



IL-1120-X Instructions

What is new?

- Effective for tax years **ending on or after September 11, 2001**, Illinois has “decoupled” from the federal bonus depreciation legislation. Additions and subtractions reversing the effects of federal bonus depreciation are figured on the new Form IL-4562, Special Depreciation. See Form IL-1120, Specific Instructions for Part I, Lines 2c and 5f, and Information Bulletin, FY 2003-02, Illinois Decouples from Federal Law, on our Web site at www.ILtax.com.
- Effective for tax years **beginning on or after January 1, 2003**, you may make an election to treat all of your income other than compensation as business income. This election must have been made on your original return and may not be revoked. However, you may file a “corrected return” to change this election. (See General Information, “What if I need to correct my return before the extended due date expires?”)
- Effective **August 23, 2002**, you will not be allowed a deduction for a net loss carryover unless the loss was reported within three years after the due date, including extensions, for the loss year return. You must complete Form IL-1120-X to report an increase in loss for your loss year return in order to protect your right to carry this increased loss to other years. For more information, see Specific Instructions.

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, Illinois 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, 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, and

your change affects items used to compute your Illinois net income, net loss, or credits.

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

Note: Use Form IL-1120X-PY, Amended Corporation Income and Replacement Tax Return, to amend tax years ending **prior to** December 31, 1986.

What if I need to correct 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 automatic extension due date has expired, you should file Form IL-1120-X, and write “CORRECTED” at

the top. Due to the automatic extension, any additional return filed after the original return and prior to the extended due date will be considered a “corrected return” rather than an amended return.

If you are filing a “corrected return” to change the election on your original return to treat all income other than compensation as business income, clearly indicate the change to your election in Part V of Form IL-1120-X.

If you are filing a “corrected return” to change the election on your original return to forgo the Illinois NLD carryback period, clearly indicate the change to your election in Part V of Form IL-1120-X.

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 within three years after the due date of the return, including extensions, 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, 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.

Note: If you are reporting an Illinois net loss deduction (NLD) carryback, Form IL-1120-X must be filed within three years of the extended due date for the loss year return.

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, 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. 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?

For tax years ending on or after December 31, 1993, you must file combined unitary.

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 Schedule UB.
- non-unitary Form IL-1120, you must file one Form IL-1120-X and a completed Schedule UB that includes all members of the unitary group.

For tax years ending prior to December 31, 1993 -

Separate unitary

If you are amending your original unitary or non-unitary Form IL-1120 to report a state or federal change to your unitary income, you must file a separate Form IL-1120-X for **each** Illinois member of the unitary group. Attach a completed Schedule UB or indicate, in the space provided on Page 1 of this form, the FEIN of the member who is including the Schedule UB with Form IL-1120-X. You **cannot** file a combined unitary Form IL-1120-X.

Combined unitary

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 Schedule UB.
- non-unitary Form IL-1120 to be included in an existing unitary group, you must file Form IL-1120-X as if you were filing a separate unitary return and the unitary group must file one combined Form IL-1120-X and attach a revised Schedule UB that includes you as a member.

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

If you have an Illinois NLD carryback or 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, without regard to any federal NOLD, and apply all addition and subtraction modifications, and all allocation and apportionment provisions.

Effective for loss years **ending on or after December 31, 1999**, the Illinois NLD provisions are decoupled from IRC, Section 172. All Illinois net losses must now be carried back 2 years (unless an election is made to only carry forward such loss), then forward 20 years, which is the same as the general rule under the current version of IRC, Section 172. However, the special rules under IRC, Section 172, and future amendments to that section will no longer apply to Illinois net losses. This change also provides that no limitations under IRC, Section 382, or

the separate return limitation year provisions of the federal consolidated return regulations will apply to an NLD carryover.

Illinois net losses in tax years **ending prior to December 31, 1999**, are allowed as a carryback or carryforward deduction only in the manner allowed under IRC, Section 172. Illinois net losses in tax years **beginning on or before August 5, 1997**, generally must be carried back 3 years, then forward 15 years. Illinois net losses in tax years **beginning after August 5, 1997, and ending prior to December 31, 1999**, generally must be carried back 2 years, then forward 20 years. Effective for tax years ending on or after December 31, 1996, you may make the election to only carry the loss forward and forgo the Illinois NLD carryback period. This election should have been made on your timely filed original Form IL-1120. However, if your previously filed Form IL-1120 was timely filed and showed income on Part IV, Line 1, and you are filing Form IL-1120-X to report

- a finalized federal change that eliminates your Illinois income and creates an Illinois net loss for the year, you may make the election to only carry the loss forward and forgo the carryback period by checking the box below Part IV, Line 1. **This election must be made within 120 days of IRS partial agreement or finalization. Once made, this election is irrevocable.**
- an Illinois audit or other Illinois change that eliminates Illinois income and creates an Illinois net loss for the year, you may make the election to only carry the loss forward and forgo the carryback period by checking the box below Part IV, Line 1. **This election must be made at the time the loss is first reported. Once made, this election is irrevocable.**

If you are carrying an Illinois NLD, you must complete and attach Illinois Schedule NLD, Illinois Net Loss Deduction, and claim the deduction on Part IV, Line 2. See Part IV - specific instruction for Line 2.

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 Schedule UB, Part IV. If Part IV does not report each member's average apportionment factor, you must also attach a separate worksheet providing this information. Refer to current Schedule UB for an example of the required formatting.

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

If you need further information, visit our Web site at www.ILtax.com and view the Illinois Income Tax Regulations, Sections 100.2050 and 100.2300 through 100.2330, or write to Illinois Department of Revenue, Legal Services Office, Senior Counsel - Income Tax, 5-500, 101 West Jefferson Street, Springfield, Illinois 62702, and request these sections of the Illinois Income Tax Regulations.

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 any required schedules or forms (or reasonable facsimiles) to support your claim. If Form IL-1120-X is submitted without the proper attachments it may be partially or totally denied.

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 include a copy of that form, plus any other related forms, schedules, or attachments.
- you filed a federal Form 1120X and your tax due to Illinois increases, 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.
- 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.
- 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 carryback, you must include a completed Illinois Schedule NLD or UB/NLD. See Specific Instructions for Part IV, Line 2.
- 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.

What if I need additional assistance or forms?

If you need additional assistance,

- visit our Web site at www.ILtax.com;
- call our Taxpayer Assistance Division, Monday through Friday, 8 a.m. to 5 p.m. at **1 800 732-8866, 217 782-3336**, or our TDD (telecommunications device for the deaf) at **1 800 544-5304**; or
- write to us at P.O. Box 19044, Springfield, Illinois 62794-9044.

If you need additional forms or schedules,

- visit our Web site at www.ILtax.com;
- call our Illinois Tax Fax at **217 785-3400** or our 24-hour Forms Order Line at **1 800 356-6302**; or
- write to us at P.O. Box 19010, Springfield, Illinois 62794-9010.

Specific Instructions

Check the appropriate box and write the tax year you are amending in the space provided at the top of Form IL-1120-X.

Print or type your name, current address, FEIN, and IBT number. Check the box if your name, address, FEIN, or IBT is different from your original return.

Check the box if you are a foreign insurer. If you are entitled to a tax reduction, you must attach a completed Illinois Schedule INS. If

you check the box and you are filing as a member of a unitary group, you must attach a completed Illinois Schedule UB/INS. Complete Part I, Lines 1 through 12. Write the corrected tax amounts from that schedule on Part I, Lines 13 and 14, and then complete the remainder of Form IL-1120-X.

Check the box if you are filing this form only to report an increased net loss and this Form IL-1120-X is filed within 3 years of the due date, including extensions, of the original return. Complete Part I, Lines 1 through 7, Part III, if applicable, and Part IV, Line 1. Leave the rest of the form blank.

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, **not** the date the federal change was filed. Please attach a dated copy of the federal examining officer's report. If you do not provide this date, you may be assessed penalties and interest incorrectly.

Note: If you checked the box for a state change and you are amending in order to make the election to change the manner in which royalty income is treated for Illinois sales factor purposes, you **must** file Form IL-1118A-RE, Amended Corporation Income and Replacement Tax Return for Royalty Election. This election applies to tax years **ending before December 31, 1999**, only. **Do not** use Form IL-1120-X to make this election.

If applicable, complete the unitary information. Be sure to provide the FEIN of the member filing Schedule UB.

Column A — Write the amounts from your most recently filed return for the year that you are amending. This may be your original Form IL-1120 or as amended.

Column B — Write the amount of change (positive or negative) to the amount in Column A for the specific lines you are amending.

For each amount in Column B, you must provide an explanation in Part V. Your explanation may refer to either the net change in Column B or the corrected amount in Column C.

Column C — Write the correct amount for each line in Column C.

Part I – Base income or loss and modifications

For instructions regarding completion of Part I, refer to the Form IL-1120 instructions and schedules for the year being amended.

Specific instructions for most of the lines are provided on the following pages. Lines that are not discussed in the instructions are self-explanatory.

Note: If you are filing this form only to report an increase in your Illinois net loss, complete only Lines 1 through 7.

Line 1— Refer to your Form IL-1120, Part I, Line 1, specific instructions, for the year being amended.

Note: Do not apply your Schedule NLD amount on this line. NLDs are reported on Part IV, Line 2.

Additions

Lines 2a through 2c — If the specific addition lines do not apply to your entry, write the amount on Line 2c, "Other additions." List each item and the amount on the line provided. Complete Part V if this is a change to your previously filed return.

Subtractions

Lines 5a and 5b — If the specific subtraction lines do not apply to your entry, write the amount on Line 5b, "Other subtractions." List each item and the amount on the line provided. If this is a change to your previously filed return, you must include an explanation in Part V. You must identify all subtractions and attach all of the required supporting documentation. You may **not** subtract anything that is not identified in Illinois Publication 101, Income Exempt from Tax.

Line 5c — Effective for tax years ending on or after **December 31, 2001**, the subtraction line (Form IL-1120, Part I, Line 5g) for a federal NOL carryforward has been removed from Form IL-1120. A federal NOL arising from tax years ending prior to December 31, 1986, could only be carried forward for 15 years. For tax years **ending before December 31, 2001**, see Form IL-1120, Part I, Line 5g, specific instructions for the year being amended. You must attach Schedule NL-5g or Schedule UB/NL-5g.

Line 7 — This is your base income or loss. If your base income or loss is derived solely inside Illinois, write this amount on Part IV, Line 1. Complete Part IV before returning to Part I, Line 8. If your base income or loss is derived inside and outside Illinois, write this amount on Part III, Line 1. Complete Part III and Part IV before returning to Part I, Line 8.

Income tax and credits

Line 9a — Multiply Line 8 by the applicable tax rate. Refer to Form IL-1120 instructions for the year being amended.

Line 11b — Write this year's credit for replacement tax paid. If the amount of your replacement tax is being reduced on this Form IL-1120-X, your credit for replacement tax paid must be reduced accordingly. Refer to Form IL-1120 instructions for the year being amended to correctly figure your credit.

Note: If any portion of your original credit was carried forward to a succeeding tax year, you must also file Form IL-1120-X for that year to reduce the amount of credit carryforward you claimed.

Line 11c — Write the amount of excess credit for replacement tax paid that is being carried forward from a preceding tax year.

Line 13 — Follow the instructions on the form. However, if you are a foreign insurer and you completed Illinois Schedule INS or Illinois Schedule UB/INS, write the amount of reduced income tax from that schedule.

Line 14 — Follow the instructions on the form. However, if you are a foreign insurer and you completed Illinois Schedule INS or Illinois Schedule UB/INS, write the amount of reduced replacement tax from that schedule.

Part II — Income and replacement tax change

Complete Parts III and IV before completing Part II.

Note: If you are filing this form only to report an increase in your Illinois net loss, do not complete this part.

Line 3 — Write the total amount of any subsequent 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 5 — Write 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.

Lines 6 through 8 — 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.

Note: Overpayments from Form IL-1120-X cannot be credited to estimated tax.

Line 9 — Follow the instructions on the form. This is your amount of tax due that must be paid in full if \$1 or more. Make your check or money order payable to "**Illinois Department of Revenue**." We will compute any penalty or interest due and notify you.

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

Lines 10 and 11 — We will bill you for penalties and interest. If you prefer, you may calculate the penalties and interest you owe and write these amounts on the lines provided. See "Penalties and Interest."

Part III — Base income or loss allocable to Illinois

Complete Part III 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, Part III, Specific Instructions, for the year being amended.

Line 2a — If you elected to treat all of your income other than compensation as business income on your original or corrected return, you must follow that election by writing zero on this line and on Part III, Line 9.

For tax years **ending on or after January 1, 1987 and on or before December 30, 1998**, complete Columns 1 through 3, Lines 5a through 5c. Complete Lines 5d, 6, and 7a. **Do not complete or figure** Columns 4 and 5.

For tax years **ending on or after December 31, 1998, and on or before December 30, 2000**, write in Column 4, Lines 5a through 5c, the weighted factors as shown on Form IL-1120, Part III, Column 4, Lines 5a through 5c, for the tax year being amended. Complete Columns 1 through 3, 5, and Line 7b.

For tax years **ending on or after December 31, 2000, single factor - sales** - complete Columns 1 through 3, Line 5c **only**. Write the factor in Column 3, Line 5c, on Line 7c. **Do not complete or figure** Lines 5a or 5b, Columns 1 through 5, or Line 5c, Columns 4 and 5.

Line 9 — If you elected to treat all of your income other than compensation as business income on your original or corrected return, you must follow that election by writing zero on this line.

Part IV — Net income and replacement tax

Line 1 — Follow the instructions on the form. If the amount in Column A reflects income and the corrected amount in Column C reflects a loss, you may carry this loss to other years as an Illinois NLD only if this Form IL-1120-X is filed within three years of the due date, including extensions, of the original return.

Note: If you are filing this form only to report an increase in your Illinois net loss, complete only Line 1.

You may make an election to only carry the loss in Column C forward and to forgo the Illinois NLD carryback period by checking the box below Line 1. If Column A reflects a loss, **this election must have been made when you reported that loss. Once made, this election is irrevocable.** (See General Information, "What if my amended return involves an Illinois net loss deduction (NLD)?")

Note: If you are filing a "corrected return" to change the election on your original return to only carry the loss forward and to forgo the Illinois NLD carryback period, check the box below Line 1.

Line 2 — Write your Illinois NLD carryback or carryforward amount from an Illinois net loss year ending on or after December 31, 1986. This amount is from your loss year Form IL-1120, Part IV, Line 1, reduced by any Illinois net loss applied to another year.

You must attach an Illinois Schedule NLD or Schedule UB/NLD to support the amount of Illinois NLD claimed.

Penalties and Interest

The following penalties must be paid unless you can show that your failure to file and pay was due to reasonable cause and not willful neglect.

Note: Changes resulting from an Illinois NLD carryback will not reduce or eliminate the following penalties.

Late-filing or nonfiling penalty

You owe a late-filing penalty if

- you did not file a processable return by the due date, including any extended due date (i.e., late-filing penalty); or
- you file a return that we cannot process and you do not correct it within 30 days of the date we notify you (i.e., nonfiling penalty).

For returns due **on or after January 1, 2001**, the late-filing penalty is figured at the rate of 2 percent of the amount of tax required to be shown due on your return, after subtracting any payments made or credits allowed by the due date of the return. The penalty cannot exceed \$250.

For returns due **on or after January 1, 1996, and on or before December 31, 2000**, the late-filing penalty is figured at the rate of 2 percent of the amount of tax required to be

shown due on your return, determined without regard to any payments made or credits allowed. The penalty cannot exceed \$250.

This penalty is recomputed if your tax liability increases or decrease, except when the decrease is caused by an NLD carryback.

An additional penalty for nonfiling is equal to the greater of \$250 or 2 percent of the amount of tax shown on your return, determined without regard to any payments made or credits allowed, and cannot exceed \$5,000. This penalty will be assessed even if there is no tax liability due. This penalty is not recomputed based on the amended figures.

For returns due **on or after January 1, 1994, and on or before December 31, 1995**, this penalty is 5 percent of the tax required to be shown due on your return, less credits. Prior overpayments and other payments cannot be applied to reduce the amount subject to the penalty. You will be penalized even if your return is fully paid or shows an overpayment. This penalty is recomputed if your tax liability decreases or increases.

For returns due **prior to January 1, 1994**, you owe this penalty if you failed to file an original return by the prescribed due date, including any extended due date. This penalty is 7.5 percent per month or fraction of a month on any unpaid tax remaining after the due date. This penalty may be assessed up to a maximum of 37.5 percent. This penalty is recomputed if your tax liability decreases or increases, or if your original return was filed late and no penalty was assessed because you had an overpayment and you are now reporting an increase in tax.

Late-payment penalty

Late-payment penalty for underpayment of estimated tax — You owe a late-payment penalty if you were required to make estimated tax payments and failed to do so, or failed to pay the required amount by the payment due date.

For returns due **on or after January 1, 2001**, this penalty is figured at increasing rates based on the number of days the payment is late. The penalty rates are

- 2 percent of any amount that is paid no later than 30 days after the due date;
- 5 percent of any amount that is paid later than 30 days but no later than 90 days after the due date;
- 10 percent of any amount that is paid later than 90 days but no later than 180 days after the due date; and
- 15 percent of any amount that is paid later than 180 days after the due date.

Note: You may use Form IL-2220 to calculate this penalty.

For returns due **on or after January 1, 1994, and on or before December 31, 2000**, this penalty is a fixed percentage of the amount of required estimated tax due for each quarter, minus any timely payments and credits.

The penalty percentage rates are:

- Returns due **on or after January 1, 1998, and on or before December 31, 2000**: the penalty rate is 20 percent.

- Returns due **on or after January 1, 1994, and on or before December 31, 1997**: the penalty rate is 15 percent.

For returns due **prior to January 1, 1994**, you owe a penalty for underpayment of estimated tax if you failed to pay the required amount of estimated payments on time. This penalty is 24 percent per year of the unpaid amount for the period of the underpayment.

If you file Form IL-1120-X within the extended due date period, the penalty will be recalculated using the tax amount on your latest filed return. If you file Form IL-1120-X after the automatic extension period, your original penalty will not change.

Late-payment penalty for unpaid tax —

You owe a late-payment penalty if you failed to pay the tax you owed by the **original** due date of your return. An extension of time to file does not extend the amount of time you have to make your payment.

For returns due **on or after January 1, 2001**, this penalty is based on the amount required to be shown due on your return, minus any timely payments, timely credits, and the tax used in figuring any underpayment of estimated tax penalty. However, the penalty is figured at increased rates based on the number of days the payment is late. The penalty rates are

- 2 percent of any amount that is paid no later than 30 days after the due date;
- 5 percent of any amount that is paid later than 30 days but no later than 90 days after the due date;
- 10 percent of any amount that is paid later than 90 days but no later than 180 days after the due date; and
- 15 percent of any amount that is paid later than 180 days after the due date.

For returns due **on or after January 1, 1994, and on or before December 31, 2000**, this penalty is a fixed percentage of the amount required to be shown due on your return, minus any timely payments, timely credits, and the tax used in figuring any underpayment of estimated tax penalty.

The penalty percentage rates are:

- Returns due **on or after January 1, 1998, and on or before December 31, 2000**: the penalty rate is 20 percent.
- Returns due **on or after January 1, 1994, and on or before December 31, 1997**: the penalty rate is 15 percent.

Note: If you are reporting a federal change, this penalty is not assessed if you file Form IL-1120-X and pay the tax you owe within 120 days of the federal finalization date.

For returns due **prior to January 1, 1994**, this penalty is 6 percent per year on the amount of unpaid tax remaining after the original due date and will accrue until the tax is paid. This penalty does not apply to tax years ending before January 1, 1986.

Bad check penalty

In addition to any other penalty, a **bad check penalty** of \$25 will be assessed if your remittance is not honored by your financial institution.

Interest

For returns due **on or after January 1, 2001**, interest is calculated on the tax from

the day after the original due date of your return through the date you pay the tax.

For returns due **on or after January 1, 1994, and on or before December 31, 2000**, interest is calculated on **tax and penalties** from the day after the original due date of your return through the date you pay the tax and penalties.

Interest is simple interest figured using a daily rate. We review the rate twice each year - on January 1 and July 1 - and adjust the rate as necessary in accordance with the underpayment rate established in Section 6621 of the IRC.

If your original return resulted in an overpayment and you are now increasing your tax interest will be assessed on

- the refund amount - from the date the refund was issued, or
- the amount credited to a subsequent year - from the first quarter estimated payment due date of that year.

We will bill you for interest due. However, if you want to calculate your interest, contact us for the interest rates that were in effect at that time.

For returns due **on or after July 1, 1986, and on or before December 31, 1993**, the interest rate is 9 percent per year. For returns due prior to July 1, 1986, contact us and we will provide you with the rates that were in effect at that time. Interest is calculated on tax from the day after the original due date of the return through the date you pay the tax. Interest is calculated on penalty from the date of notification of the penalty until you pay the penalty.

We pay interest on overpayments and charge interest on underpayments at the same rate.

It is to your advantage to pay the tax you owe as soon as possible, rather than waiting for a notice and demand for payment, since interest begins to accrue from the day after the due date of the original return.

Note: For more information, see Publication 103, Uniform Penalties and Interest. To receive a copy of this publication, see "What if I need additional assistance or forms?" for our phone numbers and addresses.

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 handwritten signature, date the return, and provide his or her tax identification number. If the 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 check the "self-employed" box and provide their own name, address, and taxpayer identification number in the appropriate spaces.

Be sure to attach all required copies of forms, schedules, and any powers of attorney.