ILLINOIS INDEPENDENT TAX TRIBUNAL

Joseph C. and Norah E. Sheehan,	)	**Account ID: P19454941**
	)	**Tax Type: Individual Income Tax**
Petitioners,	)	**Reporting Period: December 2011**
	)	
v.	)	**No.**
	)	
Illinois Department of Revenue,	)	
	)	
Respondent.	)	

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PETITION

The Petitioners, Joseph C. And Norah E. Sheehan, hereby petition the Illinois Independent Tax Tribunal to review and reverse the Notice of Claim Denial ("Notice") issued by the Illinois Department of Revenue ("Department"), for the reasons stated below:

JURISDICTION AND VENUE

1. The "Notice" was issued by the Department on April 28, 2014 denying a refund in the total amount of tax, penalty and interest in excess of $15,000.00 for the tax year ending December 2011. A copy of the "Notice" is attached to this Petition.

2. Petitioners are individuals residing at 28 W 531 Roosevelt Road, Winfield, IL 60190. Their telephone number is 630-293-8797.

COUNT ONE

3. Petitioners timely filed a 2011 Form IL-1040 return for the tax year ending December 31, 2011 ("the Original Return").

4. Petitioners employ the cash basis of accounting which recognizes income when received and expenses when paid.

5. Petitioners mistakenly included dividend income in the Original Return.

6. Petitioners filed a 2011 Form IL-1040X for the tax year ending December 31, 2011 on or about January 16, 2014 ("the Amended Return").

7. Petitioners amended their 2011 return to eliminate the dividend income that was mistakenly reported for calendar year 2011. The dividend income was not received by taxpayer and thus should not be reportable in calendar year 2011.

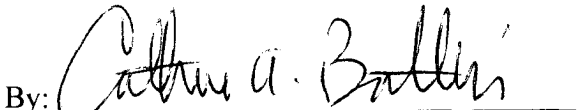
7. Petitioners also filed an amended federal income tax return for the 2011 calendar year to eliminate the dividend income that was mistakenly reported on their original return.

8. The Internal Revenue Service agreed with the changes in the federal amended return and issued a refund to the Petitioners.

9. Since the starting point for determining Illinois taxable income is federal adjusted gross income, the Illinois Department of Revenue should also accept the changes reported by Petitioners on the Amended Return. *See* 35 ILCS 5/203.

WHEREFORE, Petitioners request that the "Notice" be canceled and the refund claim be granted for the reasons contained herein.

JOSEPH C. & NORAH E. SHEEHAN

By: 
One of the Petitioners' Attorneys

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Notice of Claim Denial

Form IL-1040-X, Amended Individual Income Tax Return

STATE OF Illinois
DEPARTMENT OF REVENUE
tax.illinois.gov

#BWNKMGV
#CNXX XX69 8199 7766#
JOSEPH C. and NORAH E. SHEEHAN
28 W 531 ROOSEVELT ROAD
WINFIELD IL 60190

April 28, 2014

Letter ID: CNXXXX6981997766

Account ID: P19454941
Reporting Period: December 2011

Dear Taxpayer:

We are writing regarding your 2011 Form IL-1040-X, Amended Individual Income Tax Return, dated January 16, 2014.

Based on our review, we denied your claim for refund of overpayment of income tax. This review is not the result of an audit.

We determined that Line 1 remains $2,099,801.00.

We did not receive a complete copy of the federal finalization notification you received from the Internal Revenue Service (IRS), stating they accepted the changes on your U.S. Form 1040-X, Amended U.S. Individual Income Tax Return. This notification could be in the form of a refund check, a "Statement of Account," an agreement, or a judgment. Please send us this notification or a copy of your most recent federal account transcript. If you do not have a copy of this notification, please call the IRS or go to their website at www.irs.gov to request an account transcript. Please send us this information.

We changed Line 27 from $4,484.00 to $1,120.66.

The amount of estimated payments you claimed does not agree with our records.

We changed Line 30 from $50,000.00 to $42,471.00.

We changed the amount of payments to the amount shown in our records.

If you do not agree with our determination, you may contest this notice by following the instructions listed below.

If the amount of tax at issue, exclusive of penalty and interest, is more than $15,000, or if you are not claiming an overpayment of tax but the total penalties and interest is more than $15,000, file a petition with the Illinois Independent Tax Tribunal within 60 days of this notice. Your petition must be in accordance with the rules of practice and procedure provided by the Tribunal (35 ILCS 1010/1-1, et seq.).

In all other cases that do not fall within the jurisdiction of the Illinois Independent Tax Tribunal, file a protest with us, the Illinois Department of Revenue. If you file a protest on time, we must reconsider our denial, and if requested, grant you or your authorized representative an administrative hearing. Your protest must be filed by sending us a completed Form EAR-14, Format for Filing a Protest for Income Tax. You should include with your protest all documentation supporting your refund claim, especially any documents requested in this letter. If we do not receive your protest within 60 days, this denial shall become final. A protest of this notice does not preserve your rights under any other notice.

If you do not protest this notice, the denial of your claim shall become final.