



**Illinois Department of Revenue**  
**2006 Form IL-1065**  
**Partnership Replacement Tax Return**

Due on or before the 15th day of the 4th month following the close of the tax year.

If this return is not for calendar year 2006, write your fiscal tax year here.

Tax year beginning \_\_\_\_/\_\_\_\_, 2006, ending \_\_\_\_/\_\_\_\_/20\_\_

Write the amount you are paying  
 \$ \_\_\_\_\_

**Step 1: Identify your partnership**

**A** Write your business name and mailing address.  
 If you have an address change, check this box.

\_\_\_\_\_  
 Name

\_\_\_\_\_  
 C/O

\_\_\_\_\_  
 Mailing address

\_\_\_\_\_  
 City State ZIP

**B** Check the box if one of the following apply.  
 first return  final return (If final, write the date \_\_/\_\_/\_\_)

**C** If this is a final return because you sold this business, write the date sold \_\_/\_\_/\_\_, and the new owner's FEIN.  
 \_\_\_\_\_

**D Special Apportionment Formulas.** If you use a special apportionment formula, mark the appropriate box and see Special Apportionment Formula instructions.  
 Financial organizations  Transportation companies

**E** Check if you are classified as an investment partnership.

**F** Write your federal employer identification no. (FEIN).  
 \_\_\_\_\_ - \_\_\_\_\_

**G** Write your Illinois Business Tax number. (IBT).  
 \_\_\_\_\_ - \_\_\_\_\_

**H**  Check the box if you are a member of a unitary business group, and write the FEIN of the member filing the Schedule UB, Combined Apportionment for Unitary Business Groups.  
 \_\_\_\_\_ - \_\_\_\_\_

**I** Write the state and zip code where your accounting records are kept. (Use the two-letter postal abbreviate for your state. Ex., IL, GA, etc.)  
 State \_\_\_\_\_ Zip \_\_\_\_\_

**J** If you are making the business income election, to treat all nonbusiness income as business income, check here and write "0" on Lines 37 and 45.

**K** Check if you are making an IRC § 761 election.

**Step 2: Figure your ordinary income or loss**

▼ Attach your payment here. ▲	1 Ordinary income or loss or equivalent from federal Schedule K.	1 _____
	2 Net income or loss from all rental real estate activities.	2 _____
	3 Net income or loss from other rental activities.	3 _____
	4 Portfolio income or loss.	4 _____
	5 Net IRC Section 1231, gain or loss from involuntary conversions due to casualty and theft.	5 _____
	6 All other items of income or loss that were not included in the computation of income or loss on Page 1 of U.S Form 1065 or 1065-B. See instructions. Identify: _____	6 _____
	7 Add Lines 1 through 6. This is your ordinary income or loss.	7 _____

**Step 3: Figure your unmodified base income or loss**

8 Charitable contributions.	8 _____
9 Expense deduction under IRC Section 179.	9 _____
10 Interest on investment indebtedness.	10 _____
11 All other items of expense that were not deducted in the computation of ordinary income or loss on Page 1 of U.S. Form 1065 or 1065-B. See instructions. Identify: _____	11 _____
12 Add Lines 8 through 11.	12 _____
13 Subtract Line 12 from Line 7. This amount is your total unmodified base income or loss.	13 _____

14 Write your unmodified base income from Step 3, Line 13. 14 \_\_\_\_\_

#### Step 4: Figure your income or loss

15 State, municipal, and other interest income excluded from Line 14. 15 \_\_\_\_\_  
16 Illinois replacement tax deducted in arriving at Line 14. 16 \_\_\_\_\_  
17 Illinois Bonus Depreciation addition. **Attach** Form IL-4562. 17 \_\_\_\_\_  
18 Related-Party Expenses addition. **Attach** Schedule 80/20. 18 \_\_\_\_\_  
19 Distributive share of additions. **Attach** Schedule K-1-P or K-1-T. 19 \_\_\_\_\_  
20 Guaranteed payments to partners from U.S. Form 1065. 20 \_\_\_\_\_  
21 The amount of loss distributable to a partner subject to replacement tax. **Attach** IL-2569. 21 \_\_\_\_\_  
22 Other additions. **Attach** Illinois Schedule M (for businesses). 22 \_\_\_\_\_  
23 Add Lines 14 through 22. This amount is your income or loss. 23 \_\_\_\_\_

#### Step 5: Figure your Illinois base income or net loss

24 Interest income from U.S. Treasury obligations or other exempt federal obligations. 24 \_\_\_\_\_  
25 August 1, 1969 valuation limitation amount. **Attach** Schedule F. 25 \_\_\_\_\_  
26 Personal service income or reasonable allowance for compensation of partners. 26 \_\_\_\_\_  
27 Share of income distributable to a partner subject to replacement tax. **Attach** IL-2569. 27 \_\_\_\_\_  
28 Expenses incurred in producing certain federally tax-exempt income or federal credits. 28 \_\_\_\_\_  
29 Enterprise Zone or River Edge Redevelopment Zone  
Dividend subtraction. **Attach** Schedule 1299-A. 29 \_\_\_\_\_  
30 High Impact Business Dividend subtraction. **Attach** Schedule 1299-A. 30 \_\_\_\_\_  
31 Illinois Bonus Depreciation subtraction. **Attach** Schedule IL-4562. 31 \_\_\_\_\_  
32 Related-Party Expenses subtraction. **Attach** Schedule 80/20. 32 \_\_\_\_\_  
33 Distributive share of subtractions. **Attach** Schedule K-1-P or K-1-T. 33 \_\_\_\_\_  
34 Other subtractions. **Attach** Schedule M (for businesses). 34 \_\_\_\_\_  
35 Total subtractions. Add Lines 24 through 34. 35 \_\_\_\_\_  
36 Base income or net loss. Subtract Line 35 from Line 23. 36 \_\_\_\_\_



**If the amount on Line 36 is derived inside and outside Illinois, complete Step 6; otherwise go to Step 7.**

#### Step 6: Figure your income allocable to Illinois

37 Nonbusiness income or loss. **Attach** Schedule NB. 37 \_\_\_\_\_  
38 Non-unitary partnership business income or loss included in Line 36. 38 \_\_\_\_\_  
39 Add Lines 37 and 38. 39 \_\_\_\_\_  
40 Business income or loss. Subtract Line 39 from Line 36. 40 \_\_\_\_\_  
41 Total sales everywhere. This amount cannot be negative. 41 \_\_\_\_\_  
42 Total sales inside Illinois. This amount cannot be negative. 42 \_\_\_\_\_  
43 Apportionment factor. Divide Line 42 by Line 41 (carry to six decimal places). 43 . \_\_\_\_\_  
44 Business income or loss apportionable to Illinois. Multiply Line 40 by Line 43. 44 \_\_\_\_\_  
45 Nonbusiness income or loss allocable to Illinois. **Attach** Schedule NB. 45 \_\_\_\_\_  
46 Non-unitary partnership business income or loss apportionable to Illinois. 46 \_\_\_\_\_  
47 Base income or net loss allocable to Illinois. Add Lines 44 through 46. 47 \_\_\_\_\_

#### Step 7: Figure your net income

48 Base income or net loss from Step 5, Line 36, or Step 6, Line 47. 48 \_\_\_\_\_  
49 Illinois net loss deduction. **Attach** Schedule NLD.  
If Line 48 is zero or a negative amount, write "0." 49 \_\_\_\_\_  
50 Income after NLD. Subtract Line 49 from Line 48. 50 \_\_\_\_\_  
51 Write the amount from Step 5, Line 36. 51 \_\_\_\_\_  
52 Divide Line 48 by Line 51. (This figure cannot be greater than "1.") 52 . \_\_\_\_\_  
53 Exemption allowance. Multiply Line 52 by \$1,000. (Short-year filers, see instructions) 53 \_\_\_\_\_  
54 **Net income.** Subtract Line 53 from Line 50. 54 \_\_\_\_\_

55 Write the amount from Line 54. 55 \_\_\_\_\_

**Step 8: Figure your net replacement tax**

56 Replacement tax. Multiply Line 55 by 1.5% (.015). 56 \_\_\_\_\_

57 Recapture of investment credits. **Attach** Schedule 4255. 57 \_\_\_\_\_

58 Replacement tax before investment credits. Add Lines 56 and 57. 58 \_\_\_\_\_

59 Investment credits. **Attach** Form IL-477. 59 \_\_\_\_\_

60 Net replacement tax. Subtract Line 59 from Line 58. Write "0" if this is a negative amount. 60 \_\_\_\_\_

**Step 9: Figure your refund or balance due**

61 Penalties from Form IL-2220 (see instructions).

a Late payment penalty a \_\_\_\_\_

b Late filing penalty b \_\_\_\_\_

62 Total penalties. Add Lines 61a and 61b. 62 \_\_\_\_\_

63 Total tax and penalties. Add Lines 60 and 62. 63 \_\_\_\_\_

64 Payments

a Credit from 2005 overpayment. a \_\_\_\_\_

b Form IL-505-B (extension) payment. b \_\_\_\_\_

65 Total payments. 65 \_\_\_\_\_

66 Overpayment. If Line 65 is greater than Line 63, subtract Line 63 from Line 65. 66 \_\_\_\_\_

67 Amount to be **credited to 2007**. 67 \_\_\_\_\_

68 Refund. Subtract Line 67 from Line 66. This is the amount to be refunded. 68 \_\_\_\_\_

69 Tax Due. If Line 63 is greater than Line 65, subtract Line 65 from Line 63. 69 \_\_\_\_\_

► **Make your check payable to "Illinois Department of Revenue" and attach to the front of this form.** ◀

 **Write the amount of your payment on the top of Page 1 in the space provided.**

**Step 10: Sign here**

Under penalties of perjury, I state that I have examined this return and, to the best of my knowledge, it is true, correct, and complete.

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Signature of partner Date Title (\_\_\_\_\_) Phone

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Signature of preparer Date Preparer's Social Security number or firm's FEIN

\_\_\_\_\_  
Preparer firm's name (or yours, if self-employed) Address (\_\_\_\_\_) Phone

► **Mail this return to: Illinois Department of Revenue, P.O. Box 19031, Springfield, IL 62794-9031** ◀





# Schedule B Partners' or Shareholders' Identification

Attach to your Form IL-1065 or Form IL-1120-ST.

Year ending

Month Year

IL Attachment no. 1

Write your name as shown on your Form IL-1065 or Form IL-1120-ST.

Write your federal employer identification number (FEIN).

Write the amount from Form IL-1065, Line 48.

## Identify your partners or shareholders

	A	B	C	D	E	F
	Name and Address	Social Security number or FEIN	Partner or Shareholder type (See instructions.)	Share of income or loss (%)	Check if partner or shareholder's income is included on a Composite return. (Form IL-1023-C).	Check if the partner or shareholder is included on Form IL-2569.
1	_____	_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
	_____					
	_____					
2	_____	_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
	_____					
	_____					
3	_____	_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
	_____					
	_____					
4	_____	_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
	_____					
	_____					
5	_____	_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
	_____					
	_____					
6	_____	_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
	_____					
	_____					
7	_____	_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
	_____					
	_____					
8	_____	_____	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
	_____					
	_____					