



Illinois Department of Revenue
Schedule 1299-B

Attach to your Form IL-1120 or IL-1041.

Enterprise Zone or Foreign Trade Zone (or sub-zone) Subtractions
(for corporations and fiduciaries)

____ / ____ / ____
Tax year ending
IL Attachment No. 9

Write your name as shown on your return _____

Write your federal employer identification number (FEIN) _____

Step 1: Figure your subtractions

Form IL-1041 filers only

Enterprise Zone or River Edge Redevelopment Zone Dividend Subtraction

A Corporation's name		B Name of Zone	C Dividend amount
1 a	_____	_____	a _____
b	_____	_____	b _____
c	_____	_____	c _____
2	Write the amount of distributive share of Enterprise Zone or River Edge Redevelopment Zone Dividend Subtraction from Schedule K-1-P.		2 _____
3	Add Column C, Lines 1a through 1c and Line 2. Write your Enterprise Zone Dividend Subtraction here and on Form IL-1041, Step 3, Line 18b.		3 _____

High Impact Business within a Foreign Trade Zone Dividend Subtraction

4 a	_____	_____	a _____
b	_____	_____	b _____
c	_____	_____	c _____
5	Write the amount of distributive share of High Impact Business Dividend Subtraction from Schedule K-1-P.		5 _____
6	Add Column C, Lines 4a through 4c and Line 5. Write your High Impact Business Dividend Subtraction here and on Form IL-1041, Step 3, Line 19b.		6 _____

Form IL-1120 filers only (U.S. Forms 1120, 1120F, 1120L, and 1120PC)

7 a	Dividend deduction limitation amount (see instructions).		a _____
b	Dividend deduction amounts (see instructions).		b _____
8	Divide Line 7a by Line 7b and carry to six decimal places. Write your limitation ratio here.		8 • _____

Enterprise Zone or River Edge Redevelopment Zone Dividend Subtraction (corporations)

A Name of zone	B Domestic corporations (see instructions)	C (See instructions)	D Column B minus Column C	E Public utility corporations (see instructions)	F (See instructions)	G Column E minus Column F	H Other dividends	
9 a	_____	_____	_____	_____	_____	a _____		
b	_____	_____	_____	_____	_____	b _____		
c	_____	_____	_____	_____	_____	c _____		
d	Total Columns D, G, and H.		d _____			d _____		
10	Write the amount of distributive share of Enterprise Zone or River Edge Redevelopment Zone Dividend Subtraction from Schedule K-1-P.						10 _____	
11	Add Line 9d, Columns D, G, and H and Line 10. Write your Enterprise Zone or River Edge Redevelopment Zone Dividend Subtraction here and on Form IL-1120, Step 3, Line 13.						11 _____	

High Impact Business Dividend Subtraction (corporations)

12 a	_____	_____	_____	_____	_____	a _____		
b	_____	_____	_____	_____	_____	b _____		
c	_____	_____	_____	_____	_____	c _____		
d	Total Columns D, G, and H.		d _____			d _____		
13	Write the amount of distributive share of High Impact Business Dividend Subtraction from Schedule K-1-P.						13 _____	
14	Add Line 12d, Columns D, G, and H and Line 13. Write your High Impact Business Dividend Subtraction here and on Form IL-1120, Step 3, Line 15.						14 _____	

Contribution Subtraction

	A Name of zone	B Zone organization	C Contribution amount	D Column C x 2
15 a	_____	_____	_____	a _____
b	_____	_____	_____	b _____
c	_____	_____	_____	c _____
16	Add Column D, Lines 15a through 15c. Write your Contribution Subtraction here and on Form IL-1120, Step 3, Line 17.			16 _____

**Interest Subtraction - Enterprise Zones or River Edge Redevelopment Zones
(Form IL-1120 financial organizations only)**

	A Borrower	B Property by which loan is secured	C Year of investment credit	D Zone of secured property	E Basis of property	F Loan amount	G Total interest	H Column E ÷ by Column F (cannot exceed "1") Multiply result by Col. G
17 a	_____	_____	_____	_____	_____	_____	_____	a _____
b	_____	_____	_____	_____	_____	_____	_____	b _____
c	_____	_____	_____	_____	_____	_____	_____	c _____
18	Write the amount of distributive share of your Enterprise Zones or River Edge Redevelopment Zones Interest Subtraction from Schedule K-1-P.							18 _____
19	Add Column H, Lines 17a through 17c and Line 18. Write your Interest Subtraction for enterprise zones or river edge redevelopment zones here and on Form IL-1120, Step 3, Line 14.							19 _____

**Interest Subtraction - High Impact Business within a Foreign Trade Zone (or sub-zone)
(Form IL-1120 financial organizations only)**

20 a	_____	_____	_____	_____	_____	_____	_____	a _____
b	_____	_____	_____	_____	_____	_____	_____	b _____
c	_____	_____	_____	_____	_____	_____	_____	c _____
21	Write the amount of distributive share of your High Impact Business Interest Subtraction from Schedule K-1-P.							21 _____
22	Add Column H, Lines 20a through 20c and Line 21. Write your Interest Subtraction for High Impact Business within a Foreign Trade Zone (or sub-zone) here and on Form IL-1120, Step 3, Line 16.							22 _____



Schedule 1299-B Instructions

General Information

Complete this schedule if you are filing

- Form IL-1041, Fiduciary Income and Replacement Tax Return, and are entitled to the subtraction for dividends from enterprise or foreign trade zones (or sub-zones); or
- Form IL-1120, Corporation Income and Replacement Tax Return, and are entitled to the following subtractions:
 - Dividends from enterprise zones or river edge redevelopment zones
 - Dividends from foreign trade zones (or sub-zones)
 - Contribution to a zone organization
 - Interest income from a loan secured by enterprise zone, river edge redevelopment zone, or high impact business property (financial organizations only)

If you are filing an Illinois combined unitary return, complete one Illinois Schedule 1299-B for the entire unitary business group.

Note See Illinois Schedule 1299-S, Enterprise Zones, Foreign Trade Zones, and Sub-Zones, for a listing of these zones in Illinois, as well as their definitions.

Step 1: Figure your subtractions

Enterprise Zone or River Edge Redevelopment Zone Dividend Subtraction

You may claim a subtraction for dividends you received from a corporation that conducts substantially all of its business operations in an Illinois enterprise zone or river edge redevelopment zone.

Note You may deduct only the portion of these dividends that is included in your Illinois base income. Do not include any dividends from High Impact Businesses operating in a foreign trade zone (or sub-zone).

Form IL-1041 filers only

Line 1 — Column A — Write the name of the corporation from which you received dividends.

Column B — Write the name of the enterprise zone or river edge redevelopment zone in which the corporation is located.

Column C — Write the amount of dividends you received from the corporation and included in your Illinois base income.

Line 2 — Write your distributive share from an S corporation or partnership that was reported to you on Illinois Schedule K-1-P, Partner's or Shareholder's Share of Income, Deductions, Credits, and Recapture.

Line 3 — Follow the instructions on the form.

Form IL-1120 filers only (U.S. Forms 1120, 1120F, 1120L, and 1120PC)

Line 7a — Write the amount from

- U.S. Form 1120, Schedule C, Line 9,
- U.S. Form 1120F, Schedule C, Line 8,
- U.S. Form 1120L, Schedule A, Line 10, or
- U.S. Form 1120PC, Schedule C, Line 25.

Line 7b — Write the total of

- U.S. Form 1120, Schedule C, Column (c), Lines 1 through 8,
- U.S. Form 1120F, Schedule C, Column (c), Lines 1 through 7,
- U.S. Form 1120L, Schedule A, Column (c), Lines 1 through 9 or
- U.S. Form 1120PC, Schedule C, Column (b), Line 23.

Line 8 — Divide Line 7a by Line 7b and carry to six decimal places. This is your **limitation ratio**.

Line 9 — Column B — Write the portion of

- U.S. Form 1120, or 1120F, Schedule C, Column (a), Lines 1, 2, and 3,
- U.S. Form 1120L, Schedule A, Column (a), Lines 1, 2, and 3, or
- U.S. Form 1120PC, Schedule C, Column (b), Lines 1, 2, and 3, received from a corporation that conducts substantially all of its business operations in an Illinois enterprise zone or river edge redevelopment zone. Do not include any amount from High Impact Businesses operating in a foreign trade zone (or sub-zone). Do not include any amount subtracted on Illinois Schedule J, Foreign Dividends.

Column C — Multiply each entry in Column B by the percentage used in

- U.S. Form 1120, or 1120F, Schedule C, Column (b), Lines 1, 2, and 3,
- U.S. Form 1120L, Schedule A, Column (b), Lines 1, 2, and 3, or
- U.S. Form 1120PC, Schedule C, Lines 15, 16, and 17.

Multiply that amount by the limitation ratio from Line 8, and write the result in Column C.

Column E — Write the portion of

- U.S. Form 1120, or 1120F, Schedule C, Column (a), Lines 4 and 5,
- U.S. Form 1120L, Schedule A, Column (a), Lines 4 and 5, or
- U.S. Form 1120PC, Schedule C, Column (b), Lines 4, and 5, received from a corporation that conducts substantially all of its business in an Illinois enterprise zone or river edge redevelopment zone. Do not include any amount from High Impact Businesses operating in a foreign trade zone (or sub-zone).

Column F — Multiply each entry in Col. E by the percentage used in

- U.S. Form 1120, or 1120F, Schedule C, Column (b), Lines 4 and 5,
- U.S. Form 1120L, Schedule A, Column (b), Lines 4 and 5, or
- U.S. Form 1120PC, Schedule C, Lines 18 and 19.

Multiply that amount by the limitation ratio from Line 8, and write the result in Column F.

Column H — Write the portion of U.S. Form

- U.S. Form 1120, Schedule C, Line 17,
- U.S. Form 1120F, Schedule C, Line 12,
- U.S. Form 1120L, Schedule A, Line 16, or
- U.S. Form 1120PC, Schedule C, Line 13, received from a corporation that conducts substantially all of its business in an Illinois enterprise zone or river edge redevelopment zone. Do not include any amount from High Impact Businesses operating in a foreign trade zone (or sub-zone).

Line 10 — Write your distributive share from an S corporation or partnership that was reported to you on Illinois Schedule K-1-P.

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

You may claim a subtraction for dividends you received from a corporation that is designated by the Department of Commerce and Economic Opportunity (DCEO) as a "High Impact Business" and conducts business operations in a federally designated foreign trade zone (or sub-zone) located in Illinois.

Note You may deduct only the portion of these dividends that is included in your Illinois base income.

Form IL-1041 filers only

Line 4 — Column A — Write the name of the corporation from which you received dividends.

Column B — Write the name of the foreign trade zone (or sub-zone) in which the corporation is located.

Column C — Write the amount of dividends you received from the corporation and included in your Illinois base income.

Line 5 – Write your distributive share from an S corporation or partnership that was reported to you on Illinois Schedule K-1-P.

Line 6 – Follow the instructions on the form.

◆ **Form IL-1120 filers only (U.S. Forms 1120, 1120F, 1120L, and 1120PC)**

Line 12 — Column B – Write the portion of

- U.S. Form 1120, or 1120F, Schedule C, Column (a), Lines 1, 2, and 3,
- U.S. Form 1120L, Schedule A, Column (a), Lines 1, 2, and 3, or
- U.S. Form 1120PC, Schedule C, Column (b), Lines 1, 2, and 3, received from an Illinois High Impact Business operating in a foreign trade zone (or sub-zone). Do not include any amount subtracted on Illinois Schedule J.

Column C – Multiply each entry in Col. B by the percentage used in

- U.S. Form 1120, or 1120F, Schedule C, Column (b), Lines 1, 2, and 3,
- U.S. Form 1120L, Schedule A, Column (b), Lines 1, 2, and 3, or
- U.S. Form 1120PC, Schedule C, Lines 15, 16, and 17.

Multiply that amount by the limitation ratio from Line 8, and write the result in Column C.

Column E – Write the portion of

- U.S. Form 1120, or 1120F, Schedule C, Column (a), Lines 4 and 5,
- U.S. Form 1120L, Schedule A, Column (a), Lines 4 and 5, or
- U.S. Form 1120PC, Schedule C, Column (b), Lines 4, and 5, received from an Illinois High Impact Business operating in a foreign trade zone (or sub-zone).

Column F – Multiply each entry in Col. E by the percentage used in

- U.S. Form 1120, or 1120F, Schedule C, Column (b), Lines 4 and 5,
- U.S. Form 1120L, Schedule A, Column (b), Lines 4 and 5, or
- U.S. Form 1120PC, Schedule C, Lines 18 and 19.

Multiply that amount by the limitation ratio from Line 8, and write the result in Column F.

Column H – Write the portion of

- U.S. Form 1120, Schedule C, Line 17,
- U.S. Form 1120F, Schedule C, Line 12,
- U.S. Form 1120L, Schedule A, Line 16, or
- U.S. Form 1120PC, Schedule C, Line 13, received from an Illinois High Impact Business operating in a foreign trade zone (or sub-zone).

Line 13 – Write your distributive share from an S corporation or partnership that was reported to you on Illinois Schedule K-1-P.

■ **Contribution Subtraction**

You may deduct twice the amount of any contribution made during your tax year to a designated zone organization to be used for an enterprise zone or river edge redevelopment zone project approved by DCEO, provided that the contribution qualifies as a charitable contribution under Internal Revenue Code (IRC) Section 170(c).

Line 15 — Column A – Write the name of the enterprise zone or river edge redevelopment zone that is the site of the project for which the contribution was made.

Column B – Write the name of the designated zone organization to which the contribution was made.

Column C – Write the amount of contribution.

Column D – Multiply each entry in Column C by 2.

Line 16 – Follow the instructions on the form.

■ **Interest Subtraction -**

Form IL-1120 financial organizations only

If you are a **financial organization**, as defined in the Illinois Income Tax Act (IITA), Section 1501(a)(8), you may subtract any interest income received during the tax year from a loan made to a borrower, to the extent the loan is secured by qualified property that is eligible for the enterprise zone, river edge redevelopment zone, or high impact business investment credit.

“Qualified property” is property that is tangible, depreciable according to IRC Section 167, has a useful life of four or more years as of the date placed in service in Illinois, and is acquired by purchase as defined in IRC Section 179(d). Qualified property can be new or used but does not qualify for the Enterprise Zone or River Edge Redevelopment Zone Investment Credit if it was previously used in Illinois in a manner that qualified for that credit or for the Replacement Tax Investment Credit on Form IL-477. Qualified property includes buildings, structural components of buildings, and signs that are real property. It does not include land or improvements to real property that are not a structural component of a building, such as landscaping, sewer lines, local access roads, fencing, parking lots, and other appurtenances.

Any improvement or addition made on or after the date the enterprise zone or river edge redevelopment zone was designated or the business was designated as a high impact business is considered to be qualified property to the extent that the improvement or addition which increases the adjusted basis of the property previously placed in service in Illinois and otherwise meets the requirements of qualified property.

◆ **Enterprise Zones or Rivers Edge Redevelopment Zones (Form IL-1120 financial organizations only)**

Line 17 — Column A – Write the name of the borrower eligible to claim the Enterprise Zone or River Edge Redevelopment Zone Investment Credit.

Column B – Write a description of each item of qualified property used to secure the loan.

Column C – Write the year the borrower claimed or will claim the credit on the qualified property.

Column D – Write the name of the enterprise zone or river edge redevelopment zone in which the property used as security is located.

Column E – Write the basis of each item of property listed in Column B that was used to compute the depreciation deduction for federal income tax purposes.

Column F – Write the amount of the loan.

Column G – Write the interest received or accrued for the loan during the year.

Column H – Divide each entry in Column E by Column F (cannot exceed “1”), and multiply the result by Column G.

Line 18 – Write your distributive share from an S corporation or partnership that was reported to you on Illinois Schedule K-1-P.

Line 19 – Follow the instructions on the form.

◆ **High Impact Business within a Foreign Trade Zone (or sub-zone)**
(Form IL-1120 financial organizations only)

Complete this section in the same manner as Lines 17 through 19, **except:**

Line 20 — Column A – Write the name of the borrower eligible to claim the high impact business investment credit.

Column D – Write the name of the foreign trade zone (or sub-zone) in which the property used as security is located.