ILLINOIS INDEPENDENT
TAX TRIBUNAL

The Windsor Venture, an Illinois Limited Partnership,	)
Petitioner,	)
v.	)
Illinois Department of Revenue,	)
Respondent.	)

RECEIVED
JUN 27 2016
BY:
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PETITION OF THE TAXPAYER

The Petitioner, The Windsor Venture, an Illinois limited partnership, hereby petitions the Illinois Independent Tax Tribunal to review and modify or reverse the Notices of Tax Liability ("Notices") issued by the Department of Revenue ("Department"), for the reasons stated below:

INTRODUCTION

1. The first "Notice" is with regard to the tax year ending December 31, 2010. The Taxpayer Statement shows taxes due of $10,000.00, $2,300.00 in penalties and $1,201.09 in interest as of February 26, 2016. A copy of this notice is attached to this Petition as Exhibit A.

2. The second "Notice" is with regard to the tax year ending December 31, 2011. The Notice shows taxes due of $16,766.00, $3.603.20 in penalties and $1,438.65 in interest as of February 26, 2016. A copy of this notice is attached to this Petition as Exhibit B.

3. By letter dated April 25, 2016, a copy of which is attached as Exhibit C, Chief Administrative Law Judge, Terry D. Charlton, on behalf of the Department dismissed the protest and request for administrative hearing by the Petitioner and started the 60 day period for the filing of this Petition.

4. Petitioner is an Illinois limited partnership, with its registered office in Illinois in Chicago, Illinois.

5. Petitioner is located at One North Franklin, Suite 700, in Chicago, Illinois, 60606, c/o Moran & Company. Its phone number is 312-407-6700. The Taxpayer Account Number is 05031-05792.

6. Petitioner is represented by Mark D. Anderson of Aronberg Goldgehn Davis & Garmisa located at 330 N. Wabash Ave, Suite 1700, Chicago, IL 60611, who can be reached at 312-755-3163, or manderson@agdglaw.com.

BACKGROUND AND RELEVANT FACTS

7. Petitioner is in the business of owning and operating multi-family housing in Minneapolis, Minnesota. Petitioner is registered to do business in Minnesota. Petitioner conducts no other business.

8. Petitioner timely filed 2010 federal and Minnesota tax returns. Petitioner did not file any 2010 Illinois tax returns.

9. Petitioner timely filed 2011 federal and Minnesota tax returns. Petitioner did not file any 2011 Illinois tax returns.

10. The Department contends that the Petitioner owes Illinois Replacement Taxes on its Minnesota rental income.

11. Prior correspondence on this was sent by the State of Illinois to the former office of the General Partner of the Petitioner, not to the current address.

12. Petitioner only became aware of this problem when a notice was finally sent to the property address of the Petitioner in Minneapolis. At that point, Petitioner responded promptly.

13. On or about April 27, 2016, the Department executed on a Levy and seized $35,319.94 from a bank account of Petitioner in payment of the taxes, penalties and interest listed above.

APPLICABLE LAW

14. The Personal Property Tax Replacement Income Tax is imposed and measured by the net income of every partnership on the privilege of earning or receiving income in or as a resident in this State. 35 ILCS 5/201(c).

15. Rents from real property are allocable to this State only if the property is located in this State. 35 ILCS 5/503(c)(1).

16. Gross receipts from the rental of real property are in this State only if the real property is located in this State. Illinois Income Tax Regulations Section 100.3370(c)(3)(D)(i).

ERROR I

17. The Department wrongfully assessed Illinois Personal Property Tax Replacement Income Tax for 2010 on non-Illinois (Minnesota) income.

ERROR II

18. The Department wrongfully assessed Illinois Personal Property Tax Replacement Income Tax for 2011 on non-Illinois (Minnesota) income.

ERROR III

19. The Department wrongfully seized $35,319.94 from the bank account of Petitioner.

CONCLUSION AND RELIEF REQUESTED

20. Petitioner respectfully requests reversal of the assessment of any taxes for 2010.

21. Petitioner respectfully requests reversal of the assessment of any taxes for 2011.

22. Petitioner respectfully requests the return of the $35,319.94 that was wrongfully seized from the bank account of Petitioner.

Dated: June 24, 2016

THE WINDSOR VENTURE, an Illinois Limited Partnership,

By: Mark D. Anderson
MARK D. ANDERSON, One of the Attorneys Representing Petitioner

Mark D. Anderson
ARONBERG GOLDGEHN DAVIS & GARMISA
330 North Wabash Avenue, Suite 1700
Chicago, IL 60611
(312) 828-9600
manderson@agdglaw.com
ARDC No. 0050180

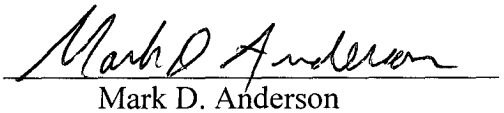
CERTIFICATE OF SERVICE

I hereby certify that on June 24, 2016, a copy of the foregoing Petition was mailed by U.S. certified mail to the Independent Tax Tribunal and Department of Revenue at the addresses below:

Illinois Independent Tax Tribunal
160 N. LaSalle Street, Room N506
Chicago, IL 60601

and

Illinois Department of Revenue
Office of Legal Services
100 W. Randolph St., Level 7-900
Chicago, IL 60601



Mark D. Anderson

1867538.1

EXHIBIT A

Taxpayer Statement

tax.illinois.gov
1 800 732-8866
217 782-3336
TDD 1 800 544-5304

February 26, 2016

Letter ID: CNXXX17389753766

#BWNKMGV
#CNXX X173 8975 3766#
THE WINDSOR VENTURE
7201 YORK AVE S
MINNEAPOLIS MN 55435-4403

Account ID: 05031-05792
FEIN: 36-2950696
Total amount due: $35,314.94

This statement lists our most recent information about your unpaid balance, available credits, or returns you have not filed. A payment voucher is included so you may pay the balance due.

IL Business Income Tax **Account ID: 05031-05792**

Period	Tax	Penalty	Interest	Other	Payments/Credits	Balance
31-Dec-2010	10,000.00	2,300.00	1,207.09	-	-	13,507.09
31-Dec-2011	16,766.00	3,603.20	1,438.65	-	-	21,807.85
31-Dec-2012	16,157.00	2,673.55	1,043.76	-	-	Not Included*

* $19,874.31 of this amount is subject to protest. Do not pay this amount if you intend to file a protest.

SOA

Retain this portion for your records.

P-001351 Fold and detach on perforation. Return bottom portion with your payment.

Taxpayer Statement (R-12/08) (136)

Letter ID: CNXXX17389753766
THE WINDSOR VENTURE

Total amount due: $35,314.94

Write the amount you are paying below.

$_____._____

Write your Account ID on your check.

Mail this voucher and your payment to:
ILLINOIS DEPARTMENT OF REVENUE
PO BOX 19006
SPRINGFIELD IL 62794-9006

$19,874.31 is subject to protest.
Do not pay any Income Tax liability that you intend to protest.

000 006 008061413927 731 123199 0 0000003531494

EXHIBIT B

Notice 1 P1 of 3

Final Notice of Tax Due

for Form IL-1065, Partnership Replacement Tax Return

COPY

STATE OF Illinois
DEPARTMENT OF REVENUE
tax.illinois.gov
1 800 732-8866
217 782-3336

#BWNKMGV
#CNXX X136 3552 6569#
THE WINDSOR VENTURE
7201 YORK AVE S
MINNEAPOLIS MN 55435-4403

February 25, 2016 TDD 1 800 544-5304

Letter ID: CNXXX13635526569

Account ID: 05031-05792
FEIN: 36-2950696
Reporting Period: December 2011

Here is information about your December 2011 reporting period.

- You filed your return late.
- You did not make full payment by the required due date.

As a result we have assessed the amounts shown below.

To avoid cost of collection fees, additional penalties and interest for this assessment, you must pay on or before March 28, 2016. Please use the voucher on the enclosed Taxpayer Statement to make your payment.

	Liability	Payments/Credit	Unpaid Balance
Tax	16,766.00	0.00	16,766.00
Audit Late Payment Penalty	1,676.60	0.00	1,676.60
Late-Payment Penalty	1,676.60	0.00	1,676.60
Late-Filing Penalty	250.00	0.00	250.00
Interest	1,438.65	0.00	1,438.65
Assessment Total	$21,807.85	$0.00	**$21,807.85**

If you believe you do not owe an amount identified above or have any questions, please call one of the numbers above.

Taxpayer Statement

February 26, 2016

Letter ID: CNXXX17389753766

#BWNKMGV
#CNXX X173 8975 3766#
THE WINDSOR VENTURE
7201 YORK AVE S
MINNEAPOLIS MN 55435-4403

Account ID: 05031-05792
FEIN: 36-2950696
Total amount due: $35,314.94

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Period	Tax	Penalty	Interest	Other	Payments/Credits	Balance
31-Dec-2010	10,000.00	2,300.00	1,207.09	-	-	13,507.09
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31-Dec-2012	16,157.00	2,673.55	1,043.76	-	-	Not Included*

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P-001351 Fold and detach on perforation. Return bottom portion with your payment.

Taxpayer Statement (R-12/08) (136)

Letter ID: CNXXX17389753766
THE WINDSOR VENTURE

Total amount due: $35,314.94

Write the amount you are paying below.

$_____._____

Write your Account ID on your check.

Mail this voucher and your payment to:
ILLINOIS DEPARTMENT OF REVENUE
PO BOX 19006
SPRINGFIELD IL 62794-9006

$19,874.31 is subject to protest.
Do not pay any Income Tax liability that you intend to protest.

000 006 008061413927 731 123199 0 0000003531494

Penalties and Fees

For detailed information on penalties and rates in effect for specific periods on or after January 1, 1994, see Publication 103.

1 **Late-filing or Nonfiling penalty** - You owe this penalty if you do not file a return by the due date, including any extended due date, or you file a return that is not processable and you do not correct it within 30 days of the date we notify you.

2 **Late-payment penalty for underpayment of estimated or quarter-monthly tax** - You owe this penalty if you were required to make estimated or quarter-monthly tax payments and failed to do so, or if you failed to pay the required amount by the payment due date.

3 **Late-payment penalty for regular tax payments** - You owe this penalty if you did not pay the tax you owed by the original due date of the return.

4 **Negligence penalty** - You owe this penalty if, in preparing a return or amended return, you do not make a reasonable attempt to comply with the provisions of any tax act, including showing careless, reckless, or intentional disregard for the law or regulations.

5 **Fraud penalty** - You owe this penalty if any part of a deficiency is due to fraud.

6 **Cost of collection fee** - You owe this fee if you do not pay the total amount you owe within 30 days after a bill has been issued.

7 **Bad check penalty** - You owe this penalty if you send a remittance to the Department that is not honored by your financial institution.

8 **Failure to disclose participation in a reportable transaction penalty** - You owe this penalty if you were required to disclose your participation in an abusive tax shelter transaction and did not do so by the required due date.

9 **Reportable transaction understatement penalty** - You owe this penalty if you do not report and pay the full amount of your tax liability as the result of participating in an abusive tax shelter transaction.

10 **100 percent interest penalty** - You owe this penalty if you
- were contacted by the Internal Revenue Service or Illinois Department of Revenue regarding the use of a potentially abusive tax transaction for a taxable year;
- are later found to have a deficiency in that taxable year that is the result of the tax avoidance transaction; and
- did not report or pay that liability before we issued a Notice of Deficiency.

11 **Audit penalty** - You owe this penalty if you did not pay the tax you owed before the start of an audit or investigation.

12 **Nonfiling penalty for transaction return** - You owe this penalty if you are a retailer required to file a transaction return (ST-556, Sales Tax Transaction Return) by the due date, even if no tax is due on the return.

Are penalties ever abated?

If you were unable to either timely pay the required amount of estimated or quarter-monthly payments, pay the tax you owed by the due date, or file your tax return by the extended due date because of a casualty, disaster, or other similar circumstance, you may request a waiver of penalties due to reasonable cause. To request this waiver, send us a detailed explanation of the cause of the delay and any documentation you have to support your request. Reasonable cause will be determined on a case-by-case basis according to our rules and regulations.

How is interest figured?

Interest is calculated on your tax from the day after the original due date of your return through the date you pay the tax (for certain tax periods interest may also accrue on penalties). Interest accrues at simple rates established by the Internal Revenue Service. See Publication 103 for more information.

Bankruptcy Information

If you are currently under the protection of the Federal Bankruptcy Court, contact us and provide the bankruptcy number and the bankruptcy court. The bankruptcy automatic stay does not change the fact that you are required to file tax returns.

Taxpayer Bill of Rights

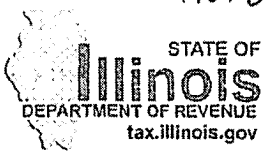
- You have the right to call the Department of Revenue for help in resolving tax problems.
- You have the right to privacy and confidentiality under most tax laws.
- You have the right to respond, within specified time periods, to Department notices by asking questions, paying the amount due, or providing proof to refute the Department's findings.
- You have the right to appeal Department 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 file for a credit (or, in some cases, a refund) of that overpayment.
- For more information about these rights and other Department procedures, you may contact us. Our contact information is on the front of this notice.

Notice 2

P1 of 6

Notice of Deficiency

for Form IL-1065, Partnership Replacement Tax Return



February 25, 2016

Letter ID: CNXXXX92398X9447

#BWNKMGV
#CNXX XX92 398X 9447#
THE WINDSOR VENTURE
7201 YORK AVE S
MINNEAPOLIS MN 55435-4403

Taxpayer ID:	36-2950696
Reporting period:	December 2011
Total Deficiency:	$21,807.85
Balance due:	$21,807.85

We have audited your account for the reporting period listed above. The attached statement explains the computation of your deficiency and the balance due. **Illinois law requires that we notify you of this deficiency and your rights.**

If you agree to this deficiency, you must pay the total balance due as soon as possible to minimize penalty and interest assessed. Make your check payable to "Illinois Department of Revenue," write your taxpayer ID number on your check, and mail a copy of this notice along with your payment.

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

- **If the amount of this tax deficiency, exclusive of penalty and interest is more than $15,000,** *or* **if no tax deficiency is assessed 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,** file a protest with us, the Illinois Department of Revenue, within **60 days** of this notice. If you file a protest on time, we must reconsider the proposed deficiency, and if requested, grant you or your authorized representative an administrative hearing. An administrative hearing is a formal legal proceeding conducted pursuant to rules adopted by the Department and is presided over by an administrative law judge. Submit your protest on Form EAR-14, Format for Filing a Protest for Income Tax, (available on our website at **tax.illinois.gov**). If we do not receive your protest within **60 days**, this deficiency will become final. A protest of this notice does not preserve your rights under any other notice.
- **In any case,** you may instead, under Sections 2a and 2a.1 of the State Officers and Employees Money Disposition Act (30 ILCS 230/2a, 230/2a.1), pay the total deficiency under protest using Form RR-374, Notice of Payment Under Protest (available on our website at **tax.illinois.gov**), and file a complaint with the circuit court for a review of our determination.

If you do not protest this notice or pay the balance due in full, we may take collection action against you for the balance due, which may include levy of your wages and bank accounts, filing of a tax lien, *or* other action.

If you have questions, contact us at the information listed below.

Sincerely,

Constance Beard

Constance Beard
Director

ILLINOIS DEPARTMENT OF REVENUE
AUDIT BUREAU
PO BOX 19012
SPRINGFIELD IL 62794-9012

217 524-3999

Statement

Date: February 25, 2016
Name: THE WINDSOR VENTURE
Taxpayer ID: 36-2950696
Letter ID: CNXXXX92398X9447

Reasons for deficiency

We obtained information from the Internal Revenue Service under authorization of the Internal Revenue Code, Section 6103(d).

We determined your correct Illinois Income Tax because you did not file the appropriate Illinois Business Income Tax Return, as required by Illinois law. [35 ILCS 5/502(a), 904(b)]

Penalties

We are imposing a **late-filing or non-filing penalty** because you did not file a processable return by the due date (including any extended due date). This penalty is figured at the rate of 2 percent of the amount of tax required to be shown due on your return, after subtracting any payments made or credits allowed by the due date of the return. This penalty is imposed the day after the original due date of your return, including any extended due date. This penalty cannot exceed $250. [35 ILCS 735/3-3 (a-10)]

We are imposing a **late-payment penalty** because you did not pay the total tax you owe by the original due date of the return, even if you had an extension of time to file. This penalty is based on the amount required to be shown due on your return, minus any timely payments and timely credits. This penalty is figured at increasing rates based on the number of days your payment is late. The penalty rates are

- 2 percent of any amount that is paid no later than 30 days after the due date;
- 10 percent of any amount that is paid later than 30 days but prior to the date the department has initiated an audit or investigation of the taxpayer;
- 20 percent of any amount that is paid later than 30 days and after the date the department has initiated an audit or investigation of the taxpayer; provided the penalty is reduced to 15 percent if the entire amount due is paid not later than 30 days after the department has provided the taxpayer with a form for waiver of restrictions on assessment. [35 ILCS 735/3-3(b-20)(2)]

Interest

Interest has been computed through February 25, 2016.

Auditor's Report

STATE OF Illinois
DEPARTMENT OF REVENUE
tax.illinois.gov

#BWNKMGV
#CNXX X146 X851 8560#
THE WINDSOR VENTURE
7201 YORK AVE S
MINNEAPOLIS MN 55435-4403

February 25, 2016

Letter ID: CNXXX146X8518560

Taxpayer ID: 36-2950696
Account ID: 05031-05792
Return type: IL-1065
Reporting period: December 2011

		Current Figures	Net Change		As Corrected
Step 1: Ordinary income or loss					
1 Ordinary income or loss or equivalent from federal Schedule K	1	0	0	1	0
2 Net income or loss from all rental real estate activities	2	0	1,118,535	2	1,118,535
3 Net income or loss from all other rental activities	3	0	0	3	0
4 Portfolio income or loss	4	0	218	4	218
5 Net IRC Section 1231 gain or loss	5	0	0	5	0
6 Items of income (loss) not included on U.S. Form 1065 or 1065-B	6	0	0	6	0
7 Add Lines 1 through 6. This is your ordinary income or loss.	7	0	1,118,753	7	1,118,753
Step 2: Unmodified base Income or Loss					
8 Charitable contributions	8	0	0	8	0
9 Expense deduction under IRC Section 179	9	0	0	9	0
10 Interest on investment indebtedness	10	0	0	10	0
11 Items of expense not deducted on U.S. Form 1065 or 1065-B	11	0	0	11	0
12 Add Lines 8 through 11.	12	0	0	12	0
13 Unmodified base income (loss). Subtract Line 12 from Line 7.	13	0	1,118,753	13	1,118,753
14 Unmodified base income (loss) from Line 13	14	0	1,118,753	14	1,118,753
Step 3: Income or loss					
15 State, municipal, and other interest income	15	0	0	15	0
16 Illinois replacement tax deducted in arriving at Line 14	16	0	0	16	0
17 Illinois special depreciation addition	17	0	0	17	0
18 Related-party expenses addition	18	0	0	18	0
19 Distributive share of additions	19	0	0	19	0
20 Guaranteed payments to partners from U.S. Form 1065	20	0	0	20	0
21 Amount of loss distributed to a partner	21	0	0	21	0
22 Other additions	22	0	0	22	0
23 Add Lines 14 through 22. This is your income or loss.	23	0	1,118,753	23	1,118,753

THE WINDSOR VENTURE
7201 YORK AVE S
MINNEAPOLIS MN 55435-4403

February 25, 2016
Letter ID: CNXXX146X8518560

Taxpayer ID: 36-2950696
Account ID: 05031-05792
Return type: IL-1065
Reporting period: December 2011

		Current Figures	Net Change		As Corrected
Step 4: Illinois base income or net loss					
24 Treasury Interest income and other exempt federal obligations	24	0	0	24	0
25 August 1, 1969, valuation limitation amount	25	0	0	25	0
26 Personal Service Inc or rsn allowance for compensation of partners	26	0	0	26	0
27 Share of income distributed to a partner	27	0	0	27	0
28 Enterprise or River Edge Redevelopment Zones dividend subtract	28	0	0	28	0
29 High Impact Business Dividend subtraction	29	0	0	29	0
30 Illinois special depreciation subtraction	30	0	0	30	0
31 Related-party expenses subtraction	31	0	0	31	0
32 Distributive share of subtractions	32	0	0	32	0
33 Other subtractions	33	0	0	33	0
34 Total subtractions. Add Lines 24 through 33.	34	0	0	34	0
35 Base income or net loss. Subtract Line 34 from Line 23.	35	0	1,118,753	35	1,118,753
Step 5: Income allocable to Illinois					
36 Nonbusiness income or loss	36	0	0	36	0
37 Non-unitary partnership business income (loss) included in Line 35	37	0	0	37	0
38 Add Lines 36 and 37.	38	0	0	38	0
39 Business income or loss. Subtract Line 38 from Line 35.	39	0	1,118,753	39	1,118,753
40 Total sales everywhere	40	0	0	40	0
41 Total sales inside Illinois	41	0	0	41	0
42 Apportionment factor. Divide Line 41 by Line 40.	42	0.000000	1.000000	42	1.000000
43 Business income or loss apportionable to Illinois	43	0	0	43	0
44 Nonbusiness income or loss allocable to Illinois	44	0	0	44	0
45 Trusts, estates, and non-unitary partn bus inc (loss) apportion IL	45	0	0	45	0
46 Base income or net loss allocable to Illinois. Add Lines 43 thru 45.	46	0	0	46	0
Step 6: Net income					
47 Base income or net loss from Line 35 or Line 46	47	0	1,118,753	47	1,118,753
48 Illinois net loss deduction	48	0	0	48	0
49 Income after NLD. Subtract Line 48 from Line 47.	49	0	1,118,753	49	1,118,753
50 Base Income from Line 35	50	0	1,118,753	50	1,118,753
51 Divide Line 47 by Line 50.	51	0.000000	1.000000	51	1.000000
52 Exemption allowance. Multiply Line 51 by $1,000.	52	0	1,000	52	1,000
53 Net income. Subtract Line 52 from Line 49.	53	0	1,117,753	53	1,117,753

Auditor's Report

STATE OF Illinois
DEPARTMENT OF REVENUE
tax.illinois.gov

#BWNKMGV
#CNXX X146 X851 8560#
THE WINDSOR VENTURE
7201 YORK AVE S
MINNEAPOLIS MN 55435-4403

February 25, 2016

Letter ID: CNXXX146X8518560

Taxpayer ID: 36-2950696
Account ID: 05031-05792
Return type: IL-1065
Reporting period: December 2011

		Current Figures	Net Change		As Corrected
Step 7: Net replacement tax					
54 Replacement tax. Multiply Line 53 by 1.5%.	54	0	16,766	54	16,766
55 Recapture of investment credits	55	0	0	55	0
56 Replacement tax before credits. Add Lines 54 and 55.	56	0	16,766	56	16,766
57 Investment credits	57	0	0	57	0
58 Net replacement tax. Subtract Line 57 from Line 56.	58	0	16,766	58	16,766
Step 8: Tax, penalty, and interest					
59 Penalties	59			59	
a Late-filing or nonfiling penalty	a	0	250	a	250
b Underpayment of estimated tax penalty	b	0	0	b	0
c Late-payment penalty	c	0	1,677	c	1,677
d Audit late-payment penalty	d	0	1,677	d	1,677
e Collection fee, fraud or negligence penalty	e	0	0	e	0
f Amnesty penalty*	f	0	0	f	0
60 Total penalties. Add Lines 59a through 59f.	60	0	3,604	60	3,604
61 Interest	61			61	
a Interest on tax	a	0	1,439	a	1,439
b Amnesty interest*	b	0	0	b	0
62 Total interest. Add Lines 61a and 61b.	62	0	1,439	62	1,439
63 Total tax, penalty, and interest. Add Lines 58, 60, and 62.	63	0	21,809	63	21,809

THE WINDSOR VENTURE
7201 YORK AVE S
MINNEAPOLIS MN 55435-4403

February 25, 2016
Letter ID: CNXXX146X8518560

Taxpayer ID: 36-2950696
Account ID: 05031-05792
Return type: IL-1065
Reporting period: December 2011

		Current Figures	Net Change		As Corrected
Step 9: Payments and account balance					
64 Payments	64			64	
a Total estimated payments (RT)	a	0	0	a	0
b Form IL-505-B payments	b	0	0	b	0
c Payment with original return	c	0	0	c	0
d Subsequent payments	d	0	0	d	0
e Credit from another period	e	0	0	e	0
f Pass-through entity payments	f	0	0	f	0
g Gambling withholding	g	0	0	g	0
65 Total payments and credits. Add Lines 64a through 64g.	65	0	0	65	0
66 Credits transferred to another period	66	0	0	66	0
67 Refunds and credit carryforward	67	0	0	67	0
68 Total credits outs and refunds. Add Lines 66 and 67.	68	0	0	68	0
69 Net payments available. Subtract Line 68 from Line 65.	69	0	0	69	0
70 Amount due or refund. Subtract Line 69 from Line 63.	70	0	21,809	70	21,809

*Double penalty and interest applies because the tax was eligible for amnesty and was not paid in full.
If applicable, additional penalty and interest will be billed at a later date when the audit is processed.

EXHIBIT C

Illinois Department of Revenue
OFFICE OF ADMINISTRATIVE HEARINGS
Willard Ice Building
101 West Jefferson Street – Level 5SW
Springfield, IL 62702
(217)782-6995

April 25, 2016

John J. Peters
Kapple Jensen & Associates
120 E. Ogden Ave., Suite 130
Hinsdale, IL 60521

Re: **PROTEST DISMISSAL DUE TO LACK OF JURISDICTION**
The Windsor Venture
Notice of Deficiency (Reporting Period: December 2011)
Taxpayer ID: 36-2950696
Letter ID: CNXXXX92398X9447 dated February 25, 2016

Dear Mr. Peters:

The Office of Administrative Hearings of the Illinois Department of Revenue received your protest and request for an administrative hearing for Jay Mo Kang regarding the above Notice. The mailing date of the protest and request for a hearing indicates that the protest was sent within the 60-day protest period for requesting an administrative hearing. However, the assessment at issue for the protest exceeds the statutory amount ($15,000, exclusive of penalties and interest or $15,000 for notices that involve only penalties and interest) for which the Department has jurisdiction for protests filed on or after January 1, 2014. For protests that exceed the statutory amount and are filed on or after January 1, 2014, jurisdiction is vested solely in the Illinois Independent Tax Tribunal (Tax Tribunal). See 35 ILCS 1010/1-1 *et seq.* **Because the Department does not have jurisdiction over this protest, the Department is respectfully dismissing your protest and request for administrative hearing.**

Because of these changes in Illinois law, the Department and the Tax Tribunal recognize that there may be instances, such as this, when a protest and request for an administrative hearing may be filed in the wrong jurisdiction. The Tax Tribunal's website (www.illinois.gov/taxtribunal) contains rules that include guidance on filing in the wrong jurisdiction and contact information for the Tax Tribunal. **The Tax Tribunal's rules provide that a timely protest that is dismissed by the Department for lack of jurisdiction may be filed with the Tax Tribunal within 60 days of**

the notice of such dismissal. See Subsection (a)(3) of Section 5000.310 of the Tax Tribunal's rules. Please note that the Tax Tribunal has different requirements than the Department for filing protests, including the payment of filing fees and the filing of a petition in the form required by the Tax Tribunal.

I recommend that you review the information provided on the Tax Tribunal's website and contact them if you have any questions.

Sincerely,

Terry D. Charlton
Chief Administrative Law Judge

TDC:vs