



Addendum to the IL-1040 and Schedule M Instructions

For taxpayers who received a discharge of indebtedness attributable to student loan forgiveness that is not excluded from the taxpayer’s federal adjusted gross income per Public Act 102-1112 for tax years 2021 and 2022.

Instructions

If you received a discharge of indebtedness attributable to student loan forgiveness that was **not excluded** from your federal adjusted gross income, follow the instructions below:

- If you have filed your Form IL-1040, Illinois Income Tax Return, for 2021 or 2022, you must file a Form IL-1040-X, Amended Illinois Income Tax Return and include Schedule M, Other Additions and Subtractions for Individuals.
- If you have not filed your return, file your IL-1040, Illinois Income Tax Return, and include Schedule M, Other Additions and Subtractions for Individuals, for the correct year.

Include the amount of discharge of indebtedness attributable to student loan forgiveness that was **not excluded** from your federal adjusted gross income on Schedule M, Line 30, in addition to any subtraction you would already include on this line.

30 Education loan repayments made for primary care physicians who agree to practice in designated shortage areas under the Family Practice Residency Act.	30	.00
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Note: Include only eligible student loan debt that was forgiven after December 31, 2020, and included in your federal adjusted gross income. Forgiven student loan debt that may have been included in your federal adjusted gross income generally **does not** include:

- any loan provided expressly for postsecondary educational expenses, regardless of whether provided through the educational institution or directly to the borrower, if such loan was made, insured, or guaranteed by
 - the United States, or an instrumentality or agency thereof,
 - a State, territory, or possession of the United States, or the District of Columbia, or any political subdivision thereof, or
 - an eligible educational institution (as defined in section 25A),
- any private education loan (as defined in section 140(a)(7) of the Truth in Lending Act),
- any loan made by any educational organization described in section 170(b)(1)(A)(ii) if such loan is made
 - pursuant to an agreement with any entity described in subparagraph (A) or any private education lender (as defined in section 140(a) of the Truth in Lending Act) under which the funds from which the loan was made were provided to such educational organization, or
 - pursuant to a program of such educational organization which is designed to encourage its students to serve in occupations with unmet needs or in areas with unmet needs and under which the services provided by the students (or former students) are for or under the direction of a governmental unit or an organization described in section 501(c)(3) and exempt from tax under section 501(a), or
- any loan made by an educational organization described in section 170(b)(1)(A)(ii) or by an organization exempt from tax under section 501(a) to refinance a loan to an individual to assist the individual in attending any such educational organization but only if the refinancing loan is pursuant to a program of the refinancing organization which is designed as described in subparagraph (C)(ii).