**Section 700.330 Penalty for Fraud (UPIA Section 3-6)**

a) *If any return or amended return is filed with intent to defraud, in addition to any penalty imposed under UPIA Section 3-3, a penalty is imposed in an amount equal to 50% of any resulting deficiency.* (UPIA Section 3-6(a))

b) *If any claim is filed with intent to defraud, a penalty is imposed in an amount equal to 50% of the amount fraudulently claimed for credit or refund.* (UPIA Section 3-6)

c) By way of illustration and not by way of limitation, intent to defraud may be inferred from conduct such as keeping a double set of books, making false entries or alterations, or false invoices of documents, destruction of books or records, concealment of assets or covering up sources of income, handling of one's affairs to avoid compiling the records usual in transactions of the like kind, or any other conduct, the likely effect of which would be to mislead or conceal.

d) In computing the penalty under this Section for income tax purposes, *the amount shown as the tax by the taxpayer upon the return shall be taken into account in determining the amount of the deficiency only if the return was filed on or before the last day prescribed by law for the filing of the return, including any extensions of the time for the filing.* (IITA Section 1002(f))

(Source: Amended at 43 Ill. Reg. 14342, effective November 26, 2019)