Illinois Department of Revenue

IL-990-T-X Instructions

Use for tax years ending on or after December 31, 2013.

2013

What's new for 2013?

- Your mailing address is now required information on Step 1.
- Step 4, Figure your income allocable to Illinois, has been modified. You must indicate whether your base income or loss is derived inside Illinois only, if it is derived both inside and outside Illinois, or entirely outside Illinois. See Specific Instructions for more information.
- If you wish to allow us to speak with your preparer about your return, check the box in Step 8, and see Specific Instructions for more information.
- **For tax years ending on or after December 31, 2012, and on or before December 31, 2016,** the **Veterans Jobs Credit** has been modified to allow a credit for either "qualified veterans" or "qualified unemployed veterans." See Schedule 1299-D instructions for more information.
- Public Act 98-0109 repealed the **Jobs Tax Credit**. This credit has been removed from the **2013 Schedule 1299-D**, Income Tax Credits (for corporations and fiduciaries).
- **For tax years ending on or after December 31, 2012,** a **Hospital Credit** is available. See Schedule 1299-D instructions for more information.
- The **Ex-felons Jobs Credit** has been modified. The maximum amount of credit that may be claimed for all tax years for wages paid to a particular ex-offender has been raised to $1,500. The definition of a "qualified ex-offender" has also changed. See the Specific Instructions on **Schedule 1299-D** for more information.
- Public Act 98-0122 enacted the Compassionate Use of Medical Cannabis Pilot Program Act surcharge for taxpayers with **tax years ending on or after January 1, 2014**. See Specific Instructions in the Form IL-990-T Instructions for more information.
- **For tax years ending on or after December 31, 2013,** Illinois lottery winnings and proceeds from sales or other transfers of rights to lottery winnings are sourced to Illinois.

General Information

Who must file Form IL-990-T-X?

You should file Form IL-990-T-X if you are amending a previously filed, processable Form IL-990-T, Exempt Organization Income and Replacement Tax Return, for a tax year ending **on or after December 31, 2007.** 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 amended return must be filed for each tax year you need to amend.

Note Use Form IL-843, Amended Return or Notice of Change in Income, and the corresponding year's Form IL-990-T, to amend tax years ending **prior to December 31, 2007.**

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

If you filed your original Form IL-990-T 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-990-T-X. Due to 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.

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-990-T-X is being filed to report a state or federal change.

State change - If your change decreases the tax due to Illinois and you are entitled to a refund, you must file Form IL-990-T-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-990-T-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-990-T-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-990-T-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-990-T-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.

Who should sign the return?

If you are a corporation, your Form IL-990-T-X must be signed by the president, vice president, treasurer, or any other officer duly authorized to sign the return. In the case of a bankruptcy, a receiver, trustee, or assignee must sign any return required to be filed on behalf of the corporation. If you are a trust, Form IL-990-T-X must be signed by a fiduciary of the trust. If there are two or more joint fiduciaries, the signature of one will comply with the requirements of the IITA. The signature verifies by written declaration (and under penalties of perjury) that the signing individual has personally examined the return and the return is true, correct, and complete. The fact that an individual's name is signed to a return is *prima facie* evidence that the individual is authorized to sign the return on behalf of the taxpayer.

Any person paid to prepare the return (other than an authorized officer, fiduciary, or a person who is a regular employee of the taxpayer, such as a clerk, secretary, or bookkeeper) must provide a signature, date the return, and write the preparer's taxpayer identification number. If the preparer is an employee or partner of a firm or corporation, the preparer must also provide the firm's name, address, and instead of the preparer's taxpayer identification number, the preparer must provide the firm's FEIN. Self-employed preparers must provide their own name, address, and 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 refund.** Additionally, failure to submit appropriate documentation when requested may result in a referral to our Audit Bureau for compliance action.

Exempt organizations must complete Form IL-990-T-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.**

What must I attach to my Form IL-990-T-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 required schedules or forms to support your claim. If Form IL-990-T-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-990-T-X because

- you filed an amended federal return and your tax due to Illinois decreases, you must attach proof of the federal finalization date, include a copy of that form, plus any other related forms, schedules, or attachments, including a signed and dated copy of any federal report of income tax examination changes, if applicable.
- you filed an amended federal return 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, 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, if applicable.
- you copied information incorrectly from your federal Form 990-T onto your Form IL-990-T, you must include a copy of your federal Form 990-T.
- 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 changes, other than those described above, see Form IL-990-T 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 website at **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**; or
- write to us at **PO BOX 19010, Springfield, Illinois 62794-9010.**

Specific Instructions

For instructions regarding completion of Steps 1, and 3 through 6, refer to the Form IL-990-T Instructions and schedules for the year being amended.

Specific instructions for most of the lines are included. Lines that are not discussed in the instructions are self-explanatory.

Write the tax year you are amending in the space provided at the top of Form IL-990-T-X.

Step 1: Identify your exempt organization

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.

D — 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. Please attach a dated copy of any federal examining officer's report. If you do not provide this date, you may be assessed penalties and interest.

E — Check the box if you are taxed as a corporation.

F — Check the box if you are taxed as a trust.

G — If you are entitled to take income tax credits on Step 6, Line 22, you must check the box on Line G, and attach Illinois Schedule 1299-D to your tax return, even if you are unable to use any of the credits in this tax year.

Step 2: Explain the changes on this return

The purpose of Step 2 is to allow you to explain the 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,
- credit or credit recapture amounts, 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.

General Information for Steps 3 through 6

Column A — Write 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-990-T or a previously amended or audited return.

Column B — Write 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.

Step 3: Figure your base income or loss

Lines 1 and 2 — List each item and the amount on the line provided. Refer to your Form IL-990-T, Step 2, Specific Instructions, for the year being amended.

Line 3 — This is your base income or loss.

Column A — Write 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 or you are an Illinois resident trust; and
- you do not have any income or loss to report on Lines 4 or 10.

If you check the box on Line A, do not complete Step 4, Column B. All of your amended base income or loss is allocable to Illinois. Skip Step 4, Column B, write the amount from Step 3, Column B, Line 3 on Step 5, Column B, Line 12, 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 4 or 10.

If you check the box on Line B, you must complete all lines of Step 4, Column B. Submitting Form IL-990-T-X with an incomplete Step 4, Column B, including Lines 6, 7, and 8 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 4 for more information.

Step 4: Figure your income allocable to Illinois

Complete Step 4 only if you originally completed this step, or you need to make a change that affects your base income or loss allocable to Illinois. Refer to Form IL-990-T, Step 3, Specific Instructions, for the year being amended.

You **must** check the box on Line B and complete Step 4 if any portion of Column B, Line 3, base income or loss, is derived outside Illinois, or you have any income or loss to report on Column B, Lines 4 or 10.

If you do not complete **all** of Step 4, Column B, Lines 4 through 11, 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.

Step 5: Figure your net replacement tax

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

Line 14 — 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 16 — See Form IL-477, Replacement Tax Investment Credits, for more information. You must attach Form IL-477 if you have an amount on this line.

Step 6: Figure your net income tax

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

Line 20 — 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 22 — See Illinois Schedule 1299-D for more information regarding income tax credits. If you have an amount on this line, attach Illinois Schedule 1299-D and check the box in Step 1, Line G.

Step 7: Figure your refund or balance due

Line 26 — Compassionate Use of Medical Cannabis Pilot Program Act Surcharge. **Fiscal filers only. For taxpayers with tax years ending on or after January 1, 2014.** Use the instructions and the worksheet in the Form IL-990-T instruction booklet to figure your surcharge.

Line 31 — Write the total amount of any subsequent tax payments you made with a previously filed Form IL-990-T-X, or for any other reason (*e.g.*, responding to a bill). Do not include any penalty and interest you previously paid.

Line 33 — Write the total amount of any overpayment, credit, or refund (whether received or not) reported on your previously filed Form IL-990-T or Form IL-990-T-X. Do not include any interest that you received.

Line 35 — 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-990-T-X cannot be credited to next year's return, unless this return is filed before the extended due date of the original return.

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

Also, we are not required to credit your overpayment against any other liability at your request. If you have not made previous arrangements with us to credit your overpayment against another liability, and we refund your overpayment or credit it against a different liability, you may incur additional penalties and interest on your liability.

Line 36 — Follow the instructions on the form. This is your amount of tax due that must be paid in full if $1 or more. If you do not wish to calculate penalty and interest, write the amount you are paying on the top of Page 1, complete a payment voucher, Form IL-990-T-X-V, make your check or money order payable to **"Illinois Department of Revenue," and attach them to the front of this form.** 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 37 through 39 — We will bill you for penalties and interest. If you prefer, you may calculate the penalties you owe on Form IL-2220, Computation of Penalties for Businesses, and write 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 39.**

Note Lines 37 and 38 are applicable only if you wish to self-assess late-filing and late-payment penalties on Form IL-2220. If you do not wish to complete Form IL-2220, we will compute any penalty or interest due and notify you.

If you have a balance due on Lines 36 or 39, be sure to **write the amount you are paying on the top of Page 1 of the Form IL-990-T-X. Complete a payment voucher, Form IL-990-T-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 8 — Signature, date, and 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 preparer listed in this step to discuss this return with us, check the box. This authorization will allow your 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.