



Illinois Department of Revenue
Schedule SA (IL-1040)

For calendar-year filers with tax years ending on **December 31, 2017**,
 and for fiscal-year filers with tax years ending after **December 31, 2017**.

Specific Accounting Method
of Computing Net Income
for Individuals

Tax year ending

Month Year

Attach to Form IL-1040 as the
 first attachment.

Step 1: Personal Information

Your name as shown on Form IL-1040 _____

Your Social Security number _____

Step 2: Income

	A Pre-7/1/17 figures	B Post-6/30/17 figures
1 Federal adjusted gross income (IL-1040, Line 1)	◆ _____	◆ _____
2 Federally tax-exempt interest and dividend income (IL-1040, Line 2)	_____	_____
3 Other additions to income (IL-1040, Line 3)	_____	_____
4 Total income. Add Lines 1 through 3. (IL-1040, Line 4)	_____	_____
5 Income from Social Security benefits and retirement plans if included in Line 1 (IL-1040, Line 5)	_____	_____
6 Illinois Income Tax overpayment included in federal Form 1040, Line 10 (IL-1040, Line 6)	_____	_____
7 Other subtractions to income (IL-1040, Line 7)	_____	_____
8 Total subtractions. Add Lines 5, 6, and 7. (IL-1040, Line 8)	_____	_____
9 Illinois base income. Subtract Line 8 from Line 4. (IL-1040, Line 9)	_____	_____
Residents: Skip Step 3 and enter the amounts from Line 9 on Line 20.		
Nonresidents and part-year residents: Complete Step 3 and follow the instructions.		

Step 3 — Figure your apportionment factor (Nonresidents or part-year residents only)

10 Nonbusiness income or loss. See instructions.	_____	_____
11 Business income or loss from non-unitary partnerships, partnerships included on a Schedule UB, S corporations, trusts, or estates. See instructions.	_____	_____
12 Add Lines 10 and 11.	_____	_____
13 Business income or loss. Subtract Line 12 from Line 9.	_____	_____
14 Enter the total sales everywhere. See instructions.	_____	_____
15 Enter the total sales inside Illinois. See instructions.	_____	_____
16 Apportionment factor. Divide Line 15 by Line 14 and carry to six decimal places.	_____	_____
17 Business income or loss apportionable to Illinois. Multiply Line 13 by Line 16, for each column.	_____	_____
18 Nonbusiness income or loss allocable to Illinois. See instructions.	_____	_____
19 Business income or loss apportionable to Illinois from non-unitary partnerships, partnerships included on a Schedule UB, S corporations, trusts, or estates. See instructions.	_____	_____

Step 4 — Net income and tax

20 Net income or loss allocable to Illinois. Residents: Enter the amounts from Line 9 of each column. (IL-1040, Line 9) Nonresidents and part-year residents: Add Lines 17, 18, and 19. (Schedule NR, Line 46)	◆ _____	◆ _____
21 Exemption allowance. See instructions.	◆ _____	◆ _____
22 Net income. Subtract Line 21 from Line 20. (IL-1040, Line 11 or Schedule NR, Line 51)	◆ _____	◆ _____
23 If Column B, Line 22 is negative: Enter zero in Column B, Line 23, and enter in Column A, Line 23, the result of adding Column B, Line 22, plus Column A, Line 22. If Column A, Line 22, is also negative do not use this schedule. If Column B, Line 22 is positive or zero: Enter Column A, Line 22, in Column A, Line 23, and enter Column B, Line 22, in Column B, Line 23. If Column A, Line 23 is negative or zero, do not use this schedule.	◆ _____	◆ _____
24 Tax. Column A: Multiply Line 23 by 3.75% (.0375). Column B: Multiply Line 23 by 4.95% (.0495).	◆ _____	◆ _____
25 Add Columns A and B, Line 24, and enter the total here and on your Form IL-1040, Line 13. Nonresidents and part-year residents: Also enter the total on your Schedule NR, Line 52.	◆ _____	◆ _____





Schedule SA Instructions (IL-1040)

General Information

This Schedule SA (for individuals) is for use by calendar-year filers with tax years ending on December 31, 2017, and for fiscal-year filers with tax years ending after December 31, 2017.

The purpose of Schedule SA, Specific Accounting, is to provide a means for calculating your income and tax at separate rates, due to an income tax rate change during your tax year. The Schedule SA allows you to figure your tax based on the specific accounting method.

The **specific accounting method** allows you to treat your net income or loss and modifications as though they were earned in two different taxable years.

For individuals, the amount earned prior to July 1, 2017, is taxed at 3.75 percent. The amount earned on or after July 1, 2017, is taxed at 4.95 percent. The two tax amounts are then added together to get the total tax liability.

Note Do not use this schedule if your Illinois net income as calculated on Form IL-1040, Line 9, or Schedule NR, Line 46, is zero.

Who should use Schedule SA?

You must use Schedule SA if you elect not to use the blended rate method of computing your tax when the rate changes during your tax year. The blended rate method taxes your income as if you received it evenly throughout the year.

If you actually earned more of your income during the period to which the 3.75 percent tax rate applies, electing to use the specific accounting method on Schedule SA to determine how much of your income is taxed at the 3.75 percent rate and how much is taxed at the 4.95 percent rate will reduce your tax liability. The election is made by attaching Schedule SA to your timely-filed original return.

Once the election is made, it is irrevocable.

Specific Instructions

Step 1— Personal Information

Enter your name and Social Security number, as shown on your Form IL-1040, Individual Income Tax Return.

Step 2 — Income

Column A — For each line item, enter the amount included for the portion of your tax year that comes before July 1, 2017, based on your method of allocation.

Column B — For each line item, enter the amount included for the portion of your tax year that comes after June 30, 2017, based on your method of allocation.

Note All items of income, deduction and loss passed through to you by a partnership, S corporation, trust, or estate are treated as received by you on the last day of that entity's taxable year.

Note Full-year Illinois residents: Skip Step 3, enter the amounts from Line 9 on Step 4, Line 20, and complete the rest of the form.

Nonresidents and part-year residents: Complete Steps 3 and 4.

Step 3 — Figure your apportionment factor - (Nonresidents or part-year residents only)

If you completed Form IL-1040, Schedule NR, Nonresident and Part-Year Resident Computation of Illinois Tax, you must complete Step 3 to apportion business income and allocate nonbusiness income to Illinois appropriately.

Line 10 — Enter the amount of nonbusiness income or loss included in Line 9. The amount of nonbusiness income is represented in the amounts shown on your Schedule NR, Steps 3 and 4, Column A.

Line 11 — Enter the amount of business income or loss from non-unitary partnerships, partnerships included on a Schedule UB, S corporations, trusts, or estates, as shown on your Schedule NR, Steps 3 and 4, Column A.

Lines 14 through 16 — If your entry on Line 13 of both Column A and Column B is zero, skip to Line 18. Otherwise, enter the amounts calculated on the Business or Farm Income Apportionment Formula (IAF) Worksheet in the Schedule NR instructions.

Line 18 — Enter the amount of nonbusiness income or loss included in Line 9 allocated to Illinois on your Schedule NR, Steps 3 and 4, Column B.

Line 19 — Enter the amount of business income or loss apportionable to Illinois from non-unitary partnerships, partnerships included on a Schedule UB, S corporations, trusts, or estates, as reported to you on Schedules K-1-P, Partner's or Shareholder's Share of Income, Deductions, Credits, and Recapture, or Schedules K-1-T, Beneficiary's Share of Income and Deductions, Steps 4 and 5, and included in Column B of your Schedule NR.

Step 4 — Net income and tax

Line 20 — Follow the instructions on the form.

Line 21 — Prorate your exemption allowance between the two separate tax periods based on the number of days in each tax period.

- Divide the number of days in each tax period by the total number of days in the tax year.
- Round the result to six decimal places.
- Multiply the decimal by the total exemption allowance. See Form IL-1040, Line 10 or Schedule NR, Line 50 for your total exemption allowance amount.

Note The sum of Column A and Column B cannot exceed your total exemption allowance amount.

Line 22 — Follow the instructions on the form.

The total from Columns A and B	Must equal the amount on
Line 20	Form IL-1040, Line 9 or Schedule NR, Line 46
Line 21	Form IL-1040, Line 10 or Schedule NR, Line 50
Line 22	Form IL-1040, Line 11 or Schedule NR, Line 51

Line 23 — Before completing this line, determine if Column B, Line 22 is zero, a positive number, or a negative number and follow the instructions below.

If Column B, Line 22 is negative:

- enter zero in Column B, Line 23, and
- enter in Column A, Line 23, the result of adding Column B, Line 22, plus Column A, Line 22.

Note If both Column A, Line 23, and Column B, Line 23 are negative, you have no tax liability to calculate. Do not use this schedule.

If Column B, Line 22 is positive or zero:

- enter Column A, Line 22, in Column A, Line 23, and
- enter Column B, Line 22, in Column B, Line 23.

Note If Column A, Line 23, is negative or zero, using Schedule SA instead of using the blended rate will result in a higher tax liability. Do not use this schedule.

Lines 24 and 25 — Follow the instructions on the form.

Note Attach this form directly behind your Form IL-1040, as **Attachment No. 1**. This attachment supersedes all other attachments.