



Publication 119

Illinois Schedule NR for Individuals

About this publication

Publication 119, Illinois Schedule NR for Individuals, provides guidance on how to complete Schedule NR, Nonresident and Part-Year Resident Computation of Illinois Tax.

The objectives of Publication 119 are to provide additional guidance for taxpayers completing Schedule NR for both current and prior tax years and provide further filing clarification for taxpayers who are part-year residents or nonresidents of Illinois.

The information in this publication is current as of the date of the publication. Please visit our website at **tax.illinois.gov** to verify you have the most current revision.

This publication is written in the plain English style so the tax information is easier to understand. As a result, we do not directly quote Illinois statutes and the Illinois Administrative Code. The contents of this publication are informational only and do not take the place of statutes, rules, and court decisions. For many topics covered in this publication, we have provided a reference to the applicable section or part of the Illinois Administrative Code for further clarification or more detail. All of the sections and parts referenced can be found in Title 86 of the Illinois Administrative Code.

Taxpayer Bill of Rights

You have the right to call the Illinois Department of Revenue (IDOR) for help in resolving tax problems.

You have the right to privacy and confidentiality under most tax laws.

You have the right to respond, within specified time periods, to IDOR notices by asking questions, paying the amount due, or providing proof to refute the IDOR's findings.

You have the right to appeal IDOR decisions, in many instances, within specified time periods, by asking for department review, by filing a petition with the Illinois Independent Tax Tribunal, or by filing a complaint in circuit court.

If you have overpaid your taxes, you have the right, within specified time periods, to a credit (or, in some cases, a refund) of that overpayment.

For more information about these rights and other IDOR procedures, you may write us at the following address:

Problems Resolution Division
Illinois Department of Revenue
PO Box 19014
Springfield, IL 62794-9014

Get forms and other information faster and easier at tax.illinois.gov

Contents

General Information

What is my domicile?	2
Who is a nonresident of Illinois?	2
Who is a part-year resident of Illinois?	2
Do I need to file an Illinois income tax return if I am a nonresident?	2
Do I need to file an Illinois income tax return if I am a part-year resident?	3
What if I live in a state that has a reciprocal agreement with Illinois and work in Illinois?	3
What are my filing requirements as a nonresident student working in Illinois?	3
What if I received income from a business or a farm during the tax year?	3
What if I received income from partnerships, S corporations, trusts, or estates?	4
What if I was a nonresident professional athlete?	4
How do I figure the amounts to enter in Schedule NR, Step 3, Column A?	4
How do I figure the amounts to enter in Schedule NR, Step 3, Column B?	4
I work long-term assignments in other countries. Would I be considered a nonresident during my assignment?	4

Office Locations	5
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Contact Information	5
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General Information

What is my domicile?

Your domicile is the place where you reside and the place where you intend to return after temporary absences. Temporary absences may include duty in the U.S. Armed Forces, residence in a foreign country, out-of-state residence as a student, or out-of-state residence during the winter or summer.

Who is a nonresident of Illinois?

You are a nonresident of Illinois if you were **not** domiciled in Illinois at any time during the tax year.

Who is a part-year resident of Illinois?

You are a part-year resident of Illinois if you were domiciled in Illinois for a portion of the tax year.

Do I need to file an Illinois income tax return if I am a nonresident?

As a nonresident, you must file Form IL-1040, Illinois Individual Income Tax return and Schedule NR if

- you earned enough taxable income from Illinois sources to have a tax liability (i.e., your Illinois base income from Schedule NR, Step 5, Line 46, is greater than your Illinois exemption allowance on Schedule NR, Step 5, Line 50), or
- you want a refund of any Illinois Income Tax withheld in error. You must attach a letter of explanation from your employer.

Note: If you are a nonresident and your only income in Illinois is from one or more partnerships, S corporations, or trusts that made sufficient pass-through withholding payments to cover your Illinois Income Tax liability, you are not required to file a Form IL-1040.

Do I need to file an Illinois income tax return if I am a part-year resident?

As a part-year resident, you must complete and file Form IL-1040 and Schedule NR if you

- earned or received income from any source while you were an Illinois resident,
- earned or received income from Illinois sources while you were not an Illinois resident, or
- are entitled to receive a refund of Illinois Income Tax.

The rules you use to determine Illinois income and tax depend on whether or not you were a resident of Illinois when you received the income.

If you were a resident of Illinois when you received the income, you will (within certain limitations) be taxed on 100 percent of the income you received while you were a resident, regardless of the source. If you were not domiciled in Illinois when you received the income, you will be taxed only on the income you received from Illinois sources.

When completing Schedule NR, you must include in Column B of each line, the income you received during the time you were a resident and the Illinois income you received during the time you were not a resident. See “Part-Year Resident Step-by-Step Instructions” in the Schedule NR Instructions, for details.

Use the same method of reporting that you use for filing your federal return. Report your income when you receive it and your deductions when they are paid. However, if you use the accrual method, “received” means “earned or received.” Income that you received through partnerships, S corporations, trusts, or estates is considered received on the last day of the entity’s tax year.

Note: Temporary absences from Illinois during the tax year do not qualify you for part-year resident status. See [Publication 102](#) for military personnel.

What if I live in a state that has a reciprocal agreement with Illinois and work in Illinois?

If you live in Iowa, Kentucky, Michigan, or Wisconsin and you work in Illinois, you must file Form IL-1040 and Schedule NR if

- you received income in Illinois from sources other than wages, salaries, tips, and commissions, or
- you want a refund of any Illinois Income Tax withheld in error. If your employer withheld Illinois tax from your pay in error, you must attach Form W-2c, Corrected Wage and Tax Statement, or a letter from your employer, on company letterhead, to your Form IL-1040 to verify that Illinois tax was withheld in error.

If you received wages, salaries, tips, and commissions from Illinois employers, you are not required to pay Illinois Income Tax on this income. This is based on reciprocal agreements between Illinois and these states. If your employer is withholding Illinois tax, you should fill out a Form IL-W-5-NR, Employee’s Statement of Nonresidence in Illinois, and give it to your employer so they will stop the withholding. You will need to file an Illinois return to get any withholding refunded to you. Reciprocal agreements do not apply to other Illinois income received by a taxpayer, including Illinois lottery, gambling, and sports wagering winnings.

What are my filing requirements as a nonresident student working in Illinois?

You must file Form IL-1040 and Schedule NR if you:

- earned income from any source while you were a resident,
- earned income from any Illinois sources while you were not a resident, or
- want a refund of any Illinois tax withheld.

Note: If you are a resident of a reciprocal state and are a student in Illinois and work in Illinois, see “What if I live in a state that has a reciprocal agreement with Illinois and work in Illinois?” in this publication.

What if I received income from a business or a farm during the tax year?

If, while you were a nonresident of Illinois, you received

- business income earned both inside and outside Illinois, or
- farm income earned both inside and outside Illinois,

you must complete the Business or Farm Income Apportionment Formula (IAF) Worksheet on Schedule NR Instructions, Page 10. The IAF Worksheet allows you to figure the Illinois portion of your business or farm income. Be sure to keep a copy of this worksheet with your income tax records.

What if I received income from partnerships, S corporations, trusts, or estates?

If you received income from an Illinois partnership or S corporation, that entity is required to send you an Illinois Schedule K-1-P, Partner's or Shareholder's Share of Income, Deductions, Credits, and Recapture. Also, the entity is required to send you the partner's and shareholder's instructions for completing Schedule NR.

If you received income from an Illinois trust or estate, that entity is required to send you an Illinois Schedule K-1-T, Beneficiary's Share of Income and Deductions. Also the entity is required to send you the beneficiary's instructions for completing Schedule NR.

Note: If you are a nonresident and your only income in Illinois is from one or more partnerships, S corporations, or trusts that made sufficient pass-through withholding on your behalf to cover your Illinois income tax liability, you are not required to file a Form IL-1040.

What if I was a nonresident professional athlete?

All nonresident members of a professional athletic team are subject to Illinois Income Tax on the Illinois portion of their total compensation for services performed as a member of such a team. For more information, see Publication 130, Who is Required to Withhold Illinois Income Tax, or refer to our website following the link found in the Contact Information section in this publication.

How do I figure the amounts to enter in Schedule NR, Step 3, Column A?

In Column A of each line, except Line 19, enter the amounts exactly as reported on the corresponding line of your federal income tax return. Line 19, Other income, should not include any net operating loss (NOL) carryforward to this year that is available to carry forward to next year.

Note: If you filed a joint federal income tax return and are filing a separate Illinois return, include in Column A only your share of the amounts from your joint federal income tax return. Complete the Allocation Worksheet in the Form IL-1040 Instructions to determine your share of the amounts from your joint federal return.

How do I figure the amounts to enter in Schedule NR, Step 3, Column B?

If you are a **nonresident** of Illinois, in Column B of each line, enter the portion of Column A, Federal Total, that is taxed by Illinois. To determine the taxable amount, you must read and follow the instructions for each line.

If you are a **part-year resident** of Illinois, in Column B, enter the portion of Column A, Federal Total, that is taxed by Illinois. To determine the taxable amount, you must read and follow the instructions for each line. As a part-year resident, you must include the income you received from any source during the time you were a resident, plus the Illinois income you received during the time you were not a resident.

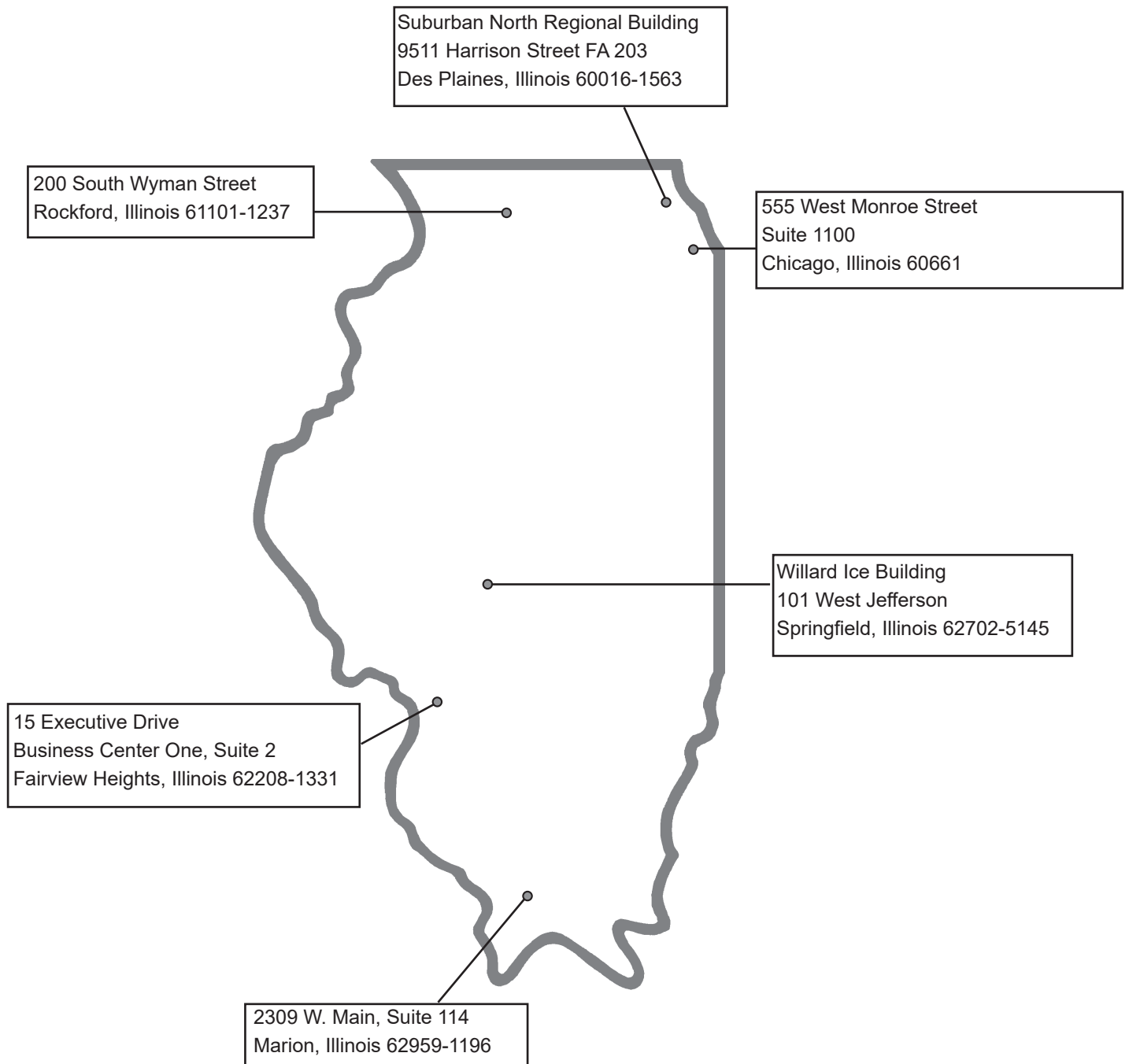
Note: If you received an Illinois Schedule K-1-P or K-1-T, refer to that form's instructions to figure the amount to include on each line. For the purposes of determining if income was received by you while you were an Illinois resident, all income from these entities is considered received on the last day of the entity's tax year.

I work long-term assignments in other countries. Would I be considered a nonresident during my assignment?

No. Residency is based upon your domicile, which is the place where you intend to return after temporary absences. If you intend to return to Illinois after your work assignments, then you are considered an Illinois resident for income tax purposes.

If you do not intend to return to Illinois following your temporary assignment in a foreign country, your Illinois domicile would remain until domicile in a new state or country can be established.

Note: Change in domicile is a fact-intensive determination and is made on a case-by-case basis. That determination takes numerous circumstances into consideration, such as the amount of days you were physically in Illinois or elsewhere, if you took a homestead exemption for the period at issue, whether you owned, rented, purchased, and/or sold real property in Illinois or elsewhere, whether you pay for any utilities in Illinois or elsewhere, whether you have an Illinois driver's license and/or have a vehicle registered, stored, or used in Illinois or elsewhere, whether you are registered as a voter in Illinois or elsewhere, etc.



Contact Information

Visit our website at tax.illinois.gov. For specific phone number and email contacts see our [Contact Us](#) page.
 Call us at **1 800 732-8866** or **217 782-3336**.
 Call our TTY at **1 800 544-5304**.
 Write us at Illinois Department of Revenue, PO Box 19001, Springfield, IL 62794-9001.
 Call our 24-hour Forms Order Line at **1 800 356-6302**.