Illinois Department of Revenue

Schedule 1299-C

Income Tax Subtractions and Credits (for individuals)

Attach to your Form IL-1040, Individual Income Tax Return.

2005
or fiscal year
ending ___ ___ / _0_ _6_

Attachment Sequence No. 1

Write your name as shown on Form IL-1040 _____

Write your Social Security number ___ ___ ___ _ ___ ___ _ ___ ___ ___ ___

Read this information before completing this form:

■ General Information

To correctly complete your 2005 Schedule 1299-C, you must refer to your 2004 Schedule 1299-C, Step 6 to determine the amount of available credit carryforward that you may use on this 2005 Schedule 1299-C.

■ What's new for this year?

The **Film Production Services Tax Credit** is now available to be carried forward for five taxable years. Contact the Illinois Department of Commerce and Economic Opportunity (DCEO) for more information.

Step 1: Figure your subtractions

■ Enterprise Zone Dividend Subtraction

	A Corporation's name	B Name of zone	C Dividend amount
1 a	_____	_____	a _____
b	_____	_____	b _____
c	_____	_____	c _____

2 Write any distributive share of enterprise zone subtractions from partnerships and S corporations.   **2** _____

3 Add Column C, Lines 1a through 1c and Line 2, and write the total here.   ◆ **3** _____

■ High Impact Business Dividend Subtraction (within a Foreign Trade Zone or sub-zone)

4 a	_____	_____	a _____
b	_____	_____	b _____
c	_____	_____	c _____

5 Write any distributive share of high impact business dividend subtractions from partnerships and S corporations.   **5** _____

6 Add Column C, Lines 4a through 4c and Line 5, and write the total here.   ◆ **6** _____

7 Add Lines 3 and 6. Write your total **dividend subtraction** here and on your Schedule M, Line 20.   →   **7** _____

Step 2: Figure your credits (which may be carried forward for two years)

■ TECH-PREP Youth Vocational Programs Credit

8 Write direct payroll expenses and amount for personal services. _____ **x .20 =** ◆ **8** _____

■ Dependent Care Assistance Program Credit

9 Write the expenses for on-site dependent care. _____ **x .05 =** ◆ **9** _____

10 Add Lines 8 and 9. Write this amount here and in Step 4, Line 55.   →   **10** _____

Step 3: Figure your credits (which may be carried forward for five years)

■ Film Production Services Tax Credit

11 Write your Film Production Services Tax Credit, including any amount passed through from partnerships and S corporations.   ◆**11** _____

■ Jobs Tax Credit

	A Name of zone	B No. of employees this year	C No. of employees at end of base year	D Col. B — Col. C	E Eligible employees included in Col. D	F Column E **X $500**
12	_____	_____	_____	_____	_____ ◆**12**	_____

Step 3 Continued

■ High Impact Business Investment Credit

	A Description of qualified property	B Placed in service in Illinois	C ACRS class	D New/Used (See instructions)	E Name of zone	F Basis	G Column F x .5% (.005)
13 a	_____	__ __ /__ __	_____	_____		_____	a _____
b	_____	__ __ /__ __	_____	_____		_____	b _____
c	_____	__ __ /__ __	_____	_____		_____	c _____

14 Add Column G, Lines 13a through 13c. Write your **High Impact Business Investment** credit here. ◆**14** _____

■ Enterprise Zone Investment Credit

	A Description of qualified property	B Placed in service in Illinois	C ACRS class	D New/Used (See instructions)	E Name of zone	F Basis	G Column F x .5% (.005)
15 a	_____	__ __ /__ __	_____	_____	_____	_____	a _____
b	_____	__ __ /__ __	_____	_____	_____	_____	b _____
c	_____	__ __ /__ __	_____	_____	_____	_____	c _____

16 Write any distributive share of enterprise zone investment credit from partnerships and S corporations.　**16** _____

17 Add Column G, Lines 15a through 15c, and Line 16. Write your **Enterprise Zone Investment Credit** here. ◆**17** _____

■ Economic Development for a Growing Economy (EDGE) Tax Credit

18 Write the amount of EDGE Tax Credit awarded to you for this tax year under your agreement with DCEO.　**18** _____

19 Write any distributive share of EDGE Tax Credit from partnerships and S corporations.　**19** _____

20 Add Lines 18 and 19. Write your **EDGE Tax Credit** here. ◆**20** _____

■ Tax Credit for Affordable Housing Donations

21 Write the total amount of your donation to eligible sponsors. _____ **x .50 =** **21** _____

22 Write any distributive share of Tax Credit for Affordable Housing Donations from partnerships and S corporations.　**22** _____

23 Add Lines 21 and 22. Write your **Tax Credit for Affordable Housing Donations** here. ◆**23** _____

■ Environmental Remediation Tax Credit

24 Write the amount of credit remaining from prior years (see instructions).　**24** _____

25 Write any distributive share of Environmental Remediation Tax Credit from partnerships and S corporations.　**25** _____

26 Add Lines 24 and 25.　**26** _____

27 Write the lesser of Line 26 or $40,000. This is your **Environmental Remediation Tax Credit**. ◆**27** _____

■ Research and Development Credit (Qualifying expenses must be from research activities conducted in Illinois.)

Write the following:	A Base period avg. expenses	B This year's expenses
28 Illinois wages for qualified services (see instructions)	**28** _____	_____
29 Illinois cost of supplies	**29** _____	_____
30 Illinois rental or lease costs of computers	**30** _____	_____
31 65% (.65) of Illinois contract expenses	**31** _____	_____

Figure your credit:

	A	B
32 Add Lines 28 through 31 of each column. Total Illinois qualifying expenses.	**32** _____	_____
33 Subtract Column A, Line 32, from Column B, Line 32. If negative, write zero.		**33** _____
34 Multiply Line 33 by 6.5% (.065).		**34** _____
35 Write any distributive share of research and development credit from partnerships and S corporations.		**35** _____
36 Add Lines 34 and 35. Write **your Research and Development Credit** here.		◆**36** _____

37 Add Lines 11, 12, 14, 17, 20, 23, 27, and 36 Write this amount here and in Step 4, Line 57. ⟶ **37** _____

Step 4: Figure your credit (See instructions before completing this step.)

■ Figure your credit

38 Write your total tax from Form IL-1040, Line 15. — **38** _____

39 Add the credit amounts from Form IL-1040, Lines 19, 20b, 21b, (and 22b **only** if you checked the "no" box on Line 5 of the EIC Worksheet in the IL-1040 Instructions for Line 22) and write the total here. (see instructions) **39** _____

40 Subtract Line 39 from Line 38. — **40** _____

41 Write the amount from your 2004 Schedule 1299-C, Line 66. — **41** _____

42 Subtract Line 41 from Line 40. This amount may be negative. — **42** _____

43 Write the amount from your 2004 Schedule 1299-C, Line 67. — **43** _____

44 If Line 42 is negative, write the amount from Line 43 as a negative number. Otherwise, subtract Line 43 from Line 42. **44** _____

45 Write the amount from your 2004 Schedule 1299-C, Line 68. — **45** _____

46 If Line 44 is negative, write the amount from Line 45 as a negative number. Otherwise, subtract Line 45 from Line 44. **46** _____

47 Write the amount from your 2004 Schedule 1299-C, Line 69. — **47** _____

48 If Line 46 is negative, write the amount from Line 47 as a negative number. Otherwise, subtract Line 47 from Line 46. **48** _____

49 Write the amount from your 2004 Schedule 1299-C, Line 70. — **49** _____

50 If Line 48 is negative, write the amount from Line 49 as a negative number. Otherwise, subtract Line 49 from Line 48. **50** _____

51 Write the amount from your 2004 Schedule 1299-C, Line 71. — **51** _____

52 If Line 50 is negative, write the amount from Line 51 as a negative number. Otherwise, subtract Line 51 from Line 50. **52** _____

53 Write the amount from your 2004 Schedule 1299-C, Line 72. — **53** _____

54 If Line 52 is negative, write the amount from Line 53 as a negative number. Otherwise, subtract Line 53 from Line 52. **54** _____

55 Write the amount from Step 2, Line 10, from this Schedule 1299-C. — **55** _____

56 If Line 54 is negative, write the amount from Line 55 as a negative number. Otherwise, subtract Line 55 from Line 54. **56** _____

57 Write the amount from Step 3, Line 37, from this Schedule 1299-C. — **57** _____

58 If Line 56 is negative, write the amount from Line 57 as a negative number. Otherwise subtract Line 57 from Line 56. **58** _____

59 **Figure the amount of credit to use this year.**

▤Note➜ If the lesser number is negative, write zero.

  a Write the lesser of Line 40 or 41.   a _____

  b Write the lesser of Line 42 or 43.   b _____

  c Write the lesser of Line 44 or 45.   c _____

  d Write the lesser of Line 46 or 47.   d _____

  e Write the lesser of Line 48 or 49.   e _____

  f Write the lesser of Line 50 or 51.   f _____

  g Write the lesser of Line 52 or 53.   g _____

  h Write the lesser of Line 54 or 55.   h _____

  i Write the lesser of Line 56 or 57.   i _____

  Add Lines a through i. Write the result here and on Form IL-1040, Step 7, Line 23. ➔ **59** _____

Step 5: Figure your credit available to be carried forward

To figure each credit amount, [STOP] at the first applicable line for each credit.

60 *Two-year credit carryforward* that is available for **one** more tax year
- If Line 46 is positive or zero, write zero here. You do not have any credit from this year to carry.
- If Line 44 is negative, write the amount from Line 45 here.
- If Line 46 is negative, write the amount as a positive number here.   **60** _____

61 *Five-year credit carryforward* that is available for **one** more tax year
- If Line 48 is positive or zero, write zero here. You do not have any credit from this year to carry.
- If Line 46 is negative, write the amount from Line 47 here.
- If Line 48 is negative, write the amount as a positive number here.   **61** _____

62 *Two-year credit carryforward* that is available for the next **two** tax years
- If Line 56 is positive or zero, write zero here. You do not have any credit from this year to carry.
- If Line 54 is negative, write the amount from Line 55 here.
- If Line 56 is negative, write the amount as a positive number here.   **62** _____

63 *Five-year credit carryforward* that is available for the next **two** tax years
- If Line 50 is positive or zero, write zero here. You do not have any credit from this year to carry.
- If Line 48 is negative, write the amount from Line 49 here.
- If Line 50 is negative, write the amount as a positive number here.   **63** _____

64 *Five-year credit carryforward* that is available for the next **three** tax years
- If Line 52 is positive or zero, write zero here. You do not have any credit from this year to carry.
- If Line 50 is negative, write the amount from Line 51 here.
- If Line 52 is negative, write the amount as a positive number here.   **64** _____

65 *Five-year credit carryforward* that is available for the next **four** tax years
- If Line 54 is positive or zero, write zero here. You do not have any credit from this year to carry.
- If Line 52 is negative, write the amount from Line 53 here.
- If Line 54 is negative, write the amount as a positive number here.   **65** _____

66 *Five-year credit carryforward* that is available for the next **five** tax years
- If Line 58 is positive or zero, write zero here. You do not have any credit from this year to carry.
- If Line 56 is negative, write the amount from Line 57 here.
- If Line 58 is negative, write the amount as a positive number here.   **66** _____