



Illinois Department of Revenue  
**2010 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 2010, write your fiscal tax year here.

Tax year beginning \_\_\_\_\_ 2010, ending \_\_\_\_\_ 20\_\_\_\_  
 month day month day year

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

**Step 1: Identify your partnership**

- A** Write your complete legal business name.  
 If you have a name change check this box.   
 Name: \_\_\_\_\_
- B** If you have an address change or this is a first return, check this box and complete the following information.   
 C/O: \_\_\_\_\_  
 Mailing address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_
- C** Check the box if one of the following apply.  
 first return  final return (If final, write the date. \_\_\_\_\_)
- D** If this is a final return because you sold this business, write the date sold (mm dd yy) \_\_\_\_\_, and the new owner's FEIN. \_\_\_\_\_
- E Special Apportionment Formulas.** If you use a special apportionment formula, check the appropriate box and see Special Apportionment Formula instructions.  
 Financial organizations  Transportation companies
- F** Check the box if you are classified as an investment partnership.
- G** Check the box if you made an IRC § 761 election.

- H** Write your federal employer identification no. (FEIN).  
 \_\_\_\_\_ - \_\_\_\_\_
- I**  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.  
 \_\_\_\_\_ - \_\_\_\_\_
- J** Write the city, state, and zip code where your accounting records are kept. (Use the two-letter postal abbreviation, **e.g.**, IL, GA, etc.)  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_
- K** If you are making the business income election to treat all nonbusiness income as business income, check the box and write "0" on Lines 36 and 44.
- L** If you have completed the following federal forms, check the box and **attach** them to this return.  
 Federal Form 8886  Federal Sch. M-3
- M** Check the box if you attached Form IL-4562.
- N** Check the box if you attached Illinois Schedule M (for businesses).
- O** Check the box if you attached Schedule 80/20.

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

1 Ordinary income or loss, or equivalent from federal Schedule K.	1 _____	.00
2 Net income or loss from all rental real estate activities.	2 _____	.00
3 Net income or loss from other rental activities.	3 _____	.00
4 Portfolio income or loss.	4 _____	.00
5 Net IRC Section 1231 gain or loss from involuntary conversions due to casualty and theft.	5 _____	.00
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 _____	.00
7 Add Lines 1 through 6. This is your ordinary income or loss.	7 _____	.00

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

8 Charitable contributions.	8 _____	.00
9 Expense deduction under IRC Section 179.	9 _____	.00
10 Interest on investment indebtedness.	10 _____	.00
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 _____	.00
12 Add Lines 8 through 11.	12 _____	.00
13 Subtract Line 12 from Line 7. This amount is your total unmodified base income or loss.	13 _____	.00

Attach your payment here.



14 Write your unmodified base income or loss from Line 13. 14 \_\_\_\_\_ .00

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

15 State, municipal, and other interest income excluded from Line 14. 15 \_\_\_\_\_ .00

16 Illinois replacement tax deducted in arriving at Line 14. 16 \_\_\_\_\_ .00

17 Illinois Special Depreciation addition. **Attach** Form IL-4562. 17 \_\_\_\_\_ .00

18 Related-party expenses addition. **Attach** Schedule 80/20. 18 \_\_\_\_\_ .00

19 Distributive share of additions. **Attach** Schedule(s) K-1-P or K-1-T. 19 \_\_\_\_\_ .00

20 Guaranteed payments to partners from U.S. Form 1065. 20 \_\_\_\_\_ .00

21 The amount of loss distributable to a partner subject to replacement tax. **Attach** Schedule B. 21 \_\_\_\_\_ .00

22 Other additions. **Attach** Illinois Schedule M (for businesses). 22 \_\_\_\_\_ .00

23 Add Lines 14 through 22. This amount is your income or loss. 23 \_\_\_\_\_ .00

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

24 Interest income from U.S. Treasury obligations or other exempt federal obligations. 24 \_\_\_\_\_ .00

25 August 1, 1969, valuation limitation amount. **Attach** Schedule F. 25 \_\_\_\_\_ .00

26 Personal service income or reasonable allowance for compensation of partners. 26 \_\_\_\_\_ .00

27 Share of income distributable to a partner subject to replacement tax. **Attach** Schedule B. 27 \_\_\_\_\_ .00

28 Enterprise Zone or River Edge Redevelopment Zone Dividend subtraction. **Attach** Schedule 1299-A. 28 \_\_\_\_\_ .00

29 High Impact Business Dividend subtraction. **Attach** Schedule 1299-A. 29 \_\_\_\_\_ .00

30 Illinois Special Depreciation subtraction. **Attach** Form IL-4562. 30 \_\_\_\_\_ .00

31 Related-party expenses subtraction. **Attach** Schedule 80/20. 31 \_\_\_\_\_ .00

32 Distributive share of subtractions. **Attach** Schedule(s) K-1-P or K-1-T. 32 \_\_\_\_\_ .00

33 Other subtractions. **Attach** Schedule M (for businesses). 33 \_\_\_\_\_ .00

34 Total subtractions. Add Lines 24 through 33. 34 \_\_\_\_\_ .00

35 **Base income or net loss.** Subtract Line 34 from Line 23. 35 \_\_\_\_\_ .00



**If the amount on Line 35 is derived inside and outside Illinois, complete Step 6; otherwise go to Step 7.**

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

36 Nonbusiness income or loss. **Attach** Schedule NB. 36 \_\_\_\_\_ .00

37 Trust, estate, and non-unitary partnership business income or loss included in Line 35. 37 \_\_\_\_\_ .00

38 Add Lines 36 and 37. 38 \_\_\_\_\_ .00

39 Business income or loss. Subtract Line 38 from Line 35. 39 \_\_\_\_\_ .00

40 Total sales everywhere. This amount cannot be negative. 40 \_\_\_\_\_ .00

41 Total sales inside Illinois. This amount cannot be negative. 41 \_\_\_\_\_ .00

42 Apportionment factor. Divide Line 41 by Line 40 (carry to six decimal places). 42 \_\_\_\_\_

43 Business income or loss apportionable to Illinois. Multiply Line 39 by Line 42. 43 \_\_\_\_\_ .00

44 Nonbusiness income or loss allocable to Illinois. **Attach** Schedule NB. 44 \_\_\_\_\_ .00

45 Trust, estate, and non-unitary partnership business income or loss apportionable to Illinois. 45 \_\_\_\_\_ .00

46 **Base income or net loss allocable to Illinois.** Add Lines 43 through 45. 46 \_\_\_\_\_ .00



### Step 7: Figure your net income

47	Base income or net loss from Step 5, Line 35, or Step 6, Line 46.	47	_____	.00
48	Illinois net loss deduction. <b>Attach</b> Schedule NLD. If Line 47 is zero or a negative amount, write "0".	48	_____	.00
49	Income after NLD. Subtract Line 48 from Line 47.	49	_____	.00
50	Write the amount from Step 5, Line 35.	50	_____	.00
51	Divide Line 47 by Line 50. (This figure cannot be greater than "1".)	51	____.	_____
52	Exemption allowance. Multiply Line 51 by \$1,000. (Short-year filers, see instructions.)	52	_____	.00
53	<b>Net income.</b> Subtract Line 52 from Line 49.	53	_____	.00

### Step 8: Figure your net replacement tax

54	Replacement tax. Multiply Line 53 by 1.5% (.015).	54	_____	.00
55	Recapture of investment credits. <b>Attach</b> Schedule 4255.	55	_____	.00
56	Replacement tax before investment credits. Add Lines 54 and 55.	56	_____	.00
57	Investment credits. <b>Attach</b> Form IL-477.	57	_____	.00
58	<b>Net replacement tax.</b> Subtract Line 57 from Line 56. Write "0" if this is a negative amount.	58	_____	.00

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

59	Payments			
	<b>a</b> Credit from 2009 overpayment.	59a	_____	.00
	<b>b</b> Form IL-505-B (extension) payment.	59b	_____	.00
	<b>c</b> Pass-through entity payments. <b>Attach</b> Schedule(s) K-1-P or K-1-T.	59c	_____	.00
	<b>d</b> Gambling withholding. <b>Attach</b> Form(s) W-2G.	59d	_____	.00
60	Total payments. Add Lines 59a through 59d.	60	_____	.00
61	Overpayment. If Line 60 is greater than Line 58, subtract Line 58 from Line 60.	61	_____	.00
62	Amount to be <b>credited to 2011</b> .	◆ 62	_____	.00 ◆
63	<b>Refund.</b> Subtract Line 62 from Line 61. This is the amount to be refunded.	63	_____	.00
64	<b>Tax Due.</b> If Line 58 is greater than Line 60, subtract Line 60 from Line 58. This is the amount you owe.	64	_____	.00

▶ **Make your check payable to "Illinois Department of Revenue" and attach to the first page of this form.** ◀

**Special Note** → 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** ◀

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-492-0073





# Schedule B Partners' or Shareholders' Identification

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

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).

## Step 1: Provide the following information

- 1 Write the amount of base income or net loss from your Form IL-1065 or Form IL-1120-ST, Line 47. 1 \_\_\_\_\_
- 2 Write the apportionment factor from your Form IL-1065 or Form IL-1120-ST, Line 42. 2 \_\_\_\_\_

## Step 2: Identify your partners or shareholders. Attach additional sheets if necessary.

	A Name and Address	B SSN or FEIN	C Partner or Shareholder type (See instructions.)	D Total amount of base income (loss) distributable (See instr.)	E Member subject to Illinois replacement tax (See instr.)	F Pass-through entity payment amount (See instr.)	G Excluded from pass-through entity payments (See instr.)
1	_____	_____	_____	_____	<input type="checkbox"/>	_____	_____
2	_____	_____	_____	_____	<input type="checkbox"/>	_____	_____
3	_____	_____	_____	_____	<input type="checkbox"/>	_____	_____
4	_____	_____	_____	_____	<input type="checkbox"/>	_____	_____
5	_____	_____	_____	_____	<input type="checkbox"/>	_____	_____
6	_____	_____	_____	_____	<input type="checkbox"/>	_____	_____

- 7 Add the amounts shown in Column D for partners or shareholders for which you have entered a check mark in Column E. Write the total here. (See instructions.) 7 \_\_\_\_\_