

Read this information first - For original returns only. Do not use this form if you are filing Form IL-1040-X, Amended Individual Income Tax Return, after the extended due date of the return. We encourage you to let us figure your penalties and send you a bill instead of completing and filing this form yourself.

Step 1: Provide the following information

- 1 This form is for calendar year 2007 or for fiscal year beginning _____, _____, and ending _____, _____.
Month Year Month Year
- 2 Write your name as it appears on your Form IL-1040. **2** _____
- 3 Write your Social Security number as it appears on this year's Form IL-1040. **3** _____ - _____ - _____
- 4 If your prior year Form IL-1040 was filed using a different Social Security number than the number shown on Line 3, write that number here. **4** _____ - _____ - _____

Step 2: Figure your required installments

		A		B
		This year		Last year
5 Write the amount of your total income tax from each Form IL-1040. See instructions.	5	_____		_____
6 Write the amount of credits from each Form IL-1040. See instructions.	6	_____		_____
7 Subtract Line 6 from Line 5.	7	_____		_____
8 Write the total amount of this year's Illinois withholding from your W-2 forms.	8	_____		_____
9 Subtract Line 8 from Line 7.	9	_____		_____
10 Multiply Column A, Line 7, by 90% (.9).	10	_____		_____
11 If Line 9 is \$500 or less, write "0," and go to Step 3. Otherwise, write the lesser of Column A, Line 10, or Column B, Line 7.	11	_____		_____
12 Divide the amount written on Line 11 by four. This is the amount of each required installment. (If you use the annualized income installment method, see instructions.)	12	_____		_____
		Quarter 1	Quarter 2	Quarter 3
		April 17, 2007	June 15, 2007	September 17, 2007
				Quarter 4
				January 15, 2008
13 Write the required installment. See instructions.		_____	_____	_____
14 Write any credit carried forward from the prior year and the amount withheld. See instructions.		_____	_____	_____
15 Subtract Line 14 from Line 13. If the amount is negative, use brackets.		_____	_____	_____
16 If the amount on Line 17 of the previous quarter is negative, write that amount as a positive here. Otherwise, write "0."		_____	_____	_____
		<small>Skip this line for Quarter 1.</small>		
17 Subtract Line 16 from Line 15. If the amount is negative, use bracket		_____	_____	_____

Step 3: Figure your unpaid tax

- 18 Write the amount from Column A, Line 7. **18** _____
- 19 Add your credit carried forward from the prior year, your total estimated payments made this year, and your withholding as shown on your W-2 forms. Compare that total to **either** the amount written on Line 11, or, **if you annualized**, the total of Line 13, Quarters 1 through 4, and write the **greater** amount here. **19** _____
- 20 Write other payments made **on or before** April 15, 2008.
 - a Write the amount and the date of your Form IL-505-I. **20a** _____ Date: ___/___/_____
 - b Write the amount and the date of any other payment. **20b** _____ Date: ___/___/_____
 Add Lines 20a and 20b. Write the amount here. **20** _____
- 21 Add Lines 19 and 20. Write the total amount here. **21** _____
- 22 Subtract Line 21 from Line 18. If the amount is
 - **positive**, write that amount here. Continue to Step 4, and write this amount in Penalty Worksheet 1, Line 24, Column C.
 - **zero or negative**, write that amount here, if negative use brackets. Continue to Step 4, skip Penalty Worksheet 1, and go to Penalty Worksheet 2. You may apply this amount to any underpayment when figuring your Penalty Worksheet 2. See instructions. **22** _____

Step 4: Figure your late-payment penalty

Use Penalty Worksheet 1 to figure your late-payment penalty for unpaid tax.

Use Penalty Worksheet 2 to figure your late-payment penalty for underpayment of estimated tax.

Note You **must** follow the instructions in order to properly complete the penalty worksheets.

Penalty rates

Number of days late Penalty rate

1 - 30..... .02
31 or more10



Penalty Worksheet 1 – Late-payment penalty for unpaid tax

23 Write the amount and the date of any payment you made **on or after** April 16, 2008. See instructions.

Amount

Date paid

a _____ / / _____
b _____ / / _____

24 Write the amount from Line 22 on the first line of Column C below.

A	B	C	D	E	F	G	H	I
Period	Due date	Unpaid amount	Payment applied	Balance due (Col. C - Col. D)	Payment date	Number of days late	Penalty rate (See above)	Penalty

Return April 15, 2008 _____ / / _____
_____ / / _____
_____ / / _____

25 Add Column I. This is your **late-payment penalty for unpaid tax**.

Write the total amount here and in Step 5, Line 32.

25 _____

Note You may apply any remaining overpayment in Column E above to any underpayment when figuring the Penalty Worksheet 2.



Penalty Worksheet 2 – Late-payment penalty for underpayment of estimated tax

Note If you paid the required amount from Line 17 by the payment due date for each quarter, **do not** complete this worksheet.

26 Write the amount and the date of each estimated income tax payment you made. See instructions.

Estimated Income Tax Payments

Amount

Date paid

Amount

Date paid

Amount

Date paid

a _____ / / _____ c _____ / / _____ e _____ / / _____
b _____ / / _____ d _____ / / _____ f _____ / / _____

27 Write the unpaid amounts from Step 2, Line 17, Quarters 1 through 4, on the first line of the appropriate quarters in Column C below.

A	B	C	D	E	F	G	H	I
Period	Due date	Unpaid amount	Payment applied	Balance due (Col. C - Col. D)	Payment date	Number of days late	Penalty rate (See above)	Penalty

Qtr 1 April 17, 2007 _____ / / _____
_____ / / _____
_____ / / _____

Qtr 2 June 15, 2007 _____ / / _____
_____ / / _____
_____ / / _____

Qtr 3 Sept. 17, 2007 _____ / / _____
_____ / / _____
_____ / / _____

Qtr 4 Jan. 15, 2008 _____ / / _____
_____ / / _____
_____ / / _____

28 Add Column I, Quarters 1 through 4. This is your **late-payment penalty for underpayment of estimated tax**.

Write the total amount here and on your Form IL-1040, Line 27.

28 _____

Step 5: Figure your late-filing penalty and the amount you owe

Note Figure your late-filing penalty only if

- you are filing your Form IL-1040 after October 15, 2008; and
- your tax was not paid by April 15, 2008.

Figure your late-filing penalty.

29	Write the amount from Form IL-1040, Step 6, Line 15, minus any timely payments and credits.	29	_____
30	Multiply the amount on Line 29 by 2% (.02).	30	_____
31	Write the lesser of Line 30 or \$250. This is your late-filing penalty .	31	_____

Figure the amount you owe.

32	Write any late-payment penalty for unpaid tax from Step 4, Line 25.	32	_____
33	Write any late-filing penalty from Step 5, Line 31.	33	_____
34	Write the amount you owe from your Form IL-1040, Step 11, Line 34.	34	_____
35	Add Lines 32 through 34 and write the total here. This is your total tax and penalties . See Form IL-1040, Line 34 instructions for your payment options.	35	_____

Step 6: Complete the annualization worksheet for Step 2, Line 13

Complete this worksheet **only** if your income was not received evenly throughout the year and you choose to annualize your income. **Complete Lines 36 through 52 of one column before going to the next, beginning with Column A.**

	A	B	C	D		
	January 1, 2007 to March 31, 2007	January 1, 2007 to May 31, 2007	January 1, 2007 to August 31, 2007	January 1, 2007 to December 31, 2007		
36	Write your Illinois base income for each period. See instructions.	36	_____	_____	_____	_____
37	Annualization factors.	37	4	2.4	1.5	1
38	Multiply Line 36 by Line 37. This is your annualized income.	38	_____	_____	_____	_____
39	Exemptions. See instructions.	39	_____	_____	_____	_____
40	Subtract Line 39 from Line 38. This is your Illinois net income.	40	_____	_____	_____	_____
41	Multiply Line 40 by 3% (.03).	41	_____	_____	_____	_____
42	For each period, write the amount you wrote in Step 2, Column A, Line 6.	42	_____	_____	_____	_____
43	Subtract Line 42 from Line 41.	43	_____	_____	_____	_____
44	Applicable percentage.	44	22.5% (.225)	45% (.450)	67.5% (.675)	90% (.900)
45	Multiply Line 43 by Line 44. This is your annualized installment.	45	_____	_____	_____	_____
46	Add the amounts on Line 52 of each of the preceding columns and write the total here.	46	Skip this line for Column A.	_____	_____	_____
47	Subtract Line 46 from Line 45. If less than zero, write "0."	47	_____	_____	_____	_____
48	Write the amount from Step 2, Line 12, in each column.	48	_____	_____	_____	_____
49	Write the amount from Line 51 of the preceding column.	49	Skip this line for Column A.	_____	_____	_____
50	Add Lines 48 and 49.	50	_____	_____	_____	_____
51	If Line 50 is greater than Line 47, subtract Line 47 from Line 50. Otherwise, write "0."	51	_____	_____	_____	Skip this line for Column D.
52	Write the lesser of Line 47 or Line 50 here and on Step 2, Line 13. This is your required installment.	52	_____	_____	_____	_____