Illinois Department of Revenue

2019 Schedule K-1-P(3)   Pass-through Withholding Calculation for Nonresident Members

To be completed by partnerships filing Form IL-1065 or S corporations filing Form IL-1120-ST

Year ending

_____ _____
Month   Year

Read this information first:
- **For tax years ending on or after December 31, 2019, and before December 31, 2020.**
- You **must** complete Schedule K-1-P(3) for each of your nonresident partners or shareholders who **have not** submitted a Form IL-1000-E to you.
- **Do not** complete Schedule K-1-P(3) for any member who is a resident or who has submitted Form IL-1000-E to you.

Note Keep this schedule with your income tax records. You must send us this information if we request it.

Step 1:   Identify your partnership or S corporation

1 _____
Enter your name as shown on your Form IL-1065 or Form IL-1120-ST.

2 ____ ____ - ____ ____ ____ ____ ____ ____ ____
Enter your federal employer identification number (FEIN).

Step 2:   Identify your nonresident partner or shareholder

3 _____
Name

4 _____
Social Security number or FEIN

5 Check the appropriate box to identify this nonresident partner's or shareholder's organization type.
- ☐ individual
- ☐ corporation
- ☐ trust
- ☐ partnership
- ☐ S corporation
- ☐ estate

Step 3:   Figure your nonresident partner's or shareholder's pass-through withholding

Note If this member is a resident or has submitted Form IL-1000-E to you, do not complete this schedule for this member.

6 Add the amounts from this member's Schedule K-1-P, Step 3, Column B, Lines 12 through 17 and 19 and enter the total here. This is your member's share of nonbusiness income allocable to Illinois before modifications and credits. See instructions before completing.   **6** _____

7 Add the amounts from this member's Schedule K-1-P, Step 4, Column B, Lines 20 through 27 and 29 through 31 and enter the total here. This is your member's share of business income allocable to Illinois before modifications and credits. See instructions before completing.   **7** _____

8 Add Line 6 and Line 7 and enter the result.   **8** _____

9 Add the amounts from this member's Schedule K-1-P, Column B, Lines 32 through 37 and enter the total here. This is your member's share of additions allocable to Illinois.   **9** _____

10 Add Line 8 and Line 9 and enter the result.   **10** _____

11 Add the amounts from this member's Schedule K-1-P, Column B, Lines 38a through 47 and enter the total here. If this member is an individual, partnership, trust, or estate and received Illinois August 1, 1969, appreciation amounts from you, see instructions. This is your member's share of subtractions allocable to Illinois.   **11** _____

12 Subtract Line 11 from Line 10. If negative, enter zero. **This is your member's share of Illinois income subject to pass-through withholding.** See instructions.   **12** _____

Note If this member is a nonresident individual or estate, enter zero on Lines 13 through 15 and go to Line 16.

13 Replacement tax before credits. If this member is a
   partnership, S corporation, or nonresident trust, multiply Line 12 by 1.5% (.015) and enter the result.
   corporation, multiply Line 12 by 2.5% (.025) and enter the result.   **13** _____

14 Enter the amount of Illinois replacement tax investment credits passed to this member and available for use this year.   **14** _____

15 Subtract Line 14 from Line 13. If negative, enter zero. **This is your member's share of replacement tax after credits.**   **15** _____

Note If this member is a nonresident partnership or S corporation, enter zero on Lines 16 through 18 and go to Line 19.

16 Income Tax before credits. If this member is a(n)
   nonresident individual, estate, or trust, multiply Line 12 by 4.95% (.0495) and enter the result. See instr.
   corporation, multiply Line 12 by 7.0% (.07) and enter the result. See instructions.   **16** _____

17 Enter the amount of Illinois income tax credits passed to this member and available for use this year. See instructions.   **17** _____

18 Subtract Line 17 from Line 16. If negative, enter zero. **This is your member's share of income tax after credits.**   **18** _____

19 Add Lines 15 and 18 and enter the result. This is your member's total pass-through withholding. **Report this amount on this member's Schedule K-1-P, Step 7, Line 54. You must also report this amount on your Form IL-1065 or Form IL-1120-ST, Schedule B, Section B, Column J, on the line which reports this member's amounts.**   **19** _____

▶ **Keep a copy of this schedule for each member with your income tax records. Do not send Schedule K-1-P(3) to your members or submit it to Illinois Department of Revenue unless we specifically request it from you.**

Schedule K-1-P(3) (R-12/19)