Schedule IT-2210A Revised 12/95

1995

# Annualized Income Schedule for the Underpayment of Individual Estimated Tax Attach to Form IT-40 or IT-40PNR

First Name(s) and Middle Initial(s)		Last Name			Your Socia	Your Social Security Number	
					Spouse's Soc	al Security Number	
Section A	FARMERS AND FISHERMEN O	_	1994	1995			
	Annual Gross Income	_					
	Gross Income from Farming or Fishin	g					
Section B							
. 1995 TaxAdd Lines 16 and 17 from Form IT-40 or Lines 18 and 19 from Form IT-40PNR					A.		
B. 1995 CreditsAdd the amounts on Lines 23, 24, and 25 of Form IT-40 or Lines 25, 26, and 27 of Form IT-40 PNR					B.		
C. Subtract Line B from Line A					C.		
D. Multiply the amount on Line C by 90% (.90)-(Farmers and Fishermen see instructions)					D.		
E. 1995 WithholdingAdd the amounts on Lines 20 and 21 from Form IT-40 or Lines 22 and 23 from Form IT-40PNR					E.		
F. Subtract Line E from Line CIf less than \$100, STOP HERE! YOU DO NOT OWE A PENALTY					F.		
G. Prior Year's Tax (READ INSTRUCTIONS)					G.		
H. Minimum Tax DueEnter the lesser of Line D or Line G							
Section C							
	mplete Lines 1 through 25 for each		A	В	С	D	
	before going to the next column		1-1 to 3-31	1-1 to 5-31	1-1 to 8-31	1-1 to 12-31	
1. Indiana adjusted gro	ss income for each period	1.					
2. Annualization amoun	nts	. 2.	4	2.4	1.5	1	
3. Annualized income (	(Multiply Line 1 by Line 2)	. 3.					
4. Exemptions (Line 14	4 of Form IT-40 or Line 16 of Form IT-40PNR)	. 4.					
5. Annualized state tax	able income (Subtract Line 4 from Line 3)	. 5.					
6. State income tax (M	ultiply Line 5 by 3.4% (.034))	6.					
7. County income tax (	See instructions)	. 7.					
8. Annualized total tax	(Add lines 6 and 7)	. 8.					
9. Credits (For each per	riod, enter the applicable portion from Lines 23						
through 25 of Form l	IT-40 or Lines 25 through 27 of Form IT-40PNR)	. 9.					
10. Annualized tax (Sub	otract Line 9 from Line 8). If less than zero, enter -0-	10.					
11. Applicable installme	ent percentages	. 11.	.225	.45	.675	.9	
12. Installment amount	due (Multiply Line 10 by Line 11)	. 12.					
13. Last Installment per	iod's actual tax due from Line 19 of all preceding						
columns (See Instruc	ctions)	13.					
14. Total Tax Subtract I	Line 13 from Line 12. If less than zero, enter -0	14.					
15. Minimum tax due: I	Enter 25% (.25) of Line H from Section B	. 15.					
16. Enter the amount fro	om Line 18 of the preceding column	16.					
17. Total minimum tax	(Add lines 15 and 16)	17.					
18. Subtract Line 14 from	m Line 17. If less than zero, enter -0	18.					
19. Actual estimated tax	due. Enter the lesser of Line 14 or Line 17 here						
and also add to Line	e 13 of the next column	. 19.					
20. Indiana state income	e tax withheld	20.					
21. Indiana income tax v	withheld	21.					
22. Estimated tax payme	ents	22.					
23. Total payments (Ad	ld Lines 20 through 22)	23.					
24. Overpayment (See I	nstructions)	24.					
25. Underpayment		25.			1		
26. Add Lines 25A, 25E	3, 25C, and 25D. Enter the total here				26.		
27. Penalty due. Multir	oly Line 26 by 10% (.10) and enter total here and on	Line 32	of Form IT-40 or Line	e 34 of Form IT-40PNR	27.		

#### WHO SHOULD FILE

Most taxpayers have state and county income taxes withheld from their income by their employers; therefore, the income taxes are usually paid in "even" amounts throughout the year. However, if you are self-employed, earn seasonal income, have income which does not have state and county income taxes withheld or expect to owe more than \$100 of state or county income taxes at the time you file your annual income tax return, you might be required to pay estimated taxes during the tax year. Schedule IT-2210A is used to determine if you paid enough estimated taxes each period. If you did not, then you can figure the penalty you might owe for the underpayment of the estimated taxes.

## SECTION A

If you are a farmer or fisherman you will not owe a penalty if you meet BOTH of the following requirements: 1) your gross income from farming or fishing is at least 2/3 of you annual gross income for 1994 or 1995; and 2) you filed your Indiana income tax return and paid the state and county income taxes due my March 1, 1996.

If you meet both of these 4 tests, complete only Section A of Schedule IT-2210 to show that you meet this exception. If you do not meet both of these tests, complete this schedule to determine if you owe a penalty. (If you meet test 1 but not test 2, you might benefit from annualizing your income.)

# SECTION B

LINE A--1995 Tax: Enter your state and county taxes due. Add Lines 16 (state tax) and 17 (county tax) from Form IT-40 or Lines 18 and 19 from Form IT-40PNR.

LINE B--1995 Credits: Enter all your credits except withholding and estimated tax payments. Add Lines 23, 24, and 25 from Form IT-40 or Lines 25, 26, and 27 from Form IT-40PNR.

LINE D--Multiply Line C by 90% (.90). Farmers and Fishermen that meet test 1 under Section A above should multiply by 66.7% (.667).

LINE E--1995 Withholding: Enter your state and county income taxes withheld from your earnings. Add Lines 20 and 21 from Form IT-40 or Lines 22 and 23 from Form IT-40PNR.

LINE F--Subtract Line E from Line C. If this amount is less than \$100, STOP HERE! You

do not owe a penalty and DO NOT need to compolete this form.

LINE G--Prior Year's Tax: (Read the CAU-TION in the next paragraph.) If you files a 1994 IT-40, total Lines 16 and 17, subtract your credits (Lines 23, 24, and 25), and enter the total here. If you filed a 1993 IT-40PNR as a full-year non-resident, total Lines 18 and 19, subtract you credits (Lines25, 26, and 27), and enter the total here. If you filed a 1994 IT-40PNR as a part-year resident, you can't use last year's taxes. Therefore, you must enter N/A on this line and carry the amont from Line D to Line H.

CAUTION--Ifyour 1994 Indiana Adjusted gross income (Line 11 of Forms IT-40 or IT-40PNR) was more than \$150,000 (\$75,000 for married individuals filing seperately), you must enter 110% of lasst year's tax (instead of 100%).

LINE H--Minimum Tax Due: Enter the lesser of Line D or Line G.

### SECTION C

STOP! Complete Lines 1 through 25 of each column before going to the next column.

LINE 1--Indiana Adjusted Gross Income: You must use the amount from Line 11 of Form IT-40 or Form IT-40PNR and figure how much of this income was earned <u>during each period</u>. NOTE: Notice that each column includes the income totals from all previous columns.

LINE 4--Exemptions: Enter the total amount of exemptions shown on Line 14 of Form IT-40 or Line 16 of Form IT-40PNR. Enter the total amount in each column.

LINE 5--Annualized State Taxable Income: Subtract Line 4 from Line 3. If the difference is a negative number, enter -0- on this line.

Line 7--County Income Tax: Multiply the amount on Line 5 either by your resident county tax rate from Line F of your county tax worksheet (CT-40 or CT-40PNR) OR multiply the amount on Line 5 that is principal employment income by the nonresident county tax rate from Line Q of your county tax worksheet.

LINE 9--Credits: Enter the applicable portion of credits from Lines 23 through 25 of Form IT-40 or Lines 25 through 27 of Form IT-40PNR for each period. Example: If you made a contribution to a college in July, this credit may be taken in Column C and Column D.

LINE 13--Last Installment Period's Actual Tax Due: Enter the amount (if any) from Line 19 of all preceding columns. Example: Add Line 19 amount from columns B and C. Enter this amount in Column D.

LINE 15--Minimum Tax Due: Enter 25% (.25) of Line H (from Section B) in each column.

LINE 16--Tax Carryover: Enter the amount from Line 18 of the preceding column. This line keeps trach of the portion of your average tax that was not imposed for the previous period.

LINE 19--Actual Estimated Tax Due: Enter the smaller amount from Line 14 or Line 17 on this line. This is the actual amount of estimated tax you should have paid for this period. Also, enter this amount on Line 13 of the next xolumn. Because this is subtracted in columns B, C, and D, you will not pay a penalty on the same underpayment twice.

LINE 20--Indiana State Tax Withheld: Divide the amount on Line 20 of Form IT-40 or Line 22 of Form IT-40PNR by four and enter the result in each column.

NOTE: If your withholding should change during the year, please show the increase or decrease in the period the change occurred.

LINE 21--Indiana County Tax Withheld: Divide the amount on Line 21 of Form IT-40 or Line 23 of Form IT-40PNR by four and enter the result in each column. See note above.

LINE 22--1995 Estimated Tax Payments: Enter the actual amount of estimated taxes paid timely. Payments made after the due dates are to be reported in the next column.

Line 24--Overpayment: If Line 23 is more than Line 19, enter the difference on this line. This amount should also be added to Line 22 in the next column. This allows you to use your overpayment towards you next quarter's tax.

LINE 25--Underpayment: If Line 23 is less than Line 19, enter the difference on this line.

LINE 26--Add Lines 25A, 25B, 25C, & 25D, and enter the total here.

Line 27--Penalty: Multiply Line 26 by 10% (.10). This is the penalty for underpayment of estimated tax. Enter this amount on this line and on Line 32 of Form IT-40 or Line 34 of Form IT-40PNR. Be sure to attach Schedule IT-2210A to your income tax return.