



Illinois Department of Revenue
2025 IL-2220
Computation of Penalties for Businesses

For tax years ending **on or after** December 31, 2025.
Attach to your Form IL-1120, IL-1120-ST, IL-1065, IL-1041, or IL-990-T.



Year ending

Month Year

IL Attachment No. 19

Read this information first - We encourage you to let us figure your penalties and send you a bill instead of completing this form yourself. **You must complete** this form if you are using the annualized income installment method for late-payment penalty for underpayment of estimated tax in Step 6. You do not owe the late-payment penalty for underpayment of estimated tax if you made timely estimated installment payments equaling at least 90 percent of this year's tax liability or 100 percent of the prior year's tax liability (provided you reported a liability in the prior year and it was not a short taxable year). See the Specific Instructions for more information. The late-payment penalty for underpayment of estimated tax is based on the tax shown due on your original return. Do not use the tax shown on an amended return filed after the extended due date of the return to compute your required installments in Step 2.

Step 1: Provide the following information

- 1 This form is for the 2025 calendar year or fiscal year beginning ____/____/____ 2025, and ending ____/____/____.
Month Day Year
- 2 Enter your FEIN as it appears on your annual return. 2 _____ - _____
- 3 Enter your name as it appears on your annual return. 3 _____
- 4 If your prior year return was filed under a different FEIN than the one shown on Line 2, enter that number here. 4 _____ - _____

Step 2: Figure your required installments - Form IL-1120 filers and Forms IL-1120-ST and IL-1065 filers who elect to pay pass-through entity (PTE) tax.

	A This year	B Prior year
5 See instructions. If prior year's tax was zero or you filed a short year return, enter "N/A" in Column B. You may be required to make installments even if you enter "N/A" in Column B.	5 _____ .00	_____ .00
6 Enter the total amount of pass-through withholding, PTE tax credit, Illinois gambling withholding, and Illinois sports wagering withholding from Form IL-1120, Form IL-1120-ST, or Form IL-1065. See instructions.	6 _____ .00	
7 Subtract Line 6 from Line 5, Column A.	7 _____ .00	
8 Multiply Line 5, Column A, by 90% (.9).	8 _____ .00	
9 For Form IL-1120 filers - If Line 7, is \$400 or less, enter zero and go to Step 3. For Form IL-1120-ST and Form IL-1065 filers who elected to pay pass-through entity tax - if Line 7 is \$500 or less, enter zero and go to Step 3. Otherwise, enter the lesser of Line 8, or Line 5, Column B. (If Line 7 is more than \$400 for Form IL-1120 or more than \$500 for Form IL-1120-ST and Form IL-1065 filers and you entered "N/A" in Line 5, Column B, enter the amount from Line 8.)	9 _____ .00	
10 Divide the amount on Line 9 by four. This is the amount of each required installment. (If you used the annualized income installment method, see instructions for Line 12.)	10 _____ .00	
11 Enter in Quarters 1 through 4, the installment date that corresponds with the 15th day of the 4th, 6th, 9th, and 12th month of your tax year.	<u>Quarter 1</u> _____ / _____ / _____	<u>Quarter 2</u> _____ / _____ / _____
12 Enter the required installment. See instructions.	12 _____ .00	_____ .00
13 Enter the amount of any pass-through, gambling, and sports wagering winning withholding, and PTE tax credit received. See instructions.	13 _____ .00	_____ .00
14 Subtract Line 13 from Line 12. If the amount is negative, use brackets.	14 _____ .00	_____ .00
15 If the amount on Line 16 of the previous quarter is negative, enter that amount as a positive here. Otherwise, enter zero.	15 Skip this line for Quarter 1. _____ .00	_____ .00
16 Subtract Line 15 from Line 14. If the amount is negative, use brackets.	16 _____ .00	_____ .00



Step 3: Figure your unpaid tax - all taxpayers

- 17 Enter your total net income and replacement tax, surcharge, and pass-through withholding you owed and reported on behalf of your members, and pass-through entity tax you owed. See instructions. 17 _____ .00
- 18 a Enter the total amount of all payments made on or before the original due date of your tax return. Include credit(s) carried forward from a prior year (see instructions); total estimated payments, prepayments, extension payments or annual payments made with your tax return; pass-through withholding reported on your behalf; pass-through entity tax credit, and withholding shown on your W-2G or 1099 forms. 18a _____ .00
- b **Forms IL-1120, IL-1120-ST, and IL-1065 filers:**
Enter the total of all Columns, Line 12. All others, enter zero. 18b _____ .00
- Enter the **greater** of Line 18a or Line 18b here. 18 _____ .00
- 19 Subtract Line 18 from Line 17. If this amount is
—**positive**, enter that amount here. Continue to Step 4 and enter this amount in Penalty Worksheet 2, Line 23, Column C.
—**zero or negative**, enter that amount here and, if negative, use brackets. 19 _____ .00

Step 4: Figure your late-payment penalty

Use Penalty Worksheet 1 to figure your late-payment penalty for underpayment of estimated tax.
Use Penalty Worksheet 2 to figure your late-payment penalty for unpaid tax.

*You **must** follow the instructions in order to properly complete the penalty worksheets.*

- 20 Enter the amount and the date of each payment you made. Include any credit(s) carried forward from a prior year. See instructions.

Amount	Date paid	Amount	Date paid	Amount	Date paid
a _____	__/__/__	e _____	__/__/__	i _____	__/__/__
b _____	__/__/__	f _____	__/__/__	j _____	__/__/__
c _____	__/__/__	g _____	__/__/__	k _____	__/__/__
d _____	__/__/__	h _____	__/__/__	l _____	__/__/__

Penalty rates

Number of days late Penalty rate

1 - 30.....02
31 or more.....10



Penalty Worksheet 1 — Late-payment penalty for underpayment of estimated tax - (Form IL-1120 filers and Forms IL-1120-ST and IL-1065 filers who elect to pay pass-through entity (PTE) tax)

If you paid the required amount from Line 16 by the payment due date on Line 11 for each quarter, do not complete this worksheet.

21 Enter the unpaid amounts from Line 16, Quarters 1 through 4, on the first line of the appropriate quarters in Column C below.

A Period	B Due date	C Unpaid amount	D Payment applied	E Balance due (Col. C - Col. D)	F Payment date	G No. of days late	H Penalty rate (see above)	I Penalty
Qtr. 1	__/__/____	_____	_____	_____	__/__/____	_____	_____	_____
		_____	_____	_____	__/__/____	_____	_____	_____
		_____	_____	_____	__/__/____	_____	_____	_____
Qtr. 2	__/__/____	_____	_____	_____	__/__/____	_____	_____	_____
		_____	_____	_____	__/__/____	_____	_____	_____
		_____	_____	_____	__/__/____	_____	_____	_____
Qtr. 3	__/__/____	_____	_____	_____	__/__/____	_____	_____	_____
		_____	_____	_____	__/__/____	_____	_____	_____
		_____	_____	_____	__/__/____	_____	_____	_____
Qtr. 4	__/__/____	_____	_____	_____	__/__/____	_____	_____	_____
		_____	_____	_____	__/__/____	_____	_____	_____
		_____	_____	_____	__/__/____	_____	_____	_____

22 Add Column I, Quarters 1 through 4. This is your **late-payment penalty for underpayment of estimated tax**.

Enter the total amount here and on Form IL-1120, Step 8, Line 59; Form IL-1120-ST, Step 9, Line 63; or Form IL-1065, Step 9, Line 63.

22 _____

You may apply any remaining overpayment from the 4th quarter in Column E above to any underpayment when figuring Penalty Worksheet 2, only if the payment date shown in the 4th quarter of Column F is after the original due date of the return.

Penalty Worksheet 2 — Late-payment penalty for unpaid tax

23 Enter any positive amount from Line 19 on the first line of Column C below.

A Return	B Due date	C Unpaid amount	D Payment applied	E Balance due (Col. C - Col. D)	F Payment date	G No. of days late	H Penalty rate (see above)	I Penalty
Return	__/__/____	_____	_____	_____	__/__/____	_____	_____	_____
		_____	_____	_____	__/__/____	_____	_____	_____
		_____	_____	_____	__/__/____	_____	_____	_____
		_____	_____	_____	__/__/____	_____	_____	_____

24 Add Column I. This is your **late-payment penalty for unpaid tax**.

Enter the total amount here and on Step 5, Line 28.

24 _____

Step 5: Figure your late-filing penalty, total penalties, and the amount you owe

Complete Lines 25 through 27 to figure your late-filing penalty only if

- you are filing your return after the extended due date; and
- your tax was not paid by your original due date.

25 Enter the amount of your tax due from your return. See instructions.

25 _____ .00

26 Multiply the amount on Line 25 by 2% (.02).

26 _____ .00

27 Enter the lesser of Line 26 or \$250. This is your **late-filing penalty**.

27 _____ .00

28 Enter your **late-payment penalty for unpaid tax** from Line 24.

28 _____ .00

29 If you have an overpayment on your tax return*, enter that amount as a <negative number>.

If you have an amount due on your tax return*, enter that amount here.

29 _____ .00

*See instructions for the correct line references for all tax returns.

30 Add Lines 27, 28, and 29. If the result is positive, this is the total amount you owe. If the result is negative, this is the amount you are overpaid.

30 _____ .00

This amount may not match your overpayment or tax due on your original tax form. Pay the amount on Line 30 if you wish to pay your penalties at this time. Otherwise, we will send you a bill.



Step 6: Complete the annualization worksheet for Step 2, Line 12

Complete this worksheet if your income was not received evenly throughout the year and you choose to annualize your income. **Beginning with Column A, complete Lines 31 through 51 of each column.** If you fail to complete **all** lines of Step 6, Lines 31 through 51, Columns A through D, we may disregard your election to annualize your income and calculate your late-payment penalty for underpayment of estimated tax based on four equal installments.

	A	B	C	D
		First 3 months	First 6 months	First 9 months
31 Enter your Illinois net income for each period. If negative, enter zero. 31	For Column A only: Go directly to Line 34	<u>.00</u>	<u>.00</u>	<u>.00</u>
32 Annualization factors 32	<u>4</u>	<u>2</u>	<u>1.33333</u>	
33 Multiply Line 31 by Line 32. 33	<u>.00</u>	<u>.00</u>	<u>.00</u>	
	First 3 months	First 5 months	First 8 months	First 11 months
34 Enter your Illinois net income for each period. If negative, enter zero. 34	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
35 Annualization factors 35	<u>4</u>	<u>2.4</u>	<u>1.5</u>	<u>1.09091</u>
36 Multiply Line 34 by Line 35. 36	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
37 In Column A, enter the amount from Line 36, Column A. In Columns B, C, and D, enter the lesser of Line 33 or 36 for each period. 37	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
38 Net replacement tax for the period. See instructions. 38	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
39 Net income tax or PTE tax for the period. See instructions. 39	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
40 Cannabis surcharge for the period. See instructions. 40	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
41 Sale of Assets by Gaming Licensee surcharge for the period. See instructions. 41	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
42 Add Lines 38, 39, 40, and 41. 42	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
43 Applicable percentage 43	<u>22.5% (.225)</u>	<u>45% (.45)</u>	<u>67.5% (.675)</u>	<u>90% (.9)</u>
44 Multiply Line 42 by Line 43. This is your annualized installment. 44	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
45 Add the amounts on Line 51 of each of the preceding columns and enter the total here. 45	<u>Do not write on this line.</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
46 Subtract Line 45 from Line 44. If less than zero, enter zero. 46	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
47 See instructions. 47	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
48 Enter the amount from Line 50 of the preceding column. 48	<u>Do not write on this line.</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
49 Add Lines 47 and 48. 49	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
50 If Line 49 is greater than Line 46, subtract Line 46 from Line 49. Otherwise, enter zero. 50	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>Do not write on this line.</u>
51 Enter the lesser of Line 46 or 49 here and on Step 2, Line 12. This is your required installment. 51	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
	Go to Column B, Line 31	Go to Column C, Line 31	Go to Column D, Line 31	



PTE Tax Worksheet - Complete this worksheet for amounts to be entered on Step 6, Line 39
(Form IL-1120-ST and Form IL-1065 filers)

Complete this worksheet if you elected to file and pay pass-through entity (PTE) tax and choose to annualize your income. The amounts from Columns A through D, Line 59 will be entered in the applicable columns in Step 6, Line 39.

	A	B <u>First 3 months</u>	C <u>First 6 months</u>	D <u>First 9 months</u>
52 Enter your Illinois net pass-through entity income that would have been shown on Form IL-1120-ST, Step 9, Line 60 or Form IL-1065, Step 9, Line 60 for each period. If negative, enter zero.	52			
	For Column A only: Go directly to Line 55	<u>.00</u>	<u>.00</u>	<u>.00</u>
53 Annualization factors	53	<u>4</u>	<u>2</u>	<u>1.33333</u>
54 Multiply Line 52 by Line 53.	54	<u>.00</u>	<u>.00</u>	<u>.00</u>
	<u>First 3 months</u>	<u>First 5 months</u>	<u>First 8 months</u>	<u>First 11 months</u>
55 Enter your Illinois net pass-through entity income that would have been shown on Form IL-1120-ST, Step 9, Line 60 or Form IL-1065, Step 9, Line 60 for each period. If negative, enter zero.	55	<u>.00</u>	<u>.00</u>	<u>.00</u>
56 Annualization factors	56	<u>4</u>	<u>2.4</u>	<u>1.09091</u>
57 Multiply Line 55 by Line 56.	57	<u>.00</u>	<u>.00</u>	<u>.00</u>
58 In Column A, enter the amount from Line 57, Column A. In Columns B, C, and D, enter the lesser of Line 54 or 57 for each period.	58	<u>.00</u>	<u>.00</u>	<u>.00</u>
59 Multiply the amount on Line 58 by 4.95 percent (0.0495) and enter this amount on Step 6, Line 39.	59	<u>.00</u>	<u>.00</u>	<u>.00</u>
	Go to Column B, Line 52	Go to Column C, Line 52	Go to Column D, Line 52	