

IT 10-0006-GIL 02/26/2010 EXEMPTIONS

General Information Letter: Taxpayers are allowed the same number of exemptions for dependents in computing Illinois net income as are allowed for federal income tax purposes.

February 26, 2010

Dear:

This is in response to your letter dated February 19, 2010, to Director of Revenue Brian Hamer, which has been forwarded to me for response. The nature of your request and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 86 Ill. Adm. Code 1200.120(b) and (c), which may be found on the Department's web site at [www. tax.illinois.gov](http://www.tax.illinois.gov).

In your letter you have stated the following:

I have some important serious questions to ask you regarding the State of Illinois income taxes filing and returns people/parent filing a child or children whether the parents male/female child live(d) in the same household or separately.

Director Hamer my first question is: if the State Department of Revenue Services of Illinois has ordered an absent parent male or female to pay child support to a minor child or a medical disabled child where a paternity test has established parentage can the parent male or female claim the minor child on his or her State of Illinois income tax forms if he or she is paying child support.

Director Hamer my second question is: How much the State of Illinois Department of Revenue Services pay a parent male or female separately or jointly when he or she carry a minor child or children whether there is or is not [lines illegible].

Director Hamer my third question is: Can a parent where the minor child or children is living with give the absent parent male or female permission to claim a child how does the Illinois State Department of Revenue Services apply that to the income tax filing of the parent male or female filing or if the other/absent parent initially male or female just take it upon themselves without your permission and claim your or their child on his or her own show does the Illinois State Department of Revenue handle or explain this situation to the other parent who has the child in their care and have been since birth?

Director Hamer my fourth question is: Is that do the parent claiming the child have give the minor child any of the tax refund even if the child has never life with him or her in the same household except when the absent parent lived in the same household for about 10 months years ago?

Response

Section 204(a) of the Illinois Income Tax Act (35 ILCS 5/205) allows each individual to claim one exemption for himself or herself in computing net income subject to Illinois income tax. Section 204(c) allows each individual to claim an additional exemption "for each exemption in excess of one allowable to such individual taxpayer for the taxable year under Section 151 of the Internal Revenue

Code.” Under Section 204(b), the amount of each allowable exemption is \$2,000. There is nothing in the Illinois Income Tax Act that requires a parent to pay a child for any tax savings that result from claiming an exemption for the child.

Under these provisions, a parent is allowed to claim an exemption for a child on the parent’s Illinois income tax return if, and only if, the parent is allowed to claim an exemption for the child on the parent’s federal income tax return. See Line 10a of the Form IL-1040, Individual Income Tax Return, where the number of exemptions is taken from the federal income tax return. In order to determine which parent may claim a federal income tax exemption for the child in each of your questions, you will need to ask the Internal Revenue Service or a federal income tax advisor or follow the directions on pages 16 through 20 of the federal Form 1040 instructions.

As stated above, this is a general information letter which does not constitute a statement of policy that applies, interprets or prescribes the tax laws, and it is not binding on the Department. If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of Section 1200.110(b). If you have any further questions, you may contact me at (217) 782-7055.

Sincerely,

Paul S. Caselton
Deputy General Counsel – Income Tax