**Section 100.5201 Definitions and Miscellaneous Provisions Relating to Combined Returns**

a) In general. These definitions and provisions apply to this Subpart P.

b) Combined group. The term "combined group" means those eligible members of a unitary business group who have made an election to be treated as one taxpayer, or who are required to be treated as one taxpayer, under IITA Section 502(e).

c) Combined return. The term "combined return" means a single tax return filed on behalf of a combined group. A combined return shall be filed using a single Form IL-1120 with Schedule UB (Unitary Business Schedule).

d) Combined return year. The term "combined return year" means a taxable year for which a combined return is filed or is required to be filed.

e) Common taxable year. The term "common taxable year" means the taxable year used by a combined group in reporting its combined net income, as determined under the provisions of Section 100.5265.

f) Controlling corporation. The "controlling corporation" of a combined group is the corporation, if any, that directly or indirectly owns a controlling interest in all of the other eligible members of a combined group. A controlling interest means more than 50% of the outstanding voting stock of a member. Indirect ownership of an interest in a corporation includes constructive ownership (under Section 318 of the Internal Revenue Code) of an interest in the corporation which is owned by a related party, whether or not the related party is itself a member of the combined group.

g) Designated agent. The term "designated agent" means the member appointed under Section 100.5220.

h) Election. The term "election" refers to the election provided in Section IITA 502(e), as in effect for taxable years ending prior to December 31, 1993, to be treated as one taxpayer.

i) Eligible member. The term "eligible member" means a corporation which is a member of a unitary business group and which has taxable presence in Illinois. Part-year members of a unitary business group are eligible members. Noncorporate taxpayers and Subchapter S corporations are not eligible members, either in combination with corporations which are eligible members or in combination with other noncorporate taxpayers or Subchapter S corporations. Members of a unitary business group are eligible members even though the unitary business group includes noncorporate members or Subchapter S corporations which are not eligible to join in the filing of a combined return.

j) Separate company return. The term "separate company return" means an Illinois income tax return filed by a corporation which is not a member of a unitary business group.

k) Separate company items. The term "separate company items" means the income, deductions, credits, tax liability and other facts of a corporation relevant to the computation of its Illinois Income Tax liabilities, determined as if such corporation was neither a member of an affiliated group filing consolidated federal income tax returns nor a member of a combined group.

l) Separate unitary return. The term "separate unitary return" means an Illinois income tax return of a member of a unitary business group which has not elected to file a combined return for a taxable year ending prior to December 31, 1993 or by a member of a unitary business group which is not eligible to join in the filing of a combined return.

m) Unitary business group. The term "unitary business group" shall have the same meaning as provided in IITA Section 1501(a)(27) and Section 100.9700 of this Part.

(Source: Added at 22 Ill. Reg. 19033, effective October 1, 1998)