



Read this information first - We encourage you to let us figure your penalties and send you a bill instead of completing this form yourself. You must complete this form if you are using the annualized income installment method for late-payment penalty for underpayment of estimated tax in Step 6.

You do not owe the late-payment penalty for underpayment of estimated tax if you made timely estimated installment payments equaling at least 90 percent of this year's tax liability or 100 percent of the prior year's tax liability (provided you reported a liability in the prior year and it was not a short taxable year). See the Specific Instructions for more information. The late-payment penalty for underpayment of estimated tax is based on the tax shown due on your original return. Do not use the tax shown on an amended return filed after the extended due date of the return to compute your required installments in Step 2.

Step 1: Provide the following information

- 1 This form is for the 2017 calendar year or fiscal year beginning ... 2 Enter your FEIN as it appears on your annual return. 3 Enter your name as it appears on your annual return. 4 If your prior year return was filed under a different FEIN than the one shown on Line 2, enter that number here.

Step 2: Figure your required installments - Form IL-1120 filers only

Table with columns: A This year, B Last year, Quarter 1, Quarter 2, Quarter 3, Quarter 4. Rows 5-16 detailing income, withholding, and installment calculations.

Step 3: Figure your unpaid tax - all taxpayers

- 17 Enter your total net income and replacement tax, surcharge, and pass-through withholding payments you owed and reported on behalf of your members. See instructions. 18 a Enter the total amount of all payments made on or before the original due date of your tax return. b Form IL-1120 filers only: Enter the total of all Columns, Line 12. All others, enter zero. 18b Enter the greater of Line 18a or Line 18b here. 19 Subtract Line 18 from Line 17. If this amount is positive, enter that amount here. Continue to Step 4 and enter this amount in Penalty Worksheet 2, Column C, Line 23. zero or negative, enter that amount here and, if negative, use brackets.



Step 4: Figure your late-payment penalty

Use Penalty Worksheet 1 to figure your late-payment penalty for underpayment of estimated tax.

Use Penalty Worksheet 2 to figure your late-payment penalty for unpaid tax.



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

20 Enter the amount and the date of each payment you made. Include any credit(s) carried forward from a prior year. See instructions.

| | Amount | Date paid | Amount | Date paid | Amount | Date paid |
|---|--------|------------|--------|------------|--------|------------|
| a | _____ | __/__/____ | e | __/__/____ | i | __/__/____ |
| b | _____ | __/__/____ | f | __/__/____ | j | __/__/____ |
| c | _____ | __/__/____ | g | __/__/____ | k | __/__/____ |
| d | _____ | __/__/____ | h | __/__/____ | l | __/__/____ |

Penalty rates

Number of days late Penalty rate

1 - 30..... .02
31 or more..... .10

Penalty Worksheet 1 — Late-payment penalty for underpayment of estimated tax - Form IL-1120 filers only

Note If you paid the required amount from Line 16 by the payment due date on Line 11 for each quarter, do not complete this worksheet.

21 Enter the unpaid amounts from Line 16, 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 | No. of days late | Penalty rate (see above) | Penalty |
| Qtr. 1 | __/__/____ | _____ | _____ | _____ | __/__/____ | _____ | _____ | _____ |
| | | _____ | _____ | _____ | __/__/____ | _____ | _____ | _____ |
| | | _____ | _____ | _____ | __/__/____ | _____ | _____ | _____ |
| Qtr. 2 | __/__/____ | _____ | _____ | _____ | __/__/____ | _____ | _____ | _____ |
| | | _____ | _____ | _____ | __/__/____ | _____ | _____ | _____ |
| | | _____ | _____ | _____ | __/__/____ | _____ | _____ | _____ |
| Qtr. 3 | __/__/____ | _____ | _____ | _____ | __/__/____ | _____ | _____ | _____ |
| | | _____ | _____ | _____ | __/__/____ | _____ | _____ | _____ |
| | | _____ | _____ | _____ | __/__/____ | _____ | _____ | _____ |
| Qtr. 4 | __/__/____ | _____ | _____ | _____ | __/__/____ | _____ | _____ | _____ |
| | | _____ | _____ | _____ | __/__/____ | _____ | _____ | _____ |
| | | _____ | _____ | _____ | __/__/____ | _____ | _____ | _____ |

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

Enter the total amount here and on Form IL-1120, Step 8, Line 58.

22 _____

Note You may apply any remaining overpayment from the 4th quarter in Column E above to any underpayment when figuring Penalty Worksheet 2, only if the payment date shown in the 4th quarter of Column F is after the original due date of the return.

Penalty Worksheet 2 — Late-payment penalty for unpaid tax

23 Enter any positive amount from Line 19 on the first line of Column C below.

| A | B | C | D | E | F | G | H | I |
|--------|------------|---------------|-----------------|-------------------------------|--------------|------------------|--------------------------|---------|
| Return | Due date | Unpaid amount | Payment applied | Balance due (Col. C - Col. D) | Payment date | No. of days late | Penalty rate (see above) | Penalty |
| | __/__/____ | _____ | _____ | _____ | __/__/____ | _____ | _____ | _____ |
| | | _____ | _____ | _____ | __/__/____ | _____ | _____ | _____ |
| | | _____ | _____ | _____ | __/__/____ | _____ | _____ | _____ |

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

Enter the total amount here and on Step 5, Line 28.

24 _____

Step 5: Figure your late-filing penalty and your total penalties

Note Complete Lines 25 through 27 to figure your late-filing penalty only if

- you are filing your return after the extended due date; and
- your tax was not paid by your original due date.



| | | | | |
|--|--|----|-------|-----|
| 25 | Enter the amount of your tax due from your return. See instructions. | 25 | _____ | .00 |
| 26 | Multiply the amount on Line 25 by 2% (.02). | 26 | _____ | .00 |
| 27 | Enter the lesser of Line 26 or \$250. This is your late-filing penalty . | 27 | _____ | .00 |
| 28 | Enter your late-payment penalty for unpaid tax from Line 24. | 28 | _____ | .00 |
| 29 | If you have an overpayment on your tax return*, enter that amount as a <negative number>. If you have an amount due on your tax return*, enter that amount here. | 29 | _____ | .00 |
| * Note See instructions for the correct line references for all tax returns. | | | | |
| 30 | Add Lines 27, 28, and 29. If the result is positive, this is the total amount you owe. If the result is negative, this is the amount you are overpaid. | 30 | _____ | .00 |
| Note This amount may not match your overpayment or tax due on your original tax form. Pay the amount on Line 30 if you wish to pay your penalties at this time. Otherwise, we will send you a bill. | | | | |

Step 6: Complete the annualization worksheet for Step 2, Line 12

Note Complete this worksheet if your income was not received evenly throughout the year and you choose to annualize your income. You may also need to complete this worksheet because of the mid-year changes to the Illinois Income Tax Act (see Public Act 100-0022). **Beginning with Column A, complete Lines 31 through 50 of each column.** If you fail to complete all lines of Step 6, Lines 31 through 50, Columns A through D, we may disregard your election to annualize your income and calculate your late-payment penalty for underpayment of estimated tax based on four equal installments.

| | A | B | C | D | | | | |
|----|--|----------------|----------------------------|----------------|-----------------|----------|-------|----------------------------|
| | | First 3 months | First 6 months | First 9 months | | | | |
| 31 | Enter your Illinois net income for each period. If negative, enter "0". | 31 | _____ | _____ | _____ | _____ | _____ | _____ |
| 32 | Annualization factors | 32 | _____ | _____ | _____ | _____ | _____ | _____ |
| 33 | Multiply Line 31 by Line 32. | 33 | _____ | _____ | _____ | _____ | _____ | _____ |
| | | First 3 months | First 5 months | First 8 months | First 11 months | | | |
| 34 | Enter your Illinois net income for each period. If negative, enter "0". | 34 | _____ | _____ | _____ | _____ | _____ | _____ |
| 35 | Annualization factors | 35 | _____ | _____ | _____ | _____ | _____ | _____ |
| 36 | Multiply Line 34 by Line 35. | 36 | _____ | _____ | _____ | _____ | _____ | _____ |
| 37 | In Column A, enter the amount from Line 36, Column A. In Columns B, C, and D, enter the lesser of Line 33 or 36 for each period. | 37 | _____ | _____ | _____ | _____ | _____ | _____ |
| 38 | Net replacement tax for the period. See instructions. | 38 | _____ | _____ | _____ | _____ | _____ | _____ |
| 39 | Net income tax for the period. See instructions. | 39 | _____ | _____ | _____ | _____ | _____ | _____ |
| 40 | Cannabis surcharge for the period. See instructions. | 40 | _____ | _____ | _____ | _____ | _____ | _____ |
| 41 | Add Lines 38, 39, and 40. | 41 | _____ | _____ | _____ | _____ | _____ | _____ |
| 42 | Applicable percentage | 42 | 22.5% (.225) | 45% (.45) | 67.5% (.675) | 90% (.9) | | |
| 43 | Multiply Line 41 by Line 42. This is your annualized installment. | 43 | _____ | _____ | _____ | _____ | _____ | _____ |
| 44 | Add the amounts on Line 50 of each of the preceding columns and enter the total here. | 44 | Do not write on this line. | _____ | _____ | _____ | _____ | _____ |
| 45 | Subtract Line 44 from Line 43. If less than zero, enter "0." | 45 | _____ | _____ | _____ | _____ | _____ | _____ |
| 46 | See instructions. | 46 | _____ | _____ | _____ | _____ | _____ | _____ |
| 47 | Enter the amount from Line 49 of the preceding column. | 47 | Do not write on this line. | _____ | _____ | _____ | _____ | _____ |
| 48 | Add Lines 46 and 47. | 48 | _____ | _____ | _____ | _____ | _____ | _____ |
| 49 | If Line 48 is greater than Line 45, subtract Line 45 from Line 48. Otherwise, enter "0." | 49 | _____ | _____ | _____ | _____ | _____ | Do not write on this line. |
| 50 | Enter the lesser of Line 45 or 48 here and on Step 2, Line 12. This is your required installment. | 50 | _____ | _____ | _____ | _____ | _____ | _____ |