



Read this information first

You should file this schedule if

- you paid income tax to another taxing jurisdiction on income you earned while you were a resident of Illinois; and
- you did **not** deduct any income tax paid from federal taxable income on U.S. Form 1041, Line 11, **or** you did deduct it from federal taxable income but you added it back on Form IL-1041, Part I, Line 2d; and
- you are not receiving credit in the other state for Illinois taxes paid on the double-taxed income; and

- the base income subject to tax in another taxing jurisdiction is included in the amount shown as Illinois base income (Form IL-1041, Part I, Line 5).

You should **not** file this schedule if

- you did **not** pay income tax to Illinois and another taxing jurisdiction on the same income; or
- you took a deduction on U.S. Form 1041, Line 11, but did not add back this amount on Form IL-1041, Part I, Line 2d; or
- you are trying to take a credit for the Michigan Single Business Tax.

For purposes of this schedule, "state" means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or political subdivision of any of these (e.g., county, city). The term "state" does not refer to any foreign country.

Step 1: Provide the following information

Name as shown on your Form IL-1041

Federal employer identification number

Step 2: Calculate your credit

1 See instructions before completing Columns A, B, and C.

	Column A Name of state (do not include Illinois)	Column B Illinois base income taxed by other state	Column C Income tax paid to other state
a	_____	_____	_____
b	_____	_____	_____
c	_____	_____	_____
d	_____	_____	_____
e	_____	_____	_____
2	Add Column B. This is your double-taxed base income.	2 _____	_____
3	Add Column C. This is the total income tax paid to other states on Illinois base income.	_____	3 _____
4	Write the amount from Form IL-1041, Part I, Line 5.	_____	4 _____
5	Write the amount of Illinois income tax due from Form IL-1041, Part IV, Line 2a.	_____	5 _____
6	Divide Line 2 by Line 4. (Carry to five decimal places.) This figure should never be greater than 1.00000.	_____	6 _____
7	Multiply Line 5 by Line 6.	_____	7 _____
8	Write the lesser of Line 3, Line 5, or Line 7. This is your tax credit. Write this amount on Form IL-1041, Part IV, Line 4a.	_____	8 _____

Attach this schedule, copies of your out-of-state tax returns, and a copy of your U.S. Form 1041, Page 1, with a detailed breakdown of the amount on U.S. Form 1041, Line 11, to your Form IL-1041.

This form is authorized as outlined by the Illinois Income Tax Act. Disclosure of this information is REQUIRED. Failure to provide information could result in a penalty. This form has been approved by the Forms Management Center. IL-492-0088



Schedule CR Instructions

General Information

What is the purpose of Schedule CR?

Schedule CR allows you, as an Illinois resident, to take a credit against your Illinois income tax for the income tax you paid to another state. **You can take credit only when the same income is "double taxed" by Illinois and the other taxing jurisdiction during the same taxable period. This credit cannot be taken against replacement tax.**

Should I attach copies of other forms?

Yes. You must attach to your Schedule CR a complete copy of the tax return you filed for tax you paid to another state and a copy of your U.S. Form 1041, Page 1, with a detailed breakdown of the amount on U.S. Form 1041, Line 11.

If you are a member of a partnership that pays taxes for you in another taxing jurisdiction, attach the statement furnished to you by them. The statement must include the name of the partnership, indicate the taxing jurisdiction to which the tax was paid, and the income and the tax paid on that income on your behalf.

What if I need additional assistance?

If you need additional assistance, visit our Web site at www.revenue.state.il.us; call our Taxpayer Assistance Division at **1 800 732-8866, 217 782-3336**; or call our TDD (telecommunications device for the deaf) at **1 800 544-5304**. Our office hours are 8 a.m. to 5 p.m. If you prefer, you may write to us at P.O. Box 19044, Springfield, Illinois 62794-9044.

Specific Instructions

Step 1: Provide the following information

Write your name and federal employer identification number as shown on Form IL-1041.

Step 2: Calculate your credit

Line 1 -

Column A - Write the name of each state in which you were taxed by both Illinois and that state. The state should only be listed if the income tax paid in the other state was for the same income included on Form IL-1041, Part I, Line 5, and credit has not been taken in that state (for taxes paid in Illinois).

Column B - Write the amount of base income that is being taxed by both Illinois and the state listed in Column A. For Illinois purposes, "base income in the other state" means your federal taxable income plus or minus any additions or subtractions that would make the income taxed in that state comparable to Illinois base income. The amount written in Column B may not exceed the Illinois base income written on Form IL-1041, Part I, Line 5, because any income in excess of the Illinois base income is not double taxed.

Column C - Write the tax that you paid the other state on income shown in Column B.

Line 2 - Write the amount of double-taxed base income on Line 2. If the same income is taxed by more than one state outside Illinois, include that income **only once** in Line 2. Line 2 may not exceed the Illinois base income reported on Form IL-1041, Part I, Line 5.

Lines 3 through 8 - Follow the instructions on Schedule CR.

EXAMPLE:

John Q. Public Trust was a resident of Illinois during the year. The base income of the trust, as shown on Form IL-1041, Part I, Line 5, was \$30,000.

Of that amount, \$5,000 was earned in State A, which imposed an income tax of \$150, and \$10,000 was earned in State B. The Public Trust paid \$500 in income taxes to State B.

This example shows Public Trust's properly completed Schedule CR.

The fiduciary attached copies of the returns of State A and State B to the Schedule CR.

	Column A Name of state (do not include Illinois)	Column B Illinois base income taxed by other state	Column C Income tax paid to other state
a	State A	5,000 00	150 00
b	State B	10,000 00	500 00
c			
d			
e			
2	Add Column B. This is your double-taxed base income.	2 15,000 00	
3	Add Column C. This is the total income tax paid to other states on Illinois base income.		3 650 00
4	Write the amount from Form IL-1041, Part I, Line 5.		4 30,000 00
5	Write the amount of Illinois income tax due from Form IL-1041, Part IV, Line 2a.		5 798 00
6	Divide Line 2 by Line 4. (Carry to five decimal places.) This figure should never be greater than 1.00000.		6 .50000
7	Multiply Line 5 by Line 6.		7 399 00
8	Write the lesser of Line 3, Line 5, or Line 7. This is your tax credit. Write this amount on Form IL-1041, Part IV, Line 4a.		8 399 00