



# 2023 Schedule 1299-D Instructions

## General Information

Complete this schedule if you are filing Form IL-1120, Corporation Income and Replacement Tax Return, Form IL-1041, Fiduciary Income and Replacement Tax Return, or Form IL-990-T, Exempt Organization Income and Replacement Tax Return, and are entitled to any of the credits listed on Schedule 1299-I, Income Tax Credits Information and Worksheets.

**This schedule must be completed if you earned credits this year even if you are not using the credits to offset current tax liability.**

If you receive more than one of the same eligible credit code with the same expiration date, you should add all amounts for that credit code and enter the total on the corresponding line on Schedule 1299-D, Step 3, Column F.

If you are filing an Illinois **combined unitary** return, complete one Illinois Schedule 1299-D for the entire group. For each credit, you will need to complete at least one row on Schedule 1299-D, Step 3 for each unitary group member who received the credit.

*For example, unitary group member A (FEIN 12-3456789) earned \$300 of Film Production Services credit during the tax year ending 12/31/23. Member B (FEIN 98-7654321) earned \$400 of Film Production Services credit during the year ending 12/31/23. Complete Schedule 1299-D, Step 3 as follows:*

- enter "2028-12" in Column A, "5000" in Column B, "2023-12" in Column C, "12-3456789" in Column D, and "\$300" in Columns F and I
- enter "2028-12" in Column A, "5000" in Column B, "2023-12" in Column C, "98-7654321" in Column D, and "\$400" in Columns F and I

See Example 1 below.

### Example 1

A Expiration Date YYYY-MM	B Credit Code	C Credit Earned YYYY-MM	D Unitary Member FEIN	E Certificate Number	F Credit Amount Earned	G Distributive Share Credit from K-1-P	H Transferred Credit Amount	I Total Credits (F + G + H)
2028-12	5000	2023-12	12-3456789		\$300	0	0	\$300
2028-12	5000	2023-12	98-7654321		\$400	0	0	\$400

## What must I attach?

If applicable, you must attach

- Schedule(s) K-1-P, Partner's or Shareholder's Share of Income, Deductions, Credits, and Recapture, received from a partnership or S corporation,
- certificates issued by the Department of Commerce and Economic Opportunity (DCEO),
- certificates issued by the Illinois Department of Natural Resources (DNR),
- certificates issued by the Illinois Department of Agriculture (IDOA),
- certificates issued by the Illinois Department of Human Services (DHS),
- proof that credit was issued by the Illinois Housing Development Authority or the City of Chicago, and
- any other documents, including transfer documentation, required by the Illinois Department of Revenue (IDOR) and noted in these instructions or Schedule 1299-I.

**Note:** Specific information about what to attach to your Schedule 1299-D can be found in Schedule 1299-I.

**Failure to follow these instructions and attach required documentation will result in one or more of the following: a delay in the processing of your return, the disallowance of the credit, or the issuance of correspondence from IDOR. You also may be required to submit further information to support your filing.**

## Should I round?

You must round the dollar amounts on Schedule 1299-D 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.

## What if I need additional assistance or forms?

- For assistance, forms, or schedules, visit our website at [tax.illinois.gov](http://tax.illinois.gov) or scan the QR code provided.
- Write us at:  
ILLINOIS DEPARTMENT OF REVENUE  
PO BOX 19001  
SPRINGFIELD IL 62794-9001
- Call 1 800 732-8866 or 217 782-3336 (TTY 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

In order to claim amounts reported to you on an Illinois Schedule K-1-P, the tax year ending listed on the Illinois Schedule K-1-P you received must fall within your tax year.

## STEP 1 - Worksheet

Complete this step only if you earned the Research and Development income tax credit during your current tax year.

### ■ Research and Development

Complete this step before entering any Research and Development credit earned in the current year in Step 3.

Complete the Research and Development Worksheet in Schedule 1299-I. Bring the corresponding amounts from Schedule 1299-I, Worksheet, Line 6, Columns A and B, to Schedule 1299-D, Step 1, Line 1, Columns A and B. Follow the instructions on Schedule 1299-D to calculate the amount to list in Step 3, Column F on the line that you enter Credit Code 5340 in Column B.

## STEP 2 - Calculate your credit for the current year **\*\*Complete Step 3 before completing this Step\*\*** Line 4 -

Enter the total amount (sum) of credit available to be carried into this tax year from your 2022 Schedule 1299-D, Credit Carryforward to Next Year Calculation Worksheet, or other worksheet used to calculate your carry forward from 2022.

## Lines 5 through 10 -

Follow the instructions on the form.

## STEP 3 - Enter your current credits **\*\*Complete this Step before completing Step 2\*\***

You must list **all** new credits, distributive shares, or transferred credits that were earned or received this year. This schedule must be completed if you earned or received credits this year, even if you are not using the credits to offset current tax liability.

If you have more qualifying credits than space provided on Schedule 1299-D, attach additional Schedule(s) 1299-D and enter the total credit you may claim on your original Schedule 1299-D, Step 2, Line 5 and Step 3, Line 35, Column I. **Do not enter the total on your additional schedules.**

Additionally, if you received more than one Schedule K-1-P for any eligible credit, add the amounts from all Schedules K-1-P for that credit and enter the total in Step 3, Column G on the line with that credit code on your Schedule 1299-D.

Follow the instructions below to complete Schedule 1299-D, Step 3, Columns A through E and Columns G through I. To determine the correct amount to list in Schedule 1299-D, Step 3, Column F, use the instructions in Schedule 1299-I, Income Tax Credits Information and Worksheets.

## Lines 11 through 34 -

### Column A - Expiration Date

Enter the four-digit year and two-digit month of the expiration of each credit. Separate the year and the month with a dash (YYYY-MM). For example, if you first earned and received a Department of Commerce and Economic Opportunity (DCEO) certificate for a Film Production Services credit in August of 2023 and you are a calendar-year filer, you will enter "2028-12" as the expiration date in Column A for this credit.

**Note:** Only credits earned this year are to be entered on this schedule.

### Column B - Credit Code

Each credit has a four-digit code used to identify it. The first digit of the code indicates how many years the credit can be carried forward. For example, all credits that can be carried forward two years start with "2". The remaining three digits are the unique indicator for that specific code. Ten year carry forwards will use two digits for the year and two digits as the unique indicator. Credit codes that start with "0" cannot be carried forward.

### Credit Code      Income Tax Credit Name

#### Active Credits

0160	Apprenticeship Education Expense
0180	Recovery and Mental Health
2000	TECH-PREP Youth Vocational Programs
2200	Dependent Care Assistance Program
5000	Film Production Services
5040	Employee Child Care (Corporate filers only)
5080	Enterprise Zone Investment
5120	Enterprise Zone Construction Jobs
5160	High Impact Business Construction Jobs
5220	High Impact Business Investment
5230	Reimagining Energy and Vehicles (REV) Illinois Investment
5260	Affordable Housing Donations
5300	Economic Development for a Growing Economy (EDGE)
5320	New Construction EDGE
5340	Research and Development
5380	Wages Paid to Ex-Felons

Credit Code	Income Tax Credit Name
5420	Student-Assistance Contributions
5440	Agritourism Liability Insurance
5460	Angel Investment
5480	Quantum Computing Campuses
5500	New Markets Development
5540	River Edge Historic Preservation
5560	River Edge Construction Jobs
5580	Live Theater Production
5620	Hospital
5660	Invest in Kids
5820	Data Center Construction Employment
1030	Historic Preservation

**Expired Credits**, can only be carried forward

- 5700 Natural Disaster (Credit earned in tax years beginning on or after January 1, 2017 and beginning prior to January 1, 2019) **Credit may not be used on returns for tax periods beginning after December 31, 2023.**
- 1000 Historic Preservation (Credit earned in tax years ending on or before December 31, 2015) **Credit may not be transferred, carried forward, or distributed on returns for tax periods ending after December 31, 2025.**

### Column C - Credit Earned

Write the four-digit year and two-digit month of the Illinois tax year ending during which the credit was first earned. Separate the year and the month with a dash (YYYY-MM). For example, if you first earned and received a Department of Commerce and Economic Opportunity (DCEO) certificate for a Film Production Services credit in August of 2023 and you are a fiscal filer with a tax year beginning July 1, 2023 and ending June 30, 2024, you will enter "2024-06" for this credit.

#### Note:

- If you are a 52/53-week filer, use the calendar or fiscal year-end date closest to your tax year-end date. For example, if a 52/53-week filer has a year ending of 12/27/2023 or 1/2/2024, they would use 2023-12 for their tax year end date.
- If you are filing a short year return, use the last month that your tax year-end falls in to determine your Tax Year Credit Earned. For example, a short year return filed for the period of 1/1/2024 - 2/15/2024 would use a tax year end date of 2024-02.

### Column D - Unitary Member FEIN

Enter the FEIN of the unitary member that earned the credit. If you are a non-unitary filer, this column should be left blank.

### Column E - Certificate Number

If you **earn** the Invest in Kids credit, enter the certificate number from the Certificate of Receipt (COR) you received from the Scholarship Granting Organization (SGO).

If you receive a **distributive share** of the Invest in Kids credit, do not enter anything in Column E.

For all other credits leave this column blank.

### Column F - Credit Amount Earned

Use the instructions and worksheets in Schedule 1299-I to determine the correct amount of credit to report in this column.

**Keep a copy of Schedules 1299-I and 1299-D in your records. You may be asked to provide a copy of Schedule 1299-I as additional verification and you will use these schedules to complete your credit carryforward information on Schedule 1299-D next year.**

### Column G - Distributive Share Credit from K-1-P

Enter the sum of your distributive share of credits that were received from an S corporation or partnership on Schedule K-1-P.

In order to claim the amount reported to you on a Schedule K-1-P, the tax year ending listed on a Schedule K-1-P you received must fall within your tax year. If you report an amount in this column, include a copy of the Schedule(s) K-1-P you received.

For non-unitary filers, if you receive more than one Schedule K-1-P with a distributive share of the same eligible credit, you should add the amounts from all Schedules K-1-P for that credit and enter the total on the corresponding line on Schedule 1299-D, Step 3, Column G.

If you are a unitary group and you are claiming distributive shares received by multiple unitary group members, complete a separate row on Schedule 1299-D, Step 3 for each credit type and each unitary group member that received the distributive shares. On each row, list the FEIN of the member that received the distributive share in Column D.

*For example, unitary group member A (FEIN 12-3456789) received \$500 in distributive shares for the Angel Investment credit during the tax year ending 12/31/23. Member B (FEIN 98-7654321) received \$300 in distributive shares for the Angel Investment credit during the tax year ending 12/31/23. Member C (FEIN 99-1188227) received \$300 in distributive shares for the Film Production Services credit on one Schedule K-1-P and \$250 in distributive shares for the Film Production Services credit on another Schedule K-1-P, during the tax year ending 12/31/23. Complete Schedule 1299-D, Step 3 as follows:*

- enter "2028-12" in Column A, "5000" in Column B, "2023-12" in Column C, "99-1188227" in Column D, and "\$550" in Columns G and I
- enter "2028-12" in Column A, "5460" in Column B, "2023-12" in Column C, "12-3456789" in Column D, and "\$500" in Columns G and I
- enter "2028-12" in Column A, "5460" in Column B, "2023-12" in Column C, "98-7654321" in Column D, and "\$300" in Columns G and I

See Example 2 below.

**Note:** In this example, you will need to attach **both** Schedules K-1-P from Member C, as well as the Schedules K-1-P from Members A and B.

**Example 2**

A Expiration Date YYYY-MM	B Credit Code	C Credit Earned YYYY-MM	D Unitary Member FEIN	E Certificate Number	F Credit Amount Earned	G Distributive Share Credit from K-1-P	H Transferred Credit Amount	I Total Credits (F + G + H)
2028-12	5000	2023-12	99-1188227		0	\$550	0	\$550
2028-12	5460	2023-12	12-3456789		0	\$500	0	\$500
2028-12	5460	2023-12	98-7654321		0	\$300	0	\$300

Amounts in this column should only contain Distributive Shares of Credit reported on Schedule K-1-P received in the current tax year.

**Note:** List **your** tax year ending as YYYY-MM in Column C. **Do not** list the tax year ending from Schedules K-1-P.

**Column H - Transferred Credit Amount**

Enter the amount of any credit transferred to you.

If you report an amount in this column, include:

- a copy of the written notice of the transfer that the seller or donor received from the Department of Commerce and Economic Opportunity or Department of Natural Resources, or
- a copy of the written notice of the transfer that the seller or donor sent to IDOR.

If you are a non-unitary filer and you receive more than one transfer of the same eligible credit code with the same expiration date, you should add the amounts from all transfers for that credit code and enter the total on the corresponding line on Schedule 1299-D, Step 3, Column H.

If you are a unitary group and you are claiming credit transfers received by multiple unitary group members, complete a separate row on Schedule 1299-D, Step 3 for each credit type and each unitary group member that received the transfer. On each row, list that member's FEIN in Column D, and enter the total sum of all transfers that member received for the specific credit in Column H.

For credits that are being transferred to you in which the credit was required to be transferred within one year of the date the original credit was awarded, you must claim the credit in the tax year in which the credit was awarded, even if you have already filed your tax return for that year. If you have already filed your return for that year, you must file an amended tax return for that year to claim the transferred credit on Schedule 1299-D.

For credits that are being transferred to you in which the credit was not required to be transferred within one year of the date the original credit was awarded, you may claim the credit in the tax year in which the credit was transferred to you. For these credits, the carry forward period is based on the original award date.

Refer to the specific regulations of each credit and Illinois Schedule 1299-I for more information.

*For example, unitary group Z is an annual filer and includes unitary group members A, B, and C. On 04/15/2023, unitary group member A (FEIN 12-3456789) received a transfer of \$8,000 of the Affordable Housing Donations credit with an award date of 12/31/2019 and an expiration date of 12/31/2024. On 09/15/2023, Member B (FEIN 98-7654321) received a transfer of \$3,500 of the Film Production Services credit with an award date of 05/31/2023 and an expiration date of 05/31/2028. Member B also received a transfer on 03/15/2023 of \$11,000 of Live Theater credit with an award date of 05/31/2022 and an expiration date of 05/31/2027. Member C (FEIN 99-1188227) received two transfers of the Hospital credit with the same award date (01/31/2023) and the same expiration date (01/31/2028) from different entities, one for \$30,000 on 03/15/2023 and one for \$15,000 on 06/30/2023. Complete Schedule 1299-D, Step 3 as follows:*

- enter "2024-12" in Column A, "5260" in Column B, "2023-12" in Column C, "12-3456789" in Column D, and "\$8,000" in Columns H and I
- enter "2028-01" in Column A, "5620" in Column B, "2023-12" in Column C, "99-1188227" in Column D, and "\$45,000" in Columns H and I
- enter "2028-05" in Column A, "5000" in Column B, "2023-12" in Column C, "98-7654321" in Column D, and "\$3,500" in Columns H and I

*Because the Live Theater credit must be transferred within one year of the award date and the credit must be claimed in the tax year the award date falls within, the \$11,000 Live Theater credit cannot be claimed this year. The award date of 05/31/2022 falls within unitary group Z's tax year ending 12/31/2022. Unitary group Z must claim the Live Theater credit on its 12/31/2022 return. If it has already filed its 12/31/2022 return, it must amend to claim the credit.*

See Example 3 below.

**Example 3**

A Expiration Date YYYY-MM	B Credit Code	C Credit Earned YYYY-MM	D Unitary Member FEIN	E Certificate Number	F Credit Amount Earned	G Distributive Share Credit from K-1-P	H Transferred Credit Amount	I Total Credits (F + G + H)
2024-12	5260	2023-12	12-3456789		0	0	\$8,000	\$8,000
2028-01	5620	2023-12	99-1188227		0	0	\$45,000	\$45,000
2028-05	5000	2023-12	98-7654321		0	0	\$3,500	\$3,500

## Column I - Total Credits

Total the amounts in Columns F, G, and H for each row and enter the result here.

## Line 35 -

Total Column I and enter the amount here and in Step 2, Line 5.

**Keep a copy of Schedule 1299-D for your records and for use next year.**

## Credit Carryforward to Next Year Calculation Worksheet Instructions

Use these instructions and the Credit Carryforward to Next Year Calculation Worksheet on Page 6 to calculate your credit carryforward to next year. If you already have a method of tracking your credit carryforward, you do not need to complete these pages. If you do **not** have a tracking system for your credits, use your prior year Credit Carryforward to Next Year Calculation Worksheet and current year Schedule 1299-D, Step 3 to complete the current year Credit Carryforward to Next Year Calculation Worksheet.

**Note: Do not** send these pages with your return.

### Column A - Expiration Date

**1. Figure the expiration date** - Use the information on your prior year Worksheet, Column A, and your current year Schedule 1299-D, Step 3, Column A, to determine the expiration date of your credits.

**2. Enter credits in the following order** - Using the prior year Worksheet and current year Schedule 1299-D, enter credits with the earliest expiration date first. Then list the next earliest date and progress chronologically until all available credit has been listed. Do not include credits from your prior year Worksheet that list an Expiration Date in Column A that is prior to your current Tax Year End. Do not include credits from your prior year Worksheet that list zero in Column F, Credit Carryforward to Next Year. If you have multiple credits with the same expiration date, list them in ascending order by credit code within the zero-year, then two-year, then five-year and finally ten-year credits. Applying the credits in this manner ensures that the credits are used in the correct order. Credits are applied based on the earliest expiration.

### Column B - Credit Code

Enter the Credit Code for each credit earned or carried and listed on the worksheet.

### Column C - Credit Available for use this year

Using the amounts from your prior year Worksheet, Column F, and current year Schedule 1299-D, Step 3, Column I, list the total credit available for use this year that corresponds to the expiration date in Column A and Credit Code in Column B.

### Column D - Tax Calculation

In this step you are subtracting the income tax credit from the income tax due as follows:

- Subtract the amount on Line 1, Column C from the amount on Line (a) at the top of the worksheet and enter the total on Line 1, Column D.
- Subtract the amount on Line 2, Column C from the amount on Line 1, Column D and enter the total on Line 2, Column D.
- Continue subtracting Column C of each line from Column D of the previous line and entering the amount in Column D until you have subtracted all available credits listed on this schedule (or additional schedules) **or** when the Column D amount becomes zero or a negative number.

**STOP** calculating when Column D becomes zero or negative. Enter N/A in Column D below the line when Column D becomes zero or negative.

### Column E - Credit Applied This Year

- If the amount in Column D is zero or positive, transfer Column C to Column E.
- If the amount in Column D is negative, add the negative amount in Column D to Column C and enter the total in Column E.
- If Column D is N/A, write "0" in Column E.

### Column F - Credit Carryforward to Next Year

Figure your credit available to carryforward to next year.

- If any of the credits listed on the Worksheet have an expiration date that coincides with or is prior to the close of your tax year, enter "0" in Column F. This is the final year that this credit may be used or carried regardless of any unused amount.
- For the rest of the lines, subtract Column E from Column C and enter the result in Column F.

## Line 41

Total Column F. **This is your Schedule 1299-D Credit Carryforward available for 2024. Do not send this worksheet with your return.**

**Keep a copy of Schedule 1299-D and this worksheet for your records and for use next year.**

# Credit Carryforward to Next Year Calculation Worksheet

(a) Enter the income tax calculated on your 2023 return.

**Form IL-1120** - Enter the amount from Step 7, Line 47.

**Form IL-1041** - Subtract Step 6, Line 45, from Step 6, Line 44, and enter the difference.

**Form IL-990-T** - Enter the amount from Step 5, Line 21.

A Expiration Date YYYY-MM	B Credit Code	C Credit Available for Use This Year	D Tax Calculation	E Credit Applied This Year	F Credit Carryforward to Next Year
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**Do not attach this form to your return.  
This is for your records only.**