



## What is new for 2015?

- For tax years ending on or after December 31, 2015, the Illinois Income Tax rate is 5.25 percent (.0525).
- **Short-year filers only** - If your tax year **begins** on or after January 1, 2016, and
  - your tax year **ends on a date other than June 30**, the original due date of your Form IL-1120 is the 15th day of the 4th month following the close of the taxable year.
  - your tax year **ends on June 30**, the original due date of your Form IL-1120 remains the 15th day of the 3rd month following the close of the taxable year.

We grant you an automatic extension of time to file your tax return as described in Illinois Income Tax Regulations, Section 100.5020(b), which is available on our website [tax.illinois.gov](http://tax.illinois.gov). See "When should I file?" in the Form IL-1120 instructions for more information.
- Check the federal Schedule M-3 checkbox on Form IL-1120-X, Step 1, Line E, and attach a copy of the federal Schedule M-3 **only** if you reported an amount on federal Schedule M-3, Part II, Line 12.
- For tax years ending on or after December 31, 2014, Schedule 80/20 has been redesigned. See the Schedule 80/20 Instructions for more information.
- For tax years ending on or after December 31, 2014, several subtractions have been added to Line 19 of the Schedule M (for businesses). See the Schedule M Instructions for more information.
- For tax years ending on or after December 31, 2014, the \$100,000 limitation on the use of Illinois net loss deduction (NLD) has expired. **Schedule NLD**, Illinois Net Loss Deduction, and **Schedule UB/NLD**, Unitary Illinois Net Loss Deduction, have been redesigned to account for this expiration. See Specific Instructions for more information.
- For tax years ending on or after December 31, 2014, Schedule 4255 has been redesigned to allow you to report and pay any recaptured Angel Investment Credit amounts. See the Schedule 4255 Instructions for more information.
- As a result of Public Act 98-0925 taxpayers can now elect to apply their overpayments from this return against their estimated tax obligation for next year, even if the election is made after the extended due date of their return. See Specific Instructions for more information.
- For tax years ending on or after December 31, 2014, date of merger fields have been added to Step 1 of the Schedule UB. This information is required if applicable. See the Schedule UB Instructions for more information.
- **Short-year filers** - The River Edge Redevelopment Zone Investment Credit has expired for tax years **beginning** on or after July 12, 2016. If your tax year **begins** on or after July 12, 2016, you cannot claim this credit on Schedule 1299-D, Lines 15a through 15c. You may still claim any distributive share of this credit passed through to you on Schedule(s) K-1-P by reporting it on Schedule 1299-D, Line 16. The Enterprise Zone Investment Credit is still allowed.
- **Fiscal-year filers** - The Research and Development Credit has expired for tax years **ending** after December 31, 2015. If your tax year **ends** after December 31, 2015, enter zero on Schedule 1299-D, Lines 26 through 33. You may still claim any distributive share of this credit passed through to you on Schedule(s) K-1-P by reporting it on Schedule 1299-D, Line 34.
- The Veterans Jobs Credit for "qualified veterans" has expired. You cannot claim a Veterans Jobs Credit for "qualified veterans" for tax years **beginning** on or after January 1, 2015. The credit for "qualified unemployed veterans" is still allowed.
- **Short-year filers** - The River Edge Historic Preservation Credit has expired for tax years **beginning** on or after July 28, 2016. If your tax year **begins** on or after July 28, 2016, you cannot claim this credit on Schedule 1299-D, Line 58. You may still claim any distributive share of this credit passed through to you on Schedule(s) K-1-P by reporting it on Schedule 1299-D, Line 59.
- **Fiscal-year filers** - The Historic Preservation Credit has expired for tax years **ending** after December 31, 2015. If your tax year **ends** after December 31, 2015, you cannot claim this credit on Schedule 1299-D, Line 72. You may still claim any distributive share of this credit passed through to you on Schedule(s) K-1-P by reporting it on Schedule 1299-D, Line 73.

## General Information

### Who must file Form IL-1120-X?

You should file Form IL-1120-X if you are amending a previously filed, processable Form IL-1120, Corporation Income and Replacement Tax Return, or Form IL-1120-X, for a tax year ending **on or after** December 31, 1986. Your change can occur from a state or federal change that affects items used to compute your Illinois net income, net loss, or credits, such as

- an amendment of your federal income tax return,
- an adjustment made by the Internal Revenue Service (IRS), or
- any other recomputation or redetermination.

A separate Form IL-1120-X must be filed for each tax year you need to amend.

### What if I need to change my return before the extended due date expires?

If you filed your original Form IL-1120 and a state or federal correction or change needs to be made before the extended due date expires (see the instructions of your original return), you should file Form IL-1120-X. Due to IL-1120-X Instructions (R-01/16)

the automatic extension, any return filed after the original return and on or before the extended due date will be treated as the original return.

If you are filing Form IL-1120-X to change the election on your original return to treat all income other than compensation as business income, mark the box in Step 1, Line O, and provide a written explanation indicating the change to your election on Form IL-1120-X, Step 2.

### How long do I have to amend my return?

The amount of time you have to amend your return depends on whether your Form IL-1120-X is being filed to report a state or federal change.

**State change** - If your change creates or increases the Illinois net loss for the year, you must file Form IL-1120-X showing the increase in order to carry the increased loss amount to another year.

If your change decreases the tax due to Illinois and you are entitled to a refund or credit carryforward, you must file Form IL-1120-X within

- three years after the due date of the return (including extensions),
- three years after the date your original return was filed, or

- one year after the date your Illinois tax was paid, whichever is latest.

If your change increases the tax due to Illinois, you should file Form IL-1120-X and pay the tax, penalty, and interest promptly.

**Federal change** - You should not file this form until you receive a federal finalization notification from the IRS stating that they have accepted your change, either by paying a refund, or by final assessment, agreement, or judgment.

If your federal change decreases the tax due to Illinois and you are entitled to a refund or credit carryforward, you must file Form IL-1120-X within two years plus 120 days of federal finalization.

If your federal change increases the tax due to Illinois, you must file Form IL-1120-X and pay any additional tax within 120 days of IRS partial agreement or finalization. In order to avoid late payment penalties, you must attach proof of the federal finalization date, showing the change was reported to Illinois within 120 days of IRS acceptance, or you may be assessed a late-payment penalty.

**Note** → If you fail to notify us of your change by filing Form IL-1120-X, we may issue a notice of deficiency at any time. Once you file your change, we may issue a notice of deficiency within two years.

## What if my amended return involves unitary filing?

If you are amending your original

- unitary Form IL-1120 to report a state or federal change to your unitary income, you must file one combined Form IL-1120-X for all members and a revised Illinois Schedule UB, Combined Apportionment for Unitary Business Groups.
- non-unitary Form IL-1120 to be included in an existing unitary group, you must file Form IL-1120-X, reporting a zero tax liability, and the unitary group must file one combined Form IL-1120-X and attach a revised Illinois Schedule UB that includes you as a member.

## What if my amended return involves an Illinois net loss deduction (NLD)?

**Note** → For tax years ending on or after December 31, 2014, the \$100,000 limitation on the use of NLD has expired. Please use the version of the Schedule NLD, Illinois Net Loss Deduction, or the Schedule UB/NLD, Unitary Illinois Net Loss Deduction, which corresponds to your tax year.

If you have an Illinois NLD carryforward from any loss year ending on or after December 31, 1986, it is subtracted from and limited to base income allocable to Illinois.

To determine your "Illinois net loss" start with federal taxable income and apply all addition and subtraction modifications, and all allocation and apportionment provisions.

If you are carrying an Illinois NLD, you must complete and attach Illinois Schedule NLD, and claim the deduction on Step 6, Line 38.

If you are a member of a unitary business group and you are carrying an Illinois NLD, you must complete and attach Illinois Schedule UB/NLD, to support the amount of Illinois NLD claimed. Additionally, you must attach a copy of each loss year's Illinois Schedule UB, Step 4. If Step 4 does not report each member's average apportionment factor, you must also attach a separate worksheet providing this information. Refer to current Illinois Schedule UB for an example of the required formatting.

If you are a cooperative, filing form U.S. 1120-C, you must complete Schedule INL, Illinois Net Loss Adjustments for Cooperatives, for the first taxable year ending on or after December 31, 2010. If you make the election to split your patronage and nonpatronage income and loss amounts, you are required to complete Schedule INL every year and make the loss computations on Schedule NLD or UB/NLD.

If you had discharge of indebtedness income for a taxable year ending on or after December 31, 2008, and all or a portion of this income was excluded from your federal gross income due to bankruptcy or insolvency, then you may be required to reduce any Illinois net loss you incurred for that

year or Illinois net loss carryovers to that year before you determine your Illinois NLD. See the instructions for Form IL-1120, Step 5 and Schedule NLD or UB/NLD for more information.

If you have an Illinois net loss for this tax year, you must file Form IL-1120 or Form IL-1120-X reporting the loss in order to carry the loss forward to another year.

Do not file Form IL-1120-X to report an Illinois NLD carryforward until **after** you have filed the loss year Form IL-1120 or Form IL-1120-X reporting the loss. When you file Form IL-1120-X, you must attach a completed Illinois Schedule NLD or UB/NLD. **Failure to attach the correct and completed schedule could result in partial or total denial of your claim.**

If you need more information visit our website at [tax.illinois.gov](http://tax.illinois.gov) and see the Schedule NLD instructions, the Schedule UB/NLD instructions, or the Illinois Income Tax Regulations, Sections 100.2050 and 100.2300 through 100.2330.

## Who should sign the return?

Your Form IL-1120-X must be signed by the president, vice president, treasurer, or any other officer duly authorized to sign the return. If you paid someone to prepare your return, that individual must also provide a signature, date the return, and provide his or her taxpayer identification number. If the paid preparer is an employee or partner of a firm or corporation, he or she must also provide the firm's name, address, and instead of the preparer's taxpayer identification number he or she must provide the firm's FEIN. Self-employed preparers must provide their own name, address, and preparer's taxpayer identification number in the appropriate spaces.

## Can a reasonable facsimile be used?

In general, you must obtain and use forms prescribed by the Illinois Department of Revenue. Separate statements not on forms provided or approved by the Department will not be accepted and you will be asked for appropriate documentation. **Failure to comply with this requirement may result in failure to file penalties, a delay in the processing of your return, or a delay in the generation of any overpayment.** Additionally, failure to submit appropriate documentation when requested may result in a referral to our Audit Bureau for compliance action.

**Corporations must complete Form IL-1120-X.** Do not send a computer printout with line numbers and dollar amounts attached to a blank copy of the return. Computer generated printouts are not acceptable, even if they are in the same format as the Department forms. Computer generated forms from a Department-approved software developer are acceptable.

## What are the penalties and interest?

**Penalties** — You will owe

- a **late-filing penalty** if you do not file a processable return by the extended due date;
- a **late-payment penalty** if you do not pay the tax you owe by the original due date of the return;
- a **bad check penalty** if your remittance is not honored by your financial institution;
- a **cost of collection fee** if you do not pay the amount you owe within 30 days of the date printed on your bill.

**Interest** — The interest rate is the federal underpayment rate, which is set by the IRS under IRC Section 6621.

**Note** → For more information about penalties and interest, see Publication 103, Penalties and Interest for Illinois Taxes, available at [tax.illinois.gov](http://tax.illinois.gov).

## What must I attach to my Form IL-1120-X?

This form must contain a complete explanation of the reasons for filing the claim or amendment. You **must** attach proof of the federal finalization date and any schedules, forms, breakdowns, statements, or other

documentation required to support your claim. If Form IL-1120-X is submitted without the proper attachments, it may be partially or totally denied.

Examples of federal finalization include a copy of one or more of the following items:

- your federal refund check
- your audit report from the IRS
- your federal transcript verifying your federal taxable income

If you are filing Form IL-1120-X because

- you filed a federal Form 1120X or federal Form 1139 and your tax due to Illinois decreases, you must attach proof of the federal finalization date, include a copy of that federal return, plus any other related forms, schedules, or attachments, including a signed and dated copy of any federal report of income tax examination changes (e.g., Form 4549A and B), if applicable.
- you filed a federal Form 1120X and your tax due to Illinois increases, you must attach proof of the federal finalization date, including a signed and dated copy of any federal report of income tax examination changes (e.g., Form 4549A and B), if applicable, showing the change was reported to Illinois within 120 days of IRS acceptance, or you may be assessed a late-payment penalty.

- of a change by the IRS, you must include all copies of the federal examining officer's reports, including preliminary, revised, corrected, and superseding reports, and a signed and dated copy of any federal report of income tax examination changes (e.g., Form 4549A and B), if applicable.
- you copied information incorrectly from your federal Form 1120 onto your Form IL-1120, you must include a copy of your federal Form 1120.
- of a change in, or audit of, another state's tax return, you must include a copy of the other state's corrected return or the examining officer's reports.
- of an Illinois net loss deduction, you must include a completed Illinois Schedule NLD or UB/NLD. See Specific Instructions for Step 6, Line 38.
- of changes reported on a revised Schedule K-1-P or K-1-T (or any equivalent document) you received, you must include a copy of the revised Schedule(s) K-1-P or K-1-T (or equivalent document).
- of changes, other than those described above, see Form IL-1120 Instructions and any schedules for the year you are changing to determine what attachments you must provide.

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## What if I need additional assistance or forms?

*If you need additional assistance:*

- visit our website at [tax.illinois.gov](http://tax.illinois.gov);
- write to us at **PO BOX 19044, Springfield, Illinois 62794-9044**;
- call our Taxpayer Assistance Division at **1 800 732-8866** or **217 782-3336**; or
- call our telecommunications device for the deaf at **1 800 544-5304**.

Our office hours are 8:00 a.m. to 5:00 p.m., Monday through Friday.

If you need additional forms or schedules, visit our website at [tax.illinois.gov](http://tax.illinois.gov).

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## Specific Instructions

For instructions regarding completion of Steps 1, and 3 through 8, refer to the Form IL-1120 Instructions and schedules for the year being amended.

Specific instructions for most of the lines are provided on this page. If a specific line is not referenced, follow the instructions on the form.

Enter the tax year you are amending in the space provided at the top of Form IL-1120-X.

### Step 1: Identify your corporation

**A — All taxpayers:** Type or print your legal business name. If you have a name change from your original return, check the corresponding box.

**B —** Type or print your mailing address. If your address has changed since you filed your last return, check the box.

**C —** If you are filing an Illinois **combined unitary return**, check this box and the box for Line F, and attach a complete and corrected Illinois Schedule UB.

— If you are a **foreign insurer**, check the box and, if you are entitled to a tax reduction, attach a completed Illinois Schedule INS. Combined unitary return filers with one or more foreign insurer members, check both boxes and follow the instructions for both boxes. If your unitary group is entitled to a tax reduction, attach a completed Illinois Schedule UB/INS.

**Note** See Specific Instructions for Step 9 in order to claim the tax reduction calculated on Schedule INS or Schedule UB/INS.

**D —** Check the box if you are filing this form only to report an increased net loss, you have no Compassionate Use of Medical Cannabis Pilot Program Act surcharge on your original or amended return, and no overpayment will result. Complete Steps 2 through 4, Step 5, if applicable, and Step 6, Lines 35 through 37. Sign the return in Step 10 and leave the rest of the form blank.

**E —** If you completed federal Form 8886 or federal Schedule M-3, Part II, Line 12, to report a tax shelter and you did not attach a copy to the original return, check the appropriate box and attach a copy of the federal form or schedule to this return. If you are filing this return because of changes associated with federal Form 8886 or federal Schedule M-3, Part II, Line 12, provide a detailed explanation in Step 2.

**F —** If you are a unitary company and completed Schedule UB, mark the box and attach Schedule UB to your return.

**G —** You must check the box and attach Schedule 1299-D, Income Tax Credits, and any other required support listed on Schedule 1299-D if you are entitled to take income tax credits on Step 8, Line 48, of your Form IL-1120-X, even if the amount is not changing from your original return, or if you have earned credits in this tax year, but are unable to use them.

**H —** You must check the box and attach Form IL-4562, Special Depreciation, if you are claiming special depreciation addition or subtraction modifications on Form IL-1120-X, even if the amounts are not changing from your original return.

**I —** You must check the box and attach Schedule M, Other Additions and Subtractions (for businesses), if you are claiming other addition or subtraction modifications on Form IL-1120-X, even if the amounts are not changing from your original return.

**J —** You must check the box and attach Schedule 80/20, Related-Party Expenses, if you are claiming related-party expense modifications on your Form IL-1120-X, even if the amounts are not changing from your original return.

**L —** Enter your North American Industry Classification System (NAICS) Code. If you are unsure of your code, you can research the information at [www.census.gov/eos/www/naics/](http://www.census.gov/eos/www/naics/) or [www.irs.gov](http://www.irs.gov).

**M** — Enter your Illinois corporate file (charter) number assigned to you by the Illinois Secretary of State. If you are filing a unitary return, enter the corporate file (charter) number of the designated agent.

**N** — **Check the appropriate box for the reason you are filing this return.** If you are amending due to a federal change, you **must** check the appropriate box for partial agreed or finalized and include the date of IRS finalization, which might not be the date the federal amended return was filed. Attach a dated copy of any federal examining officer's report. If you do not provide this date or the required attachments, you may be assessed penalties and interest.

**O** — If you are filing Form IL-1120-X on or before the extended due date, and wish to make the election to treat all income, other than compensation, as business income for this tax year, check this box. If you previously had nonbusiness income on Form IL-1120, Step 4, Lines 24 and 32, you must reduce these amounts to zero on this Form IL-1120-X. Once made, the election is irrevocable. If you are filing Form IL-1120-X after the extended due date of the original return **and** did not make the election on your original return, you cannot check this box.

**P** — Check the box if you must adjust your loss or loss carryover due to Discharge of Indebtedness. For more information, see the instructions for Line 36 and the Loss Reduction Worksheet in the Form IL-1120 instructions.

**Q** — Check the box if you are a cooperative and completed Schedule INL either to make a first-time election for treatment of income or to figure your patronage and nonpatronage income or loss, or you are a real estate mortgage investment conduit (REMIC) that completed Schedule INL to make an adjustment to Illinois income. **Attach** Schedule INL to your tax return.

## Step 2: Explain the changes on this return

The purpose of Step 2 is to allow you to explain what specific changes you are making to your Illinois tax return. You should include all relevant information, including, but not limited to, changes made to

- specific addition and subtraction modifications,
- unitary membership or unitary status,
- the business income election,
- credit or credit recapture amounts,
- the Illinois net operating loss deduction, and
- the federal or other state return that caused changes to the Illinois return.

You must provide an explanation for each line item you change.

If your changes generate an overpayment which you elect to receive as a credit carryforward and you elect to apply that credit to a tax year other than the year described in the Line 62 instructions, you must follow the instructions found under "May I apply my credit to a different tax year?" If you fail to include the required information in your explanation, your election will be considered invalid and we will not apply your credit as you requested.

## General Information for Steps 3 through 8

**Column A** — Enter the amounts from your most recently filed or adjusted return for the year that you are amending. These may be figures from your original Form IL-1120, or a previously amended or audited return.

**Column B** — Enter the correct amount for each line in Column B.

For each line item you change, you must provide an explanation for that change in Step 2.

**Note** — If you are filing this form only to report an increase in your Illinois net loss, you have no Compassionate Use of Medical Cannabis Pilot Program Act surcharge on your original or amended return, and the change will not result in an overpayment, see the instructions for Step 6, Line 35.

## Step 3: Figure your income or loss

**Lines 1 through 8** — Refer to your Form IL-1120, Step 2, Specific Instructions, for the year being amended.

**Note** — Do not apply your Illinois net loss deduction amount from Illinois Schedule NLD in this step. NLDs are reported on Step 6, Line 38.

## Step 4: Figure your base income or loss

**Lines 10 through 22** — List each item and the amount on the line provided. You must identify all subtractions and attach all of the required supporting documentation.

**Line 23** — This is your base income or loss.

**Column A** — Enter the amounts from your most recently filed or adjusted return. **Do not check a box on Lines A or B to indicate how your income was reported on your most recently filed or adjusted return.** The check boxes on Lines A and B are used when reporting your amended base income or loss in column B.

**Column B** — Follow the instructions on the form and check the box on Line A or B that applies to the amount in Column B. You must check one of these boxes and follow the instructions for that Line when completing Column B.

### Check the box on Line A if

- all of your base income or loss is derived inside Illinois; and
- you do not have any income or loss to report on Lines 24, 25, 32, or 33.

**If you check the box on Line A, do not complete Step 5, Column B.** All of your amended base income or loss is allocable to Illinois. Skip Step 5, Column B, enter the amount from Step 4, Column B, Line 23 on Step 6, Column B, Line 35, and complete the remainder of the return.

### Check the box on Line B if any of the following apply

- your base income or loss is derived inside and outside Illinois;
- all of your base income or loss is derived outside Illinois; or
- you have income or loss to report on Lines 24, 25, 32, or 33.

**If you check the box on Line B, you must complete all lines of Step 5, Column B.** Submitting Form IL-1120-X with an incomplete Step 5, Column B, including Lines 28, 29, and 30 may result in a delay in processing your return, further correspondence, and you may be required to submit further information to support your filing. See the Specific Instructions for Step 5 for more information.

**Note** — **Unitary filers** - You must complete **both** Step 4 of the Schedule UB **and** Step 5, Column B of the Form IL-1120-X.

## Step 5: Figure your income allocable to Illinois

Complete Step 5 only if you originally completed this part, or you need to make a change that affects your base income or loss allocable to Illinois. Refer to Form IL-1120, Step 4, Specific Instructions, for the year being amended.

You **must** check the box on Line B and complete Step 5 if any portion of Column B, Line 23, base income or loss, is derived outside Illinois, or you have any income or loss to report on Column B, Lines 24, 25, 32, or 33.

If you do not complete **all** of Step 5, Column B, Lines 24 through 34, we may issue a notice and demand proposing 100 percent of income as being allocated to Illinois, or in the case of a loss return, a notice indicating none of your loss as being allocated to Illinois.

**Lines 24 and 32** — If you elected to treat all of your income other than compensation as business income on your original tax return, you must follow that election by entering zero on Form IL-1120-X, Lines 24 and 32, if it is after the extended due date of the return. If you are filing

Form IL-1120-X before the extended due date and are making the election to treat all nonbusiness income as business income, Column B, Lines 24 and 32 should be reduced to zero.

## Step 6: Figure your net income

**Line 35** — Follow the instructions on the form. If the amount in Column A reflects income and the corrected amount in Column B reflects a loss, you may be able to carry this loss to other years as an Illinois NLD. See the instructions for Illinois Schedule NLD or Illinois Schedule UB/NLD for more information.

**Note** → If you are filing this form only to report an increase in your Illinois net loss, you have no Compassionate Use of Medical Cannabis Pilot Program Act surcharge on your original or amended return, and the change will not result in an overpayment, check the box in Step 1, Line D, complete Steps 3 and 4, Step 5, if applicable, and Step 6, Lines 35 through 37. Complete Step 2, explaining what caused the increase in the Illinois net loss and sign the return in Step 10. Leave the rest of the form blank.

**Line 36** — If you were required to reduce the net operating loss reported on your federal Form 1120 because you excluded any discharge of indebtedness income from this tax year's gross income, then you may be required to reduce the net loss reported on Line 35. Use the Loss Reduction Worksheet in the IL-1120 instruction booklet to figure your loss reduction. **Attach a copy of your federal Form 982, Reduction of Tax Attributes Due to Discharge of Indebtedness, to your Form IL-1120-X.** For more information, see Illinois Income Tax Regulations Section 100.2310(c).

If you are a combined group reporting a combined net loss on Line 35, you may be required to reduce this loss if one or more of your group members excluded discharge of indebtedness income and was required to reduce a federal net operating loss incurred for this tax year.

**Note** → If you also have Illinois net operating loss carryovers to the tax year of the debt cancellation, you may also be required to reduce those carryovers. See Schedule NLD or UB/NLD for more information.

**Line 37** — **If you have a discharge of indebtedness adjustment on Line 36**, add Lines 35 (a negative number) and 36 (a positive number), and enter the result here. This amount cannot be greater than zero.

**If you do not have a discharge of indebtedness adjustment**, enter zero on Line 36 and the amount from Line 35 on Line 37.

**Line 38** — Enter your Illinois net loss deduction carryforward from Illinois Schedule NLD, Line 5, or Illinois Schedule UB/NLD, Step 3, Line 30. **Attach Illinois Schedule NLD or unitary Illinois Schedule UB/NLD to your Form IL-1120-X.**

**Note** → For tax years ending on or after December 31, 2014, the \$100,000 limitation on the use of NLD has expired. The Schedule NLD and Schedule UB/NLD have been redesigned to account for this expiration. Please use the schedule specific to your tax year.

If you are a cooperative and you separate your patronage and nonpatronage income or loss, complete Schedule INL and follow the instructions for computation of your Illinois net loss deduction and how to complete Schedule NLD.

## Step 7: Figure your replacement tax after credits

Follow the instructions on the form. Be sure to attach any required schedules or forms.

**Line 41** — See Illinois Schedule 4255, Recapture of Investment Tax Credits, for more information. You must attach Illinois Schedule 4255 if you have an amount on this line.

**Line 43** — See Form IL-477, Replacement Tax Investment Credits, for more information. You must attach Form IL-477 and any other required support listed on Form IL-477 if you have an amount on this line.

## Step 8: Figure your income tax after credits

Follow the instructions on the form and attach any required schedules.

**Line 46** — See Illinois Schedule 4255 for more information regarding the recapture of investment credits. You must attach Illinois Schedule 4255 if you have an amount on this line.

**Line 48** — See Illinois Schedule 1299-D for more information regarding income tax credits. If you have an amount on this line, mark the box in Step 1, Line G, and attach Illinois Schedule 1299-D and any other required support listed on Schedule 1299-D.

## Step 9: Figure your refund or balance due

**Note** → If you are filing this form only to report an increase in your Illinois net loss, you have no Compassionate Use of Medical Cannabis Pilot Program Act surcharge on your original or amended return, and an overpayment will not result, do not complete this step.

**If you are a foreign insurer, review the instructions below.**

### For non-unitary foreign insurers

- complete Form IL-1120-X, Steps 1 through 8, before completing Illinois Schedule INS;
- complete Schedule INS;
- report your foreign insurer replacement tax reduction on Step 9, Line 50a; and
- report your foreign insurer income tax reduction on Step 9, Line 51a.

### For combined unitary filers with one or more members who are foreign insurers

- complete Form IL-1120-X, Steps 1 through 8, before completing Illinois Schedule UB/INS;
- complete all steps of your Schedule UB, before completing Illinois Schedule UB/INS;
- complete Schedule UB/INS;
- report your foreign insurer replacement tax reduction on Step 9, Line 50a; and
- report your foreign insurer income tax reduction on Step 9, Line 51a.

**Line 50** — Follow the instructions on the form.

**Note** → If you are a foreign insurer do not apply a tax reduction to this line. Follow the instructions above and on Schedule INS or Schedule UB/INS.

**Line 50a** — Enter your foreign insurer replacement tax reduction from Schedule INS, Step 3, Line 16a, or Schedule UB/INS, Step 6, Line 57b. **Attach Schedule INS or Schedule UB/INS.**

**Line 50b** — Subtract Line 50a from Line 50 and enter the result on this line. If Line 50a is blank, enter the amount from Line 50 on Line 50b. This is your net replacement tax.

**Line 51** — Follow the instructions on the form.

**Note** → If you are a foreign insurer do not apply a tax reduction to this line. Follow the instructions above and on Schedule INS or Schedule UB/INS.

**Line 51a** — Enter your foreign insurer income tax reduction from Schedule INS, Step 3, Line 18a, or Schedule UB/INS, Step 6, Line 68b. **Attach Schedule INS or Schedule UB/INS.**

**Line 51b** — Subtract Line 51a from Line 51 and enter the result on this line. If Line 51a is blank, enter the amount from Line 51 on Line 51b. This is your net income tax.

**Line 52** — Compassionate Use of Medical Cannabis Pilot Program Act surcharge. Use the instructions and the Compassionate Use of Medical Cannabis Pilot Program Act Surcharge Worksheet in the Form IL-1120 instruction booklet to figure your surcharge.

**Line 53** — Add Lines 50b, 51b, and 52 and enter the total on this line. This is your total net income and replacement taxes, and surcharge.

**Line 54a** — Enter the amount of any overpayment from your prior year tax returns that you requested to be applied to this year's tax return. Take into account any correspondence we may have sent that changed the amount of your credit carryforward from the previous year.

**Line 54b** — Enter the total amount of estimated payments you made during this tax year.

**Line 54c** — Enter the amount of Illinois Income and Replacement Tax paid with Form IL-505-B.

**Line 54d** — Enter the amount you wish to claim of Illinois pass-through withholding payments reported to you by partnerships, S corporations, or trusts, on Schedule(s) K-1-P or K-1-T. If you received more than one Schedule K-1-P or K-1-T, add the amounts from all the schedules and enter the total on Line 54d. **Attach copies of the Schedules K-1-P and K-1-T you received from the pass-through entities to your Form IL-1120.** See "What are pass-through withholding payments?" under "General Information" in the Form IL-1120 instructions for more information.

**Line 54e** — Enter the amount of any gambling withholding shown on Form W-2G. **Attach Forms W-2G.**

**Line 57** — Enter the total amount of any tax payments you made with a previously filed Form IL-1120-X, or for any other reason (e.g., responding to a bill). Do not include any penalty and interest you previously paid.

**Line 59** — Enter the total amount of any overpayment, credit, or refund (whether received or not) reported on your previously filed Form IL-1120 or Form IL-1120-X. Do not include interest that you received.

**Line 62** — Enter the amount of overpayment you elect to be applied against your estimated tax obligation.

Your credit carryforward will not be applied if you do not file a processable return.

If your overpayment accrues interest and you elect to receive your

- entire overpayment as a credit carryforward, any interest due will be applied with your credit as an additional credit carryforward. We will calculate the amount of interest due and notify you. When you claim your credit carryforward in a future year you must include this interest amount in the amount claimed.
- overpayment as both a credit carryforward and a refund, we will apply the credit as you request and include any interest due with your refund.

**Note** → Your credit carryforward may be reduced by us due to corrections we make to your return, or to satisfy any unpaid tax, penalty, and interest due for this year or any other year. If we reduce your credit carryforward, it may result in a late-payment penalty in a subsequent year.

## To which tax year will my credit apply?

We will apply your credit to the tax year for which estimated payments currently are due as of the date you file this 2015 return, unless you elect to apply the credit to a different tax year. The estimated tax payment due dates are the 15th day of the 4th, 6th, 9th, and 12th months of your tax year.

**Note** → If you wish to apply the credit to a different tax year, see "May I apply my credit to a different tax year?"

**Example 1:** You file your 2015 calendar-year amended return on September 5, 2016, which is before the third estimated tax due date for 2016 (September 15, 2016, for calendar-year filers). You request your overpayment of \$500 be applied against your estimated tax. We will apply \$500 to your 2016 estimated tax.

**Example 2:** You file your 2015 calendar-year amended return on December 22, 2016, which is after the last estimated tax due date for 2016 (December 15, 2016, for calendar-year filers), but is timely for the first estimated tax due date for 2017 (April 18, 2017, for calendar-year filers). You request your overpayment of \$500 be applied against your estimated tax. We will apply \$500 to your 2017 estimated tax.

You may complete the Credit Carryforward Worksheet on page 8 if you require assistance determining the year to which your credit will apply.

## With what date will my credit apply against my estimated tax?

If your amended 2015 return was filed

- on or before the extended due date of your original return** (October 17, 2016, for calendar-year filers), your credit is considered to be paid on the due date of your first estimated tax installment of your 2016 tax period (April 18, 2016, for calendar-year filers).

**However,** if all or a portion of your overpayment results from payments made after the due date of that first estimated tax installment, that portion of your credit is considered to be paid on the date you made the payment.

**Example 1:** You file your 2015 calendar-year amended return on or before the extended due date of your original return requesting \$500 be applied against estimated tax. All of your payments are made before the original due date of your original return. Your credit of \$500 will be considered to be paid on April 18, 2016.

**Example 2:** You file your 2015 calendar-year amended return on or before the extended due date of your original return requesting \$500 be applied against estimated tax. Your overpayment includes payments of \$400 you made before the original due date of your original return, and a \$100 payment you made on June 1, 2016. Your credit of \$400 will be considered to be paid on April 18, 2016. The remaining \$100 credit will be considered to be paid on June 1, 2016.

- after the extended due date of your original return,** your credit is considered to be paid on the date you filed the amended return on which you made the election.

**Example 3:** You file your 2015 calendar-year amended return on December 1, 2016, requesting \$500 be applied against estimated tax. Your credit of \$500 will be considered to be paid on December 1, 2016, because you filed your amended return after the extended due date of your 2015 calendar-year original return.

You may complete the Credit Carryforward Worksheet on page 8 if you require assistance determining with what date your credit will apply.

## May I apply my credit to a different tax year?

Yes. If you wish to apply your credit to a tax year other than the one described above, you must indicate the tax year to which you wish to have the credit apply in the explanation you provide in Step 2 of this return.

If you do not follow these instructions, your election will be considered invalid and we will apply your credit as indicated under "To which tax year will my credit apply?"

If you submit a valid request, we will apply your credit as you requested and notify you. Once made, your election to change the tax year to which your credit will apply is irrevocable.

**Note** You may only apply your credit to tax years occurring after the year of the return creating the overpayment. If you request to apply more credit than our records show you have available, we will apply the maximum amount available and notify you of the difference.

**Line 63** — Follow the instructions on the form. We will calculate any interest that may be due you and include it in your refund check. Any refund may be reduced to satisfy any outstanding liability.

We do not currently offer direct deposit as a method for receiving a refund from an amended return. Overpayments will be refunded by check.

**Line 64** — Follow the instructions on the form. This is your amount of tax due that must be paid in full if \$1 or more. We encourage you to let us figure your penalties and interest and send you a bill instead of determining these amounts yourself. We will compute any penalty and interest due and notify you. If you do not calculate your penalty and interest, enter the amount you are paying on the top of Page 1, complete a payment voucher, Form IL-1120-X-V, make your check or money order payable to “**Illinois Department of Revenue,**” and attach them to the first page of this form.

**Note** We will apply all payments against tax first, penalty second, and interest third.

**Lines 65 through 67** — We encourage you to let us figure your penalties and interest and send you a bill instead of determining these amounts yourself. We will compute any penalty and interest due and notify you. If you calculate the penalties and interest you owe, enter these amounts on the lines provided. For more information see “What are the penalties and interest?” and Publication 103, Penalties and Interest for Illinois Taxes. **If you calculate penalty and interest, be sure that your payment is equal to the amount on Line 67.**

**Note** Lines 65 and 66 are applicable only if you wish to self-assess late-filing and late-payment penalties on Form IL-2220. If you are filing this return after the extended due date of the return, **do not complete Form IL-2220** to recalculate any previously assessed late payment for estimated tax penalty. The late-payment penalty for underpayment of estimated tax is based on the tax shown due on your original return. We encourage you to leave Lines 65 and 66 blank. We will calculate all penalties and interest and send you a bill.

If you have a balance due on Lines 64 or 67, be sure to **enter the amount you are paying on the top of Page 1 of the Form IL-1120-X. Complete a payment voucher, Form IL-1120-X-V, make your check or money order payable to “Illinois Department of Revenue,” and attach them to the first page of this form.**

## Step 10 — Signature, date, and paid preparer’s information

You must sign and date your return. If you do not sign your return, it will not be considered filed and you may be subject to a **nonfiler penalty**.

If you want to allow the paid preparer listed in this step to discuss this return with the Department, check the box. This authorization will allow your paid preparer to answer any questions that arise during the processing of your return, call us with questions about your return, and receive or respond to notices we send. The authorization will automatically end no later than one year after you file your amended return. You may revoke the authorization at any time by calling or writing us.

## Credit Carryforward Worksheet

### Step 1: Determine the tax year to which your credit will apply

**1** Enter the year ending date of the tax year for which estimated payments are due as of the date you are filing this amended return. This is the year your credit will be applied to unless you elect to apply it to a different year. **1** \_\_\_\_/\_\_\_\_/\_\_\_\_

**Note** → The estimated tax payment due dates are the 15th day of the 4th, 6th, 9th, and 12th months of your tax year.

#### Examples:

- A calendar-year filer, filing an amended return on September 5, 2016 (before the third estimated tax payment due date of September 15, 2016, for their 2016 calendar-year filing), would enter 12/31/2016.
- A calendar-year filer, filing an amended return on December 22, 2016 (after the last estimated tax payment due date of December 15, 2016, for their 2016 calendar-year filing, but timely for the first estimated tax payment due date of April 18, 2017, for their 2017 calendar-year filing), would enter 12/31/2017.

### Step 2: Determine the date that your credit will apply against estimated tax

Check box A or B and follow the instructions for the box you checked. If you did not check a box, do not complete the question(s) associated with that box.

**Note** → Credit carryforwards calculated on this worksheet will not be available until your return is processed by the Department. Your credit carryforward may be reduced by us due to corrections we make to your return, or to satisfy any unpaid tax, penalty, and interest due for this year or any other year. If we reduce your credit carryforward, it may result in a late-payment penalty in a subsequent year.

**A**  I filed my amended return on or before the extended due date of my original return.

*Complete Lines 1a through 3a only if you checked box A, above.*

→ **1a** Enter the first estimated tax due date for the 2016 tax period. **1a** \_\_\_\_/\_\_\_\_/\_\_\_\_

→ **2a** Enter the total amount of your overpayment from payments made **on or before** the date entered on Line 1a. A credit in this amount will be applied to your account with the date entered on Line 1a. **2a** \_\_\_\_\_

→ **3a** Enter the overpayment amount(s) and payment date(s) for any payment(s) you made **after** the date entered on Line 1a. Credit(s) in the amount(s) listed below will be applied to your account and will be considered to be paid on the date you made the payment.

Overpayment Amount	Date of Payment	Overpayment Amount	Date of Payment	Overpayment Amount	Date of Payment
\$	/ /	\$	/ /	\$	/ /
\$	/ /	\$	/ /	\$	/ /

**B**  I filed my amended return after the extended due date of my original return.

*Complete Line 1b only if you checked box B, above.*

→ **1b** Enter the date you filed this amended return. The date you enter is the date we will consider your credit to have been paid. **1b** \_\_\_\_/\_\_\_\_/\_\_\_\_



- **Attach supporting documents** to your Form IL-1120-X.
- Failure to attach the required documents may result in the disallowance of the corresponding line item.

**If you completed:**



<b>Form IL-1120-X</b>	→	U.S. 1120-X, <b>and</b> U.S. 1139 or federal RAR (if applicable)
<b>Step 1, Line C (unitary) only</b>	→	Schedule UB
<b>Step 1, Line C (foreign insurer) only</b>	→	Schedule INS
<b>Step 1, Line C (unitary) and (foreign insurer)</b>	→	Schedule UB and Schedule UB/INS
<b>Step 1, Line N (federal change)</b>	→	Copy of federal finalization
<b>Lines 5 and 18</b>	→	Form IL-4562
<ul style="list-style-type: none"> <li>● Special Depreciation addition</li> <li>● Special Depreciation subtraction</li> </ul>		
<b>Lines 6 and 19</b>	→	Schedule 80/20
<ul style="list-style-type: none"> <li>● Related-party expenses addition</li> <li>● Related-party expenses subtraction</li> </ul>		
<b>Lines 7 and 20</b>	→	Schedule(s) K-1-P or K-1-T
<ul style="list-style-type: none"> <li>● Distributive share of additions</li> <li>● Distributive share of subtractions</li> </ul>		
<b>Lines 8 and 21</b>	→	Schedule M and any required support listed on Schedule M
<ul style="list-style-type: none"> <li>● Other additions</li> <li>● Other subtractions</li> </ul>		
<b>Lines 11 through 15</b>	→	Schedule 1299-B and any required support listed on Schedule 1299-B
<ul style="list-style-type: none"> <li>● River Edge Redevelopment Zone Dividend subtraction</li> <li>● River Edge Redevelopment Zone Interest subtraction</li> <li>● High Impact Business Dividend subtraction</li> <li>● High Impact Business Interest subtractions</li> <li>● Contributions subtraction</li> </ul>		
<b>Line 17</b> Foreign Dividend Subtraction	→	Illinois Schedule J, <b>and</b> U.S. 1120, Schedule C or equivalent
<b>Lines 24 and 32</b>	→	Schedule NB
<ul style="list-style-type: none"> <li>● Nonbusiness income or loss</li> <li>● Nonbusiness income or loss allocable to Illinois</li> </ul>		
<b>Lines 25 and 33</b>	→	Schedule(s) K-1-P or K-1-T
<ul style="list-style-type: none"> <li>● Business income or loss from non-unitary partnerships, partnerships included on a Schedule UB, S corporations, trusts, or estates</li> <li>● Business income or loss apportionable to Illinois from non-unitary partnerships, partnerships included on a Schedule UB, S corporations, trusts, or estates</li> </ul>		
<b>Line 36</b> Discharge of Indebtedness adjustment	→	Federal Form 982 <b>Note</b> → Check the box on Form IL-1120-X, Step 1, Line P.
<b>Line 38</b> Illinois net loss deduction	→	Schedule NLD or UB/NLD (for unitary filers)
<b>Lines 41 and 46</b> Recapture of investment credit	→	Schedule 4255
<b>Line 43</b> Investment credits	→	Form IL-477 and any required support listed on Form IL-477
<b>Line 48</b> Income tax credits	→	Schedule 1299-D and any required support listed in the Schedule 1299-D instructions. <b>Note</b> → Check the box on Form IL-1120-X, Step 1, Line G.
<b>Lines 50a and 51a</b> Foreign Insurer tax reduction	→	Schedule INS or UB/INS (for unitary filers)
<b>Line 54d</b> Pass-through withholding payments reported to you	→	All Schedules K-1-P and K-1-T you received showing a pass-through withholding payment
<b>Line 54e</b> Gambling withholding	→	All copies of Form W-2G