



■ Common Filing Errors of Unitary Income Tax Corporate Filers

TO: Unitary Filers and Tax Practitioners

Filing errors are often responsible for delayed refunds and assessments for additional penalties and interest. We have identified some of the most common errors.

See our Informational Bulletin FY 91-48, Clarification for Unitary Income Tax Corporate Filers, for additional details.

How can I avoid these errors?

- Each Illinois filing member of a unitary group listed in Part I of Schedule UB must also be listed in Parts II, III, and IV; otherwise, you must attach an explanation. The non-Illinois members listed in Part I, Section B, of Schedule UB may combine all income and deductions in one column in Parts II, III, and IV.
- In each part of Schedule UB, each member must be listed in **the same order**.

- On Schedule UB, if Part II, Line 30, Column E, does not match Part III, Line 1, Column E, you must explain. In Part II, Column D, you must specifically include any adjustments or eliminations between members.
- A unitary business group cannot include any person whose business activity outside the United States is 80 percent or more of its total business activity.
- To receive proper credit for subtractions you take on Form IL-1120, Part I, Line 5g, you must complete **all** parts of Schedule UB/NL-5g that apply.
- The taxpayer must **complete** Form IL-1120, rather than leaving lines blank and referencing other documentation with a note to "see attached." In the returns of unitary filers, the information in Parts I and III of Form IL-1120 is derived from Parts III and IV of Schedule UB.
- We must pre-approve computer-generated versions of Schedule UB and all other returns; they must contain the same information as our forms, and the information must be arranged in the same order. For approval, call our Office of Automation at 217 782-5553.
- Only required documentation should be included (see the instructions for each form); federal Forms 851 and 1120 are not required for unitary filers.

Questions?

If you have questions or need more information, please call or write us. Our telephone numbers and address are printed at the bottom of this bulletin.

