Illinois Department of Revenue
IL-2220 Instructions
2020

What's New

Due to the federal and state extension to file 2019 returns, quarterly 2020 Estimated Payments can be made in 4 equal installments based upon 90% of the liability for year 2020 or 100% of the liability of year 2019 **or** 2018 to avoid penalty if timely made.

General Information

What is the purpose of this form?

This form allows you to calculate penalties you may owe if you did not

- make timely estimated payments,
- pay the tax you owe by the original due date, or
- file a processable return by the extended due date.

Note 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.

In addition, this form must be used if your income was **not** received evenly throughout the year and you choose to annualize your income. The annualized income installment method may be able to lower or eliminate the amount of your required installments.

To use the annualized income installment method complete Form IL-2220, Computation of Penalties for Businesses, including the annualization worksheet in Step 6. See the specific instructions for Step 6 for more information. If you fail to follow these instructions, we may calculate your late-payment penalty for underpayment of estimated tax based on four equal installments.

If you are filing Form IL-1120, Corporation Income and Replacement Tax Return, check the box on Step 1, Line W and attach this form to your return.

Should I round?

You must round the dollar amounts on Form IL-2220 to whole-dollar amounts. To do this, you should drop any amount less than 50 cents and increase any amount of 50 cents or more to the next higher dollar.

Do I need to complete this form if I owe penalties?

No, you do not need to complete this form if you owe penalties. We encourage you to let us figure your penalties and send you a bill instead of completing and filing this form yourself. If you let us figure your penalties, complete your return as usual and do not attach Form IL-2220.

Note **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.

For more information, see Publication 103, Penalties and Interest for Illinois Taxes. To receive a copy of this publication, visit our website at **tax.illinois.gov**.

What is late-payment penalty?

A late-payment penalty is assessed when you fail to pay the tax you owe by the due date. This penalty could result from two different underpayment situations and is assessed at either 2 percent or 10 percent of the unpaid liability based on the number of days the payment is late. The penalty rates used on this form are for returns due **on or after January 1, 2005.** For returns due before January 1, 2005, see Publication 103.

You will be assessed a **late-payment penalty for unpaid tax** if you do not pay the total tax you owe by the original due date of the return. **An extension of time to file your return does not extend the amount of time you have to make your payment.**

You will be assessed a **late-payment penalty for underpayment of estimated tax** if you were required to make estimated tax payments and failed to do so, or failed to pay the required amount by the payment due date.

Note If in the previous taxable year you filed a short year return or a return showing no liability, you may still owe the late-payment penalty for underpayment of estimated tax. See the specific instructions for details.

You **do not** owe the late-payment penalty for underpayment of estimated taxes if

- you are not filing Form IL-1120;
- you were not required to file Form IL-1120 for last year; or
- your current year's tax liability (Form IL-1120, Step 8, Line 58 minus Lines 61c and 61d) is $400 or less.

Note 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 tax liability in the prior year and it was not a short taxable year). You will still be assessed the late-payment penalty for underpayment of estimated tax if you failed to pay the required installment amount by each installment due date.

What is late-filing or nonfiling penalty?

A **late-filing or nonfiling penalty** is a penalty assessed for failure to file a processable return by the extended due date. The penalty is the lesser of $250 or 2 percent of the tax amount required to be shown due on your return, reduced by any payments made by the original due date and any credits allowed on your return.

An additional penalty will be assessed if you do not file a processable return within 30 days of the date we notify you that we are not able to process your return. This additional penalty is equal to the greater of $250 or 2 percent of the tax shown due on your return, determined **without** regard to payments and credits, and may be assessed up to a maximum of $5,000. For more information, see Publication 103, Penalties and Interest for Illinois Taxes.

What if I underpaid my estimated tax because of a change in the law during the tax year?

If a change in the IITA enacted during the tax year increased your liability, and the new statute does not specifically provide for relief from penalties, you may reduce or eliminate your penalty for underpayment of estimated tax by using the annualized income installment method in Step 6 and computing your income and liability for each period according to the IITA in effect as of the end of that period. See Specific Instructions for Step 6.

What if I need additional assistance or forms?

- Visit our website at **tax.illinois.gov** for assistance, forms or schedules.
- Write us at:
  ILLINOIS DEPARTMENT OF REVENUE
  PO BOX 19001
  SPRINGFIELD IL 62794-9001
- Call **1 800 732 8866** or **217 782-3336** (TDD, telecommunications device for the deaf, at 1 800 544-5304).

- Visit a taxpayer assistance office - 8:00 a.m. to 5:00 p.m. (Springfield office) and 8:30 a.m. to 5:00 p.m. (all other offices), Monday through Friday.

Specific Instructions

≡Note→ **If a specific line is not referenced, follow the instructions on the form.**

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

Line 5 —

Column A - Enter the total net income and replacement taxes and surcharges entered on your 2020 Form IL-1120, Step 8, Line 58.

Column B:

- **Calendar-year corporate filers:** Enter the lesser of the total net income and replacement tax entered on your
  - 2019 Form IL-1120, Step 8, Line 58, or
  - 2018 Form IL-1120, Step 8, Line 57.
- **All others:** Enter the total net income and replacement tax entered on your 2019 Form IL-1120, Step 8, Line 58.

If this line is zero or if the preceding year's return was for a short tax year enter "N/A" in Column B.

≡Note→ "N/A" does not equal zero. If you entered "N/A" on Step 2, Column B, Line 5, you still may be required to make installments. See the instructions for Line 9.

Line 6 — Enter the total amount from your Form IL-1120, Step 8, Lines 61c and 61d.

Line 9 — If Line 7 is $400 or less, enter zero and go to Step 3. Otherwise, enter the lesser of Column A, Line 8, or Column B, Line 5. **If you entered "N/A" in Column B, Line 5, enter the amount from Column A, Line 8.**

Line 12 — Enter the amount of your required installment for each due date. For most taxpayers, this is the amount shown on Line 10. (In this case, the total amount of all columns of Line 12 should equal Line 9.) However, if you are annualizing your income, you must complete Step 6 and enter the required installments from Line 51.

≡Note→ **Annualized income installment method:** If your income was **not** received evenly throughout the year, you may be able to lower or eliminate the amount of your required installments by using the annualized income installment method in Step 6. If you choose to annualize your income in Step 6, you must use this method for all installments.

Line 13 —

- **Gambling withholding:** If you received a Form W-2G, Certain Gambling Winnings, enter the entire Illinois amount of withholding in the quarter in which the gambling winnings were received.
- **Pass-through withholding:** If you received an Illinois Schedule K-1-P or K-1-T showing pass-through withholding made on your behalf, enter the entire amount in the quarter in which the pass-through entity's tax year ended.
  For example, if your tax year ended on March 31, 2021, and your Schedule K-1-P shows a tax year ending of June 30, 2020, you would put the pass-through withholding payment amount in Quarter 1.

Line 14 — Quarters 1 through 4 — Subtract Line 13 from Line 12 and enter that amount here. If this amount is negative, use brackets. If Line 13 is blank or zero, enter the amount from Line 12.

Lines 15 and 16 — Complete Lines 15 and 16 of each quarter before proceeding to the next quarter. Follow the instructions on the form.

Step 3: Figure your unpaid tax

Line 17 — Enter the total from:
- Form IL-1120, Step 8, Line 58;
- Form IL-1120-ST, Step 8, Line 60;
- Form IL-1065, Step 8, Line 61;
- Form IL-1041, Step 7, Line 54; or
- Form IL-990-T, Step 6, Line 28.

Line 18a — Enter the total of all payments you made on or before the original due date of your tax return.

Include overpayment credit(s) carried forward to 2020 from a prior year original or amended return if the prior year return was filed on or before the original due date of your 2020 return. You must also include withholding (including gambling withholding), estimated payments voluntary prepayment), extension payments, pass-through withholding made on your behalf, payments made with a voucher generated by a software program, electronic payments, and payments made with your tax return or "V" vouchers.

Line 18b — Form IL-1120 filers only: Add the amounts from Step 2, Line 12, all Columns. Enter the result on Line 18b. All other filers, enter zero.

Line 18 — Enter the greater of 18a or 18b.

Line 19 — Subtract Line 18 from Line 17. If the amount is
- **positive**, enter the amount here. You owe a late-payment penalty for unpaid tax. Continue to Step 4 and enter this amount in Penalty Worksheet 2, Column C, Line 23.
- **zero or negative**, enter the amount here. If the result is negative, use brackets.

Step 4: Figure your late-payment penalty

Use:	to figure your late payment penalty for:
Penalty Worksheet 1	underpayment of estimated tax.
Penalty Worksheet 2	unpaid tax.

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

Line 20 — Follow the instructions below for your tax type.

Corporations (excluding S corporations)

Enter your payments, regardless of the type of payment, and the date you made the payment. List the payments in date order. Include any overpayment credit(s) carried forward from a prior year original or amended return.

≡Note→ If you **do not** complete Penalty Worksheet 1, only enter payments made and credits received after the original due date of your tax return.

Do not include income tax credits, withholding, or pass-through withholding made on your behalf.

To determine the correct date to enter for overpayment credit(s) carried forward, refer to the instructions below.

If your prior year return that made the election to credit your overpayment against your 2020 tax was filed

- ❑ **on or before the extended due date of that prior year return**, your credit is considered to be paid on the due date of your first estimated tax installment for the current year.

  Example 1: You filed your 2019 Form IL-1120 calendar-year return on or before the extended due date of that return requesting $500 be applied against estimated tax. All of your payments were made before the original due date of your 2020 return. Your credit of $500 will be considered to be paid on April 15, 2020.

  In this case, enter $500 and a date paid of April 15, 2020, on Line 20.

Example 2: You filed your 2019 Form IL-1120 calendar-year return on or before the extended due date of that return requesting $500 be applied against estimated tax. Your overpayment includes payments of $400 you made before the original due date of your return, and a $100 payment you made on July 3, 2020. A credit of $400 will be considered to be paid on April 15, 2020. The remaining $100 credit will be considered to be paid on July 3, 2020.

In this case, you will enter two credits on Line 20. One for $400 reporting a date paid of April 15, 2020, and another for $100 reporting a date paid of July 3, 2020.

≡Note→ If all or a portion of your overpayment results from payments made after the due date of your first estimated tax installment, that portion of your credit is considered to be paid on the date you made the payment.

❑ **after the extended due date of that prior year return**, your credit is considered to be paid on the date you filed the return on which you made the election.

Example 3: You filed your 2019 Form IL-1120 calendar-year return on December 1, 2020, requesting $500 be applied against estimated tax. Your credit of $500 will be considered to be paid on December 1, 2020, because you filed your return after the extended due date of your 2019 calendar-year return.

In this case, enter $500 and a date paid of December 1, 2020, on Line 20.

≡Note→ If you are filing your return after the extended due date, you may only elect to claim an overpayment credit for payments received on or before the date you filed your return. Any payments made after the date you filed that return can only be claimed as an overpayment credit on a subsequent amended return.

All other tax types

Enter any payments made after the original due date of your tax return, regardless of the type of payment, and the date you made the payment. List the payments in date order. Include any overpayment credit(s) carried forward from a prior year original or amended return.

Do not include income tax credits, withholding, or pass-through withholding payments made on your behalf.

Only include overpayment credit(s) which are considered to be paid after the original due date of your current year tax return. To determine when the overpayment credit(s) are considered to be paid, refer to the following instructions.

If your prior year return that made the election to credit your overpayment against your 2020 tax was filed

❑ **on or before the extended due date of that prior year return**, do not include the credit(s) on Line 20. Your credit(s) will be considered to be paid before the original due date of the current year tax return. See the instructions for your return for details.

❑ **after the extended due date of that prior year return**, your credit is considered to be paid on the date you filed the return on which you made the election.

Example 1: You filed your 2019 Form IL-1120-ST calendar-year return late on December 1, 2020, requesting $500 be applied against estimated tax. Your credit of $500 will be considered to be paid on December 1, 2020, because you filed your return after the extended due date of your 2019 calendar-year return.

In this case, the credit is considered to be paid before the original due date of your 2020 Form IL-1120-ST, March 15, 2021, and would be included on Line 20 when listing your 2020 payments.

Example 2: You filed and paid your 2019 Form IL-1120-ST calendar-year return late on July 3, 2021, requesting $500 be applied against estimated tax. Your credit of $500 will be considered to be paid on July 3, 2021, because you filed your return after the extended due date of your 2019 calendar-year return.

In this case, the credit is considered to be paid before the original due date of your 2021 IL-1120-ST, March 15, 2022, and would not be included on Line 20 when listing your 2020 payments.

≡Note→ If you are filing your return after the extended due date, you may only elect to claim an overpayment credit for payments received on or before the date you filed your return. Any payments made after the date you filed that return can only be claimed as an overpayment credit on a subsequent amended return.

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

If the amount on Line 16 is positive (greater than zero) for any quarter, you may owe a **late payment penalty for underpayment of estimated tax**. Use this worksheet to figure the penalty for any unpaid quarter.

≡Note→ If you paid the required amount from Line 16 by the due date on Line 11 for each quarter, do not complete Penalty Worksheet 1.

Line 21 —

Column B -- Use the dates from Step 2, Line 11.

Column C — Enter the underpaid amount from Line 16 on the first line of the appropriate quarter. Do not enter any overpaid amounts in this column.

Column D — Apply to the first unpaid quarter, the payment from Line 20 with the earliest payment date.

Continue applying payments in date order until all unpaid amounts in Column C have been satisfied (Column E is zero or a negative figure for all unpaid quarters) or you have no more payments to apply.

For quarters two through four: If you have an overpayment available from the previous quarter (quarters one through three, respectively) in Column E, you may use that amount for the first available payment in the current quarter.

≡Note→ See the example on the final page of these instructions.

Column E — Subtract the payment in Column D from the unpaid amount in Column C.

If this amount is

• positive, enter the amount here and complete Columns F through I. Enter this positive (unpaid) amount on the next line in Column C. Continue applying payments in date order until the unpaid amount in Column C has been satisfied (Column E is a negative figure, zero, or you entered zero in Column D).

• zero or negative, you have paid your tax. Enter the amount here and, if negative, use brackets. Complete Columns F through I.

≡Note→ If this amount is negative in the 4th quarter, and the payment date in Column F is after the original due date of the return, apply this overpayment to any unpaid tax shown on Penalty Worksheet 2, Line 23 when figuring your late payment penalty for unpaid tax. See the instructions for Penalty Worksheet 2, Column D.

If you entered "0" in Column D, enter the amount from Column C here, and complete Columns F through I.

Column F — Enter the date the payment in Column D was made. If Column D is zero, do not enter a date and skip to Column H.

Column G — Figure the number of days from the date in Column B to the date in Column F and enter that number here. This is the number of days the payment was late.

Column H — For payments made after the due date listed in Column B, enter the penalty rate that applies to the number of days you entered in Column G. See the penalty rates listed on Form IL-2220,

Page 2, above Penalty Worksheet 1. For payments made before the due date listed in Column B, enter zero in Column H.

Column I — Figure this amount using the **payment portion** in either Column C or Column D.

If Column D is zero or if Column E is zero or a negative figure, multiply Column C by Column H and enter the amount here. Otherwise, multiply Column D by Column H and enter the amount here.

Line 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 59.

Penalty Worksheet 2 — Late-payment penalty for unpaid tax

Line 23 —

Column B — Enter the original due date of your return.

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

Column D — If you completed Penalty Worksheet 1, **and** you have a negative amount (overpayment) in Column E of the 4th quarter of Penalty Worksheet 1, **and** the payment date shown in the 4th quarter of Column F of Penalty Worksheet 1 is **after** the date listed in Line 23, Column B, you may apply the overpayment from Line 21, Column E, as the first available payment for Line 23, Column D.

Continue applying unused payments from Line 20 received after the date in Column B, in date order until the unpaid amount in Column C has been satisfied (Column E is zero or a negative figure).

If you **did not** complete Penalty Worksheet 1, apply payments received after the date in Column B from Line 20, in date order until the unpaid amount in Column C has been satisfied (Column E is zero or a negative figure).

If you have no more payments to apply and Column C remains unpaid, enter "0" in Column D. See example at the end of these instructions.

Complete Columns E through I

Column E — Subtract the payment in Column D from the unpaid amount in Column C.

If this amount is

- positive, enter the amount here and complete Columns F through I.
  Enter this positive (unpaid) amount on the next line in Column C. Continue applying payments in date order until Column E is an overpayment, zero, or you have entered zero in Column D.

- zero or negative, you have paid your tax. Enter the amount here and, if negative, use brackets. Complete Columns F through I.

If you entered zero in Column D, enter the amount from Column C here, and complete Columns F through I.

Column F — Enter the date of the payment you applied in Column D. If

- you are applying an overpayment from Penalty Worksheet 1, Column E, enter the date that corresponds to that payment, shown on Line 20.

- Column D is zero, do not enter a date in Column F and skip to Column H.

Column G — Figure the number of days from the date in Column B to the date in Column F and enter that number here. This is the number of days the payment was late.

Column H — For payments made after the due date listed in Column B, enter the penalty rate that applies to the number of days you entered in Column G. See the penalty rates listed on Form IL-2220, Page 2, above Penalty Worksheet 1. For payments made before the due date listed in Column B, enter zero in Column H.

Column I — Figure this amount using the **payment portion** in either Column C or Column D.

If Column D is zero or if Column E is zero or a negative figure multiply **Column C** by Column H. Otherwise, multiply **Column D** by Column H and enter the amount here.

Line 24 — Add Column I. This is your **late-payment penalty for unpaid tax.** Enter the amount here and on Step 5, Line 28.

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

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

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

Otherwise, you do not owe a late-filing penalty.

Line 25 — Enter the amount of tax due from your return. Your tax due is tax, surcharge, and pass-through withholding you owe on behalf of your members minus any payments made on or before the original due date and credits.

Line 28 — Enter your late-payment penalty for unpaid tax from Line 24.

Line 29 — If your annual tax return shows that you have an

- overpayment (before any amount to be carried to the next year's estimated payments), enter that amount as a negative number.
- balance due, enter that amount as a positive number.

Form -	Overpayment Line -	Tax Due Line-
IL-1120	Step 8, Line 63	Step 8, Line 67
IL-1120-ST	Step 9, Line 63	Step 9, Line 67
IL-1065	Step 9, Line 64	Step 9, Line 68
IL-1041	Step 7, Line 57	Step 7, Line 61
IL-990-T	Step 6, Line 31	Step 6, Line 35

Line 30 — Add Lines 27, 28, and 29. This is your total tax and penalty amounts. This amount may not match the overpayment and may reduce any available amount to be credited to a subsequent period, or the total amount due on your original tax return.

If Line 30 shows a balance due and you wish to pay your calculated penalty amounts, pay the amount shown here. Otherwise, we will send you a bill.

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

You should complete this worksheet if your income was **not** received evenly throughout the year and you choose to annualize your income.

If you complete this worksheet, check the box on Form IL-1120, Step 1, Line W, and attach this form to your return. Beginning with Column A, complete Lines 31 through 51 of each column.

≡Note→ You must complete **all** lines of Columns A through D in order to use this worksheet. If you fail to complete **all** lines of Step 6, Lines 31 through 51, 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.

If the IITA was amended during your tax year and changed how you compute your net income or tax, and the amendment does not provide relief for taxpayers who computed their estimated tax obligations following the old law, use the old law to compute your net income and tax for each period ending before the date the amendment became law.

Example: If an income tax credit was repealed by law, effective June 22, 2020, for tax years ending on or after December 31, 2020, and the credit was reinstated July 30, 2021, for tax years ending on or after December 31, 2021, a calendar-year taxpayer could use the credit to reduce the tax liability on the 2020 Form IL-2220, in Columns A and B, Line 39, but not for Columns C or D.

The credit could be used again on the 2021 Form IL-2220, in Column D, Line 39, but not Columns A and B. The credit may be used in Column C of the 2021 Form IL-2220 only if the income used to compute the liability on Line 39 is the annualized amount for the first eight months of the year on Line 36. The credit may not be used if the annualized income for the first six months of the year on Line 33 is used, because the law restoring the credit was not in effect as of June 30, 2021.

Line 31 — In Columns B through D, calculate and enter the **net** income that would have been shown on Form IL-1120, Step 5, Line 39, if you had completed a 2020 Form IL-1120 for the first three months, the first six months, and the first nine months of the tax year.

Note Net income from Form IL-1120, Step 5, Line 39, is base income after apportionment and Illinois net loss deduction (during applicable years).

Line 34 — In Columns A through D, calculate and enter the **net** income that would have been shown on Form IL-1120, Step 5, Line 39, if you had completed a 2020 Form IL-1120 for the first three months, the first five months, the first eight months, and the first eleven months of the tax year.

Note To avoid a common mistake, ensure you have completed all columns of Lines 31 through 36, as applicable. If you complete this step, do not leave these lines blank. If you have no net income to report in a column on Lines 31 or 34 or amounts to enter in a column on Lines 33 or 36, enter zero on the applicable lines. Failure to comply with this requirement may result in further correspondence and a delay in the processing of your return.

Line 38 — Using the net income on Line 37, calculate and enter in each column the total net replacement tax that would have been shown on Form IL-1120, Step 8, Line 52, if you had completed a 2020 Form IL-1120 for each period.

Line 39 — Using the net income on Line 37, calculate and enter in each column the total net income tax that would have been shown on Form IL-1120, Step 8, Line 55, if you had completed a 2020 Form IL-1120 for each period.

Note Your net income and replacement tax from Form IL-1120, Step 8, Lines 52 and 55, are amounts after recapture and all appropriate credits. (Refer to Form IL-1120, Steps 6 and 7.) See Illinois Income Tax Regulations, Section 100.8010(d)(2)(C)(iv) for more information.

Line 40 — For each column, determine the period and annualization factor used when calculating Line 37. Next, compute the amount of surcharge that would have been shown on Form IL-1120, Step 8, Line 56, if you had completed a 2020 Form IL-1120 for each period. Finally, multiply that amount by the annualization factor used for that period. Enter the result on Line 40.

Line 41 — For each column, determine the period and annualization factor used when calculating Line 37. Next, compute the amount of surcharge that would have been shown on Form IL-1120, Step 8, Line 57, if you had completed a 2020 Form IL-1120 for each period. Finally, multiply that amount by the annualization factor used for that period. Enter the result on Line 41.

Line 47 — Enter the amount you would have entered in the corresponding column of Step 2, Line 12, if you were not annualizing your income.

Example

ABC Corporation's total Illinois net income and replacement tax and surcharge is $1,875, as shown on its 2020 Form IL-1120, Step 8, Line 58. The 2019 tax was $2,600. The corporation filed Form IL-1120 and paid $300 with the return on September 4, 2021. The corporation made the following estimated payments:

$100 4-15-20 $200 6-19-20 $750 9-15-20 $250 12-19-20

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. **17** ___1875__.00

18 a Enter the total amount of all payments made on or before the original due date of your tax return. Include your credit(s) carried forward from a prior year (see instructions), total estimated payments or prepayments made this year, 505-B payments, any pass-through withholding payments made on your behalf, annual payments made with your tax return or "V" vouchers, electronic payments, and any withholding shown on your W-2G or 1099 forms. **18a** ___1300__.00

   b **Form IL-1120 filers only**: Enter the total of all Columns, Line 12. All others, enter zero. **18b** ___1688__.00
   Enter the **greater** of Line 18a or Line 18b here. **18** ___1688__.00

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. **19** ___187__.00

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 underpaid 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	100	04/15/2020	e	300	09/04/2021	i		_/_/_
b	200	06/19/2020	f		_/_/_	j		_/_/_
c	750	09/15/2020	g		_/_/_	k		_/_/_
d	250	12/19/2020	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

≡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.

Calculations

A Period	B Due date	C Unpaid amount	D Payment applied	E Balance due (Col. C - Col. D)	F Payment date	G No. of days late	H Penalty rate (see above)	I Penalty	
Qtr. 1	04/15/2020	422	100	322	04/15/2020	0	0	0.00	
		322	200	122	06/19/2020	65	.10	20.00	← (200 x .10 = 20.00)
		122	750	(628)	09/15/2020	153	.10	12.20	← (122 x .10 = 12.20)
Qtr. 2	06/15/2020	422	628	(206)	09/15/2020	92	.10	42.20	← (422 x .10 = 42.20)
					_/_/_				
					_/_/_				
Qtr. 3	09/15/2020	422	206	216	09/15/2020	0	0	0.00	
		216	250	(34)	12/19/2020	95	.10	21.60	← (216 x .10 = 21.60)
					_/_/_				
Qtr. 4	12/15/2020	422	34	388	12/19/2020	4	.02	.68	← (34 x .02 = .68)
		388	300	88	09/04/2021	263	.10	30.00	← (300 x .10 = 30.00)
		88	0	88	_/_/_		.10	8.80	← (88 x .10 = 8.80)

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** ___135.48__

≡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 in 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 Due date	C Unpaid amount	D Payment applied	E Balance due (Col. C - Col. D)	F Payment date	G No. of days late	H Penalty rate (see above)	I Penalty	
Return	04/15/2021	187	0	187	_/_/_		.10	18.70	← (187 x .10 = 18.70)
					_/_/_				
					_/_/_				
					_/_/_				

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** ___18.70__