**Section 100.2220 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group. (IITA Section 202) – Current Net Operating Losses: Offsets Between Members**

The computation of combined federal taxable income of a unitary business group may include federal NOLs for Illinois income tax purposes of various members of the group. These federal NOLs for Illinois income tax purposes of group members will be used in the year they occur to offset federal taxable incomes for Illinois income tax purposes of other members of the group in arriving at combined federal taxable income.

EXAMPLE: Corporations A, B, C and D are members of a unitary business group. Corporations A, B and C had 1982 federal taxable incomes for Illinois income tax purposes of $100,000, $200,000, and $300,000, respectively. Corporation D had a 1982 federal net operating loss for Illinois income tax purposes of $150,000. The group's 1982 combined federal taxable income is $450,000.

(Source: Amended at 11 Ill. Reg. 17782, effective October 16, 1987)