of administering
20 the Illinois Higher Education Savings Program established
21 under Section 16.8 of the State Treasurer Act.

22 (10) The Director may make individual income tax
23 information available to the State health benefits
24 exchange, as defined in Section 513, if the disclosure is
25 authorized by the taxpayer pursuant to Section 513.

26 (11) The Director may exchange information with the

1 Department of Labor for the purpose of administering and
2 enforcing Acts within the Department of Labor's statutory
3 authority.

4 (12) The Director may make available to any State
5 agency, including the Illinois Supreme Court, which
6 licenses persons to engage in any occupation, information
7 that a person licensed by such agency has failed to file
8 returns under this Act or pay the tax, penalty and
9 interest shown therein, or has failed to pay any final
10 assessment of tax, penalty or interest due under this Act.

11 (13) The Director may make available to any State
12 agency, including the Illinois Supreme Court, information
13 regarding whether a bidder, contractor, or an affiliate of
14 a bidder or contractor has failed to file returns under
15 this Act or pay the tax, penalty, and interest shown
16 therein, or has failed to pay any final assessment of tax,
17 penalty, or interest due under this Act, for the limited
18 purpose of enforcing bidder and contractor certifications.
19 For purposes of this Section, the term "affiliate" means
20 any entity that (1) directly, indirectly, or
21 constructively controls another entity, (2) is directly,
22 indirectly, or constructively controlled by another
23 entity, or (3) is subject to the control of a common
24 entity. For purposes of this subsection (c) ~~(a)~~, an entity
25 controls another entity if it owns, directly or
26 individually, more than 10% of the voting securities of

1 that entity. As used in this subsection (c) ~~(a)~~, the term
2 "voting security" means a security that (1) confers upon
3 the holder the right to vote for the election of members of
4 the board of directors or similar governing body of the
5 business or (2) is convertible into, or entitles the
6 holder to receive upon its exercise, a security that
7 confers such a right to vote. A general partnership
8 interest is a voting security.

9 (14) The Director may make available to any State
10 agency, including the Illinois Supreme Court, units of
11 local government, and school districts, information
12 regarding whether a bidder or contractor is an affiliate
13 of a person who is not collecting and remitting Illinois
14 Use taxes, for the limited purpose of enforcing bidder and
15 contractor certifications.

16 (15) The Director may also make available to the
17 Secretary of State information that a corporation which
18 has been issued a certificate of incorporation by the
19 Secretary of State has failed to file returns under this
20 Act or pay the tax, penalty and interest shown therein, or
21 has failed to pay any final assessment of tax, penalty or
22 interest due under this Act. An assessment is final when
23 all proceedings in court for review of such assessment
24 have terminated or the time for the taking thereof has
25 expired without such proceedings being instituted. For
26 taxable years ending on or after December 31, 1987, the

1 Director may make available to the Director or principal
2 officer of any Department of the State of Illinois,
3 information that a person employed by such Department has
4 failed to file returns under this Act or pay the tax,
5 penalty and interest shown therein. For purposes of this
6 paragraph, the word "Department" shall have the same
7 meaning as provided in Section 3 of the State Employees
8 Group Insurance Act of 1971.

9 (d) The Director shall make available for public
10 inspection in the Department's principal office and for
11 publication, at cost, administrative decisions issued on or
12 after January 1, 1995. These decisions are to be made
13 available in a manner so that the following taxpayer
14 information is not disclosed:

15 (1) The names, addresses, and identification numbers
16 of the taxpayer, related entities, and employees.

17 (2) At the sole discretion of the Director, trade
18 secrets or other confidential information identified as
19 such by the taxpayer, no later than 30 days after receipt
20 of an administrative decision, by such means as the
21 Department shall provide by rule.

22 The Director shall determine the appropriate extent of the
23 deletions allowed in paragraph (2). In the event the taxpayer
24 does not submit deletions, the Director shall make only the
25 deletions specified in paragraph (1).

26 The Director shall make available for public inspection

1 and publication an administrative decision within 180 days
2 after the issuance of the administrative decision. The term
3 "administrative decision" has the same meaning as defined in
4 Section 3-101 of Article III of the Code of Civil Procedure.
5 Costs collected under this Section shall be paid into the Tax
6 Compliance and Administration Fund.

7 (e) Nothing contained in this Act shall prevent the
8 Director from divulging information to any person pursuant to
9 a request or authorization made by the taxpayer, by an
10 authorized representative of the taxpayer, or, in the case of
11 information related to a joint return, by the spouse filing
12 the joint return with the taxpayer.

13 (Source: P.A. 102-61, eff. 7-9-21; 102-129, eff. 7-23-21;
14 102-799, eff. 5-13-22; 102-813, eff. 5-13-22; 102-941, eff.
15 7-1-22; 103-154, eff. 6-30-23.)