

**Illinois Department of Revenue
Regulations**

Title 86 Part 100 Section 100.2050	Net Income (IITA Section 202)
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TITLE 86: REVENUE

**PART 100
INCOME TAX**

SUBPART A: TAX IMPOSED

Section 100.2050 Net Income (IITA Section 202)

- a) *A taxpayer's net income under the IITA is that portion of the taxpayer's base income (determined under IITA Section 203) for the taxable year that is allocable or apportionable to Illinois under the provisions of Article 3 of the IITA, less the Illinois net loss deduction allowed by IITA Section 207 and the exemptions allowed by IITA Section 204 and Section 100.2055. (IITA Section 202) In computing net income, any Illinois net operating loss deduction shall be subtracted before the subtraction for the exemptions.*

- b) For tax years ending on or after December 31, 1986, net income for income tax (IITA Section 201(a) and (b)) and for replacement tax (IITA Section 201(c) and (d)) are identical amounts. For prior tax years, the net income amount for replacement tax was usually a greater amount than net income for income tax. For purposes of the net loss deduction that may be subtracted from net income in those prior years, the amount deductible for income tax purposes shall govern, and the amount that may be deducted for replacement tax purposes in a given tax year shall be the same amount as may be deducted for income tax purposes.

(Source: Amended at 41 Ill. Reg. 14217, effective November 7, 2017)

