Illinois Security Deposit Laws: Limits, Deductions and Deadlines

Summary for landlords and property managers. Last reviewed October 29, 2026. Full guide: https://www.generationadvisory.com/laws/illinois-security-deposit-laws

Illinois does not cap deposits statewide, but the Security Deposit Return Act sets firm deadlines for itemizing damage and returning the money. Larger buildings must also pay interest on deposits.

Key points

- Illinois law does not cap the amount of a security deposit statewide.
- To keep any part of the deposit for damage, the landlord must send an itemized statement within 30 days after move out; otherwise the full deposit is due within 45 days.
- The statement must list each item of damage with its cost and include paid receipts, or the receipts must follow within 30 days if estimates were used.
- Landlords with 25 or more units in a building or complex must pay interest on deposits held more than six months.
- A landlord who refuses to give the statement, or gives it in bad faith, and does not return the deposit on time owes twice the deposit plus court costs and attorney fees.

Illinois at a glance

Rule	Illinois	Law
Deposit limit	Illinois law does not cap the amount of a security deposit statewide.	Security Deposit Return Act (765 ILCS 710)
Deadline to return the deposit	To keep any part of the deposit for damage, the landlord must send an itemized statement within 30 days after move out; otherwise the full deposit is due within 45 days.	765 ILCS 710/1
Itemized deductions	The statement must list each item of damage with its cost and include paid receipts, or the receipts must follow within 30 days if estimates were used.	765 ILCS 710/1
Interest on deposits	Landlords with 25 or more units in a building or complex must pay interest on deposits held more than six months.	Security Deposit Interest Act (765 ILCS 715/1)

Rule	Illinois	Law
Penalty for wrongful withholding	A landlord who refuses to give the statement, or gives it in bad faith, and does not return the deposit on time owes twice the deposit plus court costs and attorney fees.	765 ILCS 710/1

Mistakes to avoid

- Skipping a dated move-in condition report with photos, then having nothing to compare against at move out.
- Charging for normal wear and tear.
- Missing the return deadline, even by a few days.
- Not asking for a forwarding address before the tenant leaves.
- Losing track of deposit money by mixing it with operating funds without a ledger.

Verify current law

Laws named in this summary:

- Security Deposit Return Act (765 ILCS 710)
- 765 ILCS 710/1
- Security Deposit Interest Act (765 ILCS 715/1)

Official sources:

- Illinois General Assembly: Illinois Compiled Statutes: https://www.ilga.gov/Legislation/ILCS/Chapters
- Illinois Courts: Eviction help: https://www.illinoiscourts.gov/eviction

> General information, not legal advice. Check current law and talk to a Illinois attorney before you act. Last reviewed October 29, 2026.