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Instructions for Form 2210

Underpayment of Estimated Tax by Individuals, Estates, and Trusts

Section references are to the Internal Revenue Code unless otherwise noted.

General Instructions

Future Developments

For the latest information about developments related to Form 2210 and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form2210](https://www.irs.gov/Form2210).

What's New

Waiver of underpayment penalty due to tax reform. The December 22, 2017, enactment of Public Law 115-97, commonly referred to as the "Tax Cuts and Jobs Act", "TCJA," or "Tax Reform," included a broad array of tax changes affecting millions of individual taxpayers. On February 28, 2018, the IRS released an updated Withholding Calculator at [IRS.gov/W4app](https://www.irs.gov/W4app) and a new version of Form W-4 to help individual taxpayers determine their appropriate amount of 2018 tax withholding. Despite the release of the updated Withholding Calculator and new Form W-4, some individual taxpayers may have been unable to accurately calculate the amount of their required estimated income tax payments for 2018 and would be liable for a penalty. Therefore, the IRS is providing relief to these taxpayers by waiving the estimated tax penalty in certain instances. To qualify for the waiver, the total of your withholding and estimated tax payments made on or before January 15, 2019, must be at least 80% of the tax shown on your 2018 return. See *Waiver of Penalty* below for more information on how to determine your eligibility for the waiver and how to request it. If you qualify for the waiver, you may request a refund of any estimated tax penalty amount you have already paid. See *Tax reform waiver refund*, later, for more information.

Qualified business income deduction. Beginning in 2018, you may be able to deduct up to 20% of your qualified business income from your qualified trade or business, plus 20% of your qualified REIT dividends and qualified PTP income. The deduction can be taken in addition to your standard deduction or itemized deductions. For more information, see Pub. 535.

Treatment of deferred foreign income under section 965. No underpayment penalty will be imposed under section 6654 with respect to your net tax liability under section 965. You may exclude such amounts when calculating the amount of your required installment. For more information, see section 965.

Reminders

Saturday, Sunday, or legal holiday. Generally, if a due date for performing any act for tax purposes falls on a Saturday, Sunday, or legal holiday, the act is considered to be performed timely if it's performed no later than the next day that isn't a Saturday, Sunday, or legal holiday. A legal holiday is any legal holiday in the District of Columbia. These instructions make the adjustment for Saturdays, Sundays, and legal holidays.

Health coverage tax credit. The health coverage tax credit has been extended.

Additional medicare tax. A 0.9% Additional Medicare Tax applies to Medicare wages, railroad retirement act (RRTA) compensation, and self-employment income over a threshold amount based on your filing status. See Form 8959.

Net investment income tax. You may be subject to Net Investment Income Tax (NIIT). NIIT is a 3.8% (0.038) tax on the lesser of net investment income or the excess of your modified adjusted gross income over a threshold amount. See Form 8960.

Premium tax credit. You may be eligible to claim the premium tax credit (PTC). The PTC is a tax credit for certain people who enroll, or whose family member enrolls, in a qualified health plan offered through a Health Insurance Marketplace (also called an Exchange). The PTC provides financial assistance to pay the premiums by reducing the amount of tax you owe, giving you a refund, or increasing your refund amount. Advance payment of the PTC may be made through the Marketplace directly to your insurance provider. If you received premium assistance through advance payments of the PTC in 2018, and the amount advanced exceeded the amount of PTC you can take, you could be subject to a penalty for underpaying your estimated tax. For example, you completed Form 8962, Premium Tax Credit, and have additional income tax liability because too much was advanced to your insurance provider. For more information about the PTC and advance payments of the PTC, see Form 8962 and Pub. 974.

Purpose of Form

Use Form 2210 to see if you owe a penalty for underpaying your estimated tax. The IRS will generally figure your penalty for you and you should not file Form 2210. You can, however, use Form 2210 to figure your penalty if you wish and include the penalty on your return. There are some situations in which you must file Form 2210, such as to request a waiver.

Who Must File Form 2210

Use the flowchart at the top of Form 2210, page 1, to see if you must file this form.



If box B, C, or D in Part II is checked, you must figure the penalty yourself and attach Form 2210 to your return.

The IRS Will Figure the Penalty for You

If you didn't check box B, C, or D in Part II, you don't need to figure the penalty. The IRS will figure any penalty for underpayment of estimated tax and send you a bill. If you file your return by April 15, 2019, no interest will be charged on the penalty if you pay the penalty by the date shown on the bill. If you want us to figure the penalty for you, complete your return as usual. Leave the penalty line on your return blank; don't file Form 2210.

Other Methods of Figuring the Penalty

We realize that there are different ways to figure the correct penalty. You don't have to use the method used on Form 2210 as long as you enter the correct penalty amount on the "Estimated tax penalty" line of your return.

However, if you are required to file Form 2210 because one or more of the boxes in Part II applies, you must complete certain lines and enter the penalty on the "Estimated tax penalty" line of your return.

- If you use the short method, complete Part I, check the box(es) that applies in Part II, and complete Part III. Enter the penalty on Form 2210, line 17, and on the "Estimated tax penalty" line on your tax return.

- If you use the regular method, complete Part I, check the box(es) that applies in Part II, complete Part IV, Section A, and the penalty worksheet, later. Enter the penalty on Form 2210, line 27, and on the "Estimated tax penalty" line on your tax return.
- If you use the annualized income installment method, complete Part I, check the box(es) that applies in Part II, complete Schedule AI, complete Part IV, Section A, and the penalty worksheet (Worksheet for Form 2210, Part IV, Section B-Figure the Penalty), later. Enter the penalty on Form 2210, line 27, and on the "Estimated tax penalty" line on your tax return.

Who Must Pay the Underpayment Penalty

In general, you may owe the penalty for 2018 if the total of your withholding and timely estimated tax payments didn't equal at least the smaller of:

1. 90% of your 2018 tax, or
2. 100% of your 2017 tax. Your 2017 tax return must cover a 12-month period.

Special rules for certain individuals. Different percentages are used for farmers and fishermen, and certain higher income taxpayers.

Farmers and fishermen. If at least two-thirds of your gross income for 2017 or 2018 is from farming and fishing, substitute 66 $\frac{2}{3}$ % for 90% in (1) above. See *Farmers and fishermen*, later, to see if you qualify.

Higher income taxpayers. If your adjusted gross income (AGI) for 2017 was more than \$150,000 (\$75,000 if your 2017 filing status is married filing separately), substitute 110% for 100% in (2) above.

Penalty figured separately for each required payment. The penalty is figured separately for each installment due date. Therefore, you may owe the penalty for an earlier due date even if you paid enough tax later to make up the underpayment. This is true even if you are due a refund when you file your tax return. However, you may be able to reduce or eliminate the penalty by using the annualized income installment method. For details, see the Schedule AI instructions later.

Return. In these instructions, "return" refers to your original return. However, an amended return is considered the original return if it is filed by the due date (including extensions) of the original return. Also, a joint return that replaces previously filed separate returns is considered the original return.

Exceptions to the Penalty

You won't have to pay the penalty or file this form if either of the following applies.

- You had no tax liability for 2017, you were a U.S. citizen or resident alien for the entire year (or an estate of a domestic decedent or a domestic trust), and your 2017 tax return was (or would have been had you been required to file) for a full 12 months.
- The total tax shown on your 2018 return minus the amount of tax you paid through withholding is less than \$1,000. To determine whether the total tax is less than \$1,000, complete Part I, lines 1 through 7.

Estates and trusts. No penalty applies to either of the following.

- A decedent's estate for any tax year ending before the date that is 2 years after the decedent's death.
- A trust that was treated as owned by the decedent if the trust will receive the residue of the decedent's estate under the will (or if no will is admitted to probate, the trust primarily responsible for paying debts, taxes, and expenses of administration) for any tax year ending before the date that is 2 years after the decedent's death.

Farmers and fishermen. If you meet both tests 1 and 2 below, you don't owe a penalty for underpaying estimated tax.

1. Your gross income from farming or fishing is at least two-thirds of your annual gross income from all sources for 2017 or 2018.

2. You filed Form 1040 or 1041 and paid the entire tax due by March 1, 2019.

See chapter 2 of Pub. 505, Tax Withholding and Estimated Tax, for the definition of gross income from farming and fishing.

If you meet test 1 but not test 2, use Form 2210-F, Underpayment of Estimated Tax by Farmers and Fishermen, to see if you owe a penalty. When using Form 2210-F, refer to the Instructions for Form 2210-F, which discusses special rules that may apply. If you don't meet test 1, use Form 2210.

Waiver of Penalty

If you have an underpayment, all or part of the penalty for that underpayment will be waived if the IRS determines that:

- In 2017 or 2018, you retired after reaching age 62 or became disabled, and your underpayment was due to reasonable cause (and not willful neglect), or
- The underpayment was due to a casualty, disaster, or other unusual circumstance, and it would be inequitable to impose the penalty. For federally declared disaster areas, see *Federally declared disaster*.

To request any of the above waivers, do the following.

1. Check box A or box B in Part II.
 - a. If you checked box A, complete only page 1 of Form 2210 and attach it to your tax return (you aren't required to figure the amount of penalty to be waived).
 - b. If you checked box B, complete Form 2210 through line 16 (or if you use the regular method, line 26 plus the penalty worksheet, later) without regard to the waiver. Enter the amount you want waived in parentheses on the dotted line next to line 17 (line 27 for the regular method). Subtract this amount from the total penalty you figured without regard to the waiver, and enter the result on line 17 (line 27 for the regular method).
2. Attach Form 2210 and a statement to your return explaining the reasons you were unable to meet the estimated tax requirements and the time period for which you are requesting a waiver.
3. If you are requesting a waiver due to retirement or disability, attach documentation that shows your retirement date (and your age on that date) or the date you became disabled.
4. If you are requesting a waiver due to a casualty, disaster (other than a federally declared disaster as discussed next), or other unusual circumstance, attach documentation such as copies of police and insurance company reports.

The IRS will review the information you provide and decide whether to grant your request for a waiver.

Tax reform waiver. If you are an individual taxpayer and you would otherwise owe an estimated tax penalty, the IRS will waive the penalty under certain conditions. You would otherwise owe a penalty if line 9 is more than line 6 after completing Part I of Form 2210, and you have an amount of more than zero on line 27 after completing Part IV (or on line 17 of Part III if you qualify to use the Short Method). If you would otherwise owe a penalty, complete the 80% Exception Worksheet below to see if you meet the conditions to be eligible to claim the waiver. If so, you must check Box A in Part II, write "80% Waiver" next to Box A, and file page 1 of Form 2210 with your return to request the waiver. Do not file an additional statement or attachment to claim the waiver.

Tax reform waiver refund. If you qualify for the tax reform waiver, you may request a refund of any estimated tax penalty amount you have already paid. To claim the refund, file Form 843, Claim for Refund and Request for Abatement, and write "80% Waiver of estimated tax penalty" on line 7 of Form 843. Leave lines 5a and 5b of Form 843 blank.

80% Exception Worksheet

Before you begin: ✓ Complete Part I of Form 2210. If you checked "Yes" on box 9, complete the worksheet below to see if you qualify for the 80% Waiver relief.

1. Enter the amount from Form 2210, Part I, line 4 here
2. Multiply line 1 by 80%
3. Enter your withholding taxes from Form 2210, Part I, line 6.
4. Enter the amount of your 2018 estimated tax payments made on or before January 15, 2019.
5. Add lines 3 and 4 above.
6. Is line 5 above greater than or equal to the amount on line 2 above?

Yes.

You qualify for the 80% Waiver relief. Check Box A in Part II of Form 2210, write "80% Waiver" next to Box A, and file page 1 of Form 2210 with your return.

No.



You do not qualify for the 80% Waiver relief. Follow the instructions for the "Yes" box on line 9 of Form 2210, Part I, ignoring the 80% Waiver.

Federally declared disaster. Certain estimated tax payment deadlines for taxpayers who reside or have a business in a federally declared disaster area are postponed for a period during and after the disaster. During the processing of your tax return, the IRS automatically identifies taxpayers located in a covered disaster area (by county or parish) and applies the appropriate penalty relief. **Don't** file Form 2210 if your underpayment was due to a federally declared disaster. If you still owe a penalty after the automatic waiver is applied, the IRS will send you a bill.

An individual or a fiduciary for an estate or trust not in a covered disaster area but whose books, records, or tax professionals' offices are in a covered area is also entitled to relief. Also eligible are relief workers affiliated with a recognized government or charitable organization assisting in the relief activities in a covered disaster area. If you meet either of these eligibility requirements, you must call the IRS disaster hotline at 1-866-562-5227 and identify yourself as eligible for this relief. For information about claiming relief, see IRS.gov/DisasterTaxRelief. For more information on disaster assistance and emergency relief for individuals and businesses, see IRS.gov/DisasterRelief. See Pub. 976, Disaster Relief and Pub. 505, chapter 4, for more details. For guidance on figuring estimated taxes for trusts and certain estates, see Notice 87-32, 1987-1 C.B. 477.

Specific Instructions

Part I—Required Annual Payment

Complete lines 1 through 9 to figure your required annual payment.

If you file an amended return by the due date of your original return, use the amounts shown on your amended return to figure your underpayment. If you file an amended return after the due date, use the amounts shown on the original return.

Exception. If you and your spouse file a joint return after the due date to replace previously filed separate returns, use the amounts shown on the joint return to figure your underpayment.

Line 1

Enter the amount from Form 1040, line 13; Form 1040NR, line 53; or Form 1040NR-EZ, line 15. For an estate or trust, enter the amount from Form 1041, Schedule G, line 3.



Form 1040 filers: You may exclude the amount of your net tax liability under section 965 when calculating the amount of your required annual payment. For purposes of figuring the amount includable on line 1 of Form 2210 only, you may refigure

the amount you reported on line 13 of your Form 1040 return as described below.

If you reported a net section 965 inclusion on line 21 of Schedule 1 (Form 1040), for purposes of figuring the amount includable on line 1 of Form 2210 only, the amount of the section 965 inclusion should be zero. Refigure lines 6 through 13 on page 2 of Form 1040. Enter the refigured line 13 amount here.

If you are a shareholder of an S corporation and you reported a section 965 inclusion on line 21 of Schedule 1 (Form 1040) and entered a negative amount on line 11a for the deferred net section 965 tax liability amount on page 2 of Form 1040, for purposes of figuring the amount includable on line 1 of Form 2210 only, the amount of the section 965 inclusion should be zero. Refigure lines 6 through 13 on page 2 of Form 1040. Do not enter any amount on line 11a for the deferred net section 965 tax liability amount on page 2 of Form 1040 when refiguring lines 6 through 13. Enter the refigured line 13 amount here.

If you are a shareholder of an S corporation and entered a positive amount on line 11a for the section 965 net tax liability amount, for purposes of figuring the amount includable on line 1 of Form 2210 only, the amount of any positive net section 965 tax liability amounts reported on line 11a on page 2 of Form 1040 should be zero. Refigure lines 11 through 13 on page 2 of Form 1040. Enter the refigured line 13 amount here.



Form 1041 filers: You may exclude the amount of your net tax liability under section 965 when calculating the amount of your required annual payment. For purposes of figuring the amount includable on line 1 of Form 2210 only, you may refigure the amount you reported on Form 1041, Schedule G, line 3 as described below.

If you reported a section 965 inclusion on line 8 of Form 1041, the amount of the section 965 inclusion should be zero. Refigure lines 8 through 22 of Form 1041. Next, refigure lines 1 through 3 of Form 1041, Schedule G. Enter the refigured line 3 amount here.

Line 2

Enter the total of the following amounts.

IF you file...	THEN include on line 2 the amounts on...
1040	<p>Schedule 4 (Form 1040), lines 57, 59 (additional tax on distributions only), 60a*, 60b, and if applicable, the Additional Medicare Tax (Form 8959) and/or Net Investment Income Tax (Form 8960) on Schedule 4 (Form 1040), line 62, and any write-ins on Schedule 4 (Form 1040), line 62 with the exception of:</p> <ul style="list-style-type: none"> • Uncollected social security and Medicare tax or RRTA tax on tips or group-term life insurance (identified as "UT"); • Tax on excess golden parachute payments (identified as "EPP"); • Excise tax on insider stock compensation from an expatriated corporation (identified as "ISC"); • Look-back interest due under section 167(g) (identified as "8866"), and under section 460(b) (identified as "8697"); • Recapture of federal mortgage subsidy (identified as "FMSR"); and • Interest accrued on deferred tax under a section 1294 election for the year of termination (see Form 8621, Part VI, line 24, and Instructions for Form 8621). Also, subtract the amount from Form 8621, line 9c, that has been entered in brackets to the left of Form 1040, line 15.

* If you're a household employer, include your household employment taxes on line 2. Don't include household employment taxes if both of the following are true: (1) You didn't have federal income tax withheld from your income and, (2) You wouldn't be required to make estimated tax payments even if the household employment taxes weren't included.

IF you file...	THEN include on line 2 the amounts on...
1040NR	Lines 54, 55, 57 (additional tax on distributions only), 58, 59a*, 59b, and if applicable, Additional Medicare Tax (Form 8959) and/or Net Investment Income Tax (Form 8960) on line 60, and any write-ins on line 60 with the exception of: <ul style="list-style-type: none"> • Uncollected social security and Medicare tax or RRTA tax on tips or group-term life insurance (identified as "UT"); • Tax on excess golden parachute payments (identified as "EPP"); • Excise tax on insider stock compensation from an expatriated corporation (identified as "ISC"); • Look-back interest due under section 167(g) (identified as "From Form 8866"), and under section 460(b) (identified as "From Form 8697"); • Recapture of federal mortgage subsidy (identified as "FMSR"); and • Interest accrued on deferred tax under a section 1294 election for the year of termination (see Form 8621, Part VI, line 24, and Instructions for Form 8621).
1041	Schedule G, lines 4, 5, 6*, and any write-ins on line 7 with the exception of: <ul style="list-style-type: none"> • Look-back interest due under section 167(g) (identified as "From Form 8866"); • Look-back interest due under section 460(b) (identified as "From Form 8697"); and • Interest accrued on deferred tax under a section 1294 election for the year of termination (see Form 8621, Part VI, line 24, and Instructions for Form 8621).
* If you're a household employer, include your household employment taxes on line 2. Don't include household employment taxes if both of the following are true: (1) You didn't have federal income tax withheld from your income and, (2) You wouldn't be required to make estimated tax payments even if the household employment taxes weren't included.	

If you file Form 1040NR-EZ, you won't have an entry on line 2.

Line 3

Enter the total amount of the following refundable credits, if any, that you claim on your tax return.

- Earned income credit.
- Additional child tax credit.
- Refundable part of the American opportunity credit (Form 8863, Line 8).
- Credit for federal tax paid on fuels.
- Health coverage tax credit.
- Premium tax credit (Form 8962).
- Credit determined under section 1341(a)(5)(B).

To figure the amount of the section 1341 credit, see *Repayments* in Pub. 525.

Line 6

Enter the taxes withheld from Form 1040, line 16, and Schedule 5 (Form 1040), line 72; Form 1040NR, lines 62a, 62b, 62c, 62d, and 67; or Form 1040NR-EZ, lines 18a and 18b. For an estate or trust, enter the amount from Form 1041, line 25e.

Filers of Form 8689, Allocation of Individual Income Tax to the U.S. Virgin Islands. Also enter on this line the amount(s) from Form 8689, lines 40 and 45, that you entered on line 18 of your 2018 Form 1040.

Line 8

To figure your 2017 tax, first add the amounts listed in (1) later, then subtract from that total amount the refundable credits listed in (2) later that are shown on your 2017 tax return. **(1) Add the amounts listed in the chart below based on which tax return you filed for 2017.**

IF you filed for 2017...	Add the following amounts shown on your 2017 tax return.
1040	Lines 56, 57, 59 (additional tax on distributions only), 60a*, 60b, and any write-ins on line 62 with the exception of: <ul style="list-style-type: none"> • Uncollected social security and Medicare tax or RRTA tax on tips or group-term life insurance (identified as "UT"); • Tax on excess golden parachute payments (identified as "EPP"); • Excise tax on insider stock compensation from an expatriated corporation (identified as "ISC"); • Look-back interest due under section 167(g) (identified as "8866"), and under section 460(b) (identified as "8697"); • Recapture of federal mortgage subsidy (identified as "FMSR"); and • Interest accrued on deferred tax under a section 1294 election for the year of termination (see Form 8621, Part VI, line 24, and Instructions for Form 8621). Also, subtract the amount from Form 8621, line 9c, that has been entered in brackets to the left of Form 1040, line 63.
1040A	Line 37
1040NR	Lines 53, 54, 55, 57 (additional tax on distributions only), 58, 59a*, 59b, and any write-ins on line 60 with the exception of: <ul style="list-style-type: none"> • Uncollected social security and Medicare tax or RRTA tax on tips or group-term life insurance (identified as "UT"); • Tax on excess golden parachute payments (identified as "EPP"); • Excise tax on insider stock compensation from an expatriated corporation (identified as "ISC"); • Look-back interest due under section 167(g) (identified as "From Form 8866"), and under section 460(b) (identified as "From Form 8697"); • Recapture of federal mortgage subsidy (identified as "FMSR"); and • Interest accrued on deferred tax under a section 1294 election for the year of termination (see Form 8621, Part VI, line 24, and Instructions for Form 8621).
1040NR-EZ	Line 15
1041	Schedule G, lines 4, 5, 6*, and any write-ins on line 7 with the exception of: <ul style="list-style-type: none"> • Look-back interest due under section 167(g) (identified as "From Form 8866"); • Look-back interest due under section 460(b) (identified as "From Form 8697"); and • Interest accrued on deferred tax under a section 1294 election for the year of termination (see Form 8621, Part VI, line 24, and Instructions for Form 8621).
* If you're a household employer, include your household employment taxes on line 2. Don't include household employment taxes if both of the following are true: (1) You didn't have federal income tax withheld from your income and, (2) You wouldn't be required to make estimated tax payments even if the household employment taxes weren't included.	

(2) Subtract refundable credits listed below:

Subtract the total of the following refundable credits, if any, that you claimed on your 2017 tax return:

- Earned income credit.
- Additional child tax credit.
- Refundable part of the American opportunity credit (Form 8863, line 8).
- Credit for federal tax paid on fuels.
- Health coverage tax credit.
- Premium tax credit (Form 8962).
- Credit determined under section 1341(a)(5)(B).

Enter the 2017 tax you figured above unless the AGI on your 2017 return is more than \$150,000 (\$75,000 if married filing separately for 2018). If the AGI shown on your 2017 tax return is more than \$150,000 (\$75,000 if married filing separately), enter 110% of the amount of the tax computed earlier.

If you are filing a joint return for 2018, but you didn't file a joint return for 2017, add your 2017 tax (as figured earlier) to your spouse's 2017 tax (as figured earlier) and enter the total on line 8. If you filed a joint return for 2017 but you aren't filing a joint return for

2018, see Pub. 505, chapter 4, *General Rule*, to figure your share of the 2017 tax to enter on line 8. If you didn't file a return for 2017 or your 2017 tax year was less than 12 months, don't complete line 8. Instead, enter the amount from line 5 on line 9. However, see *Exceptions to the Penalty*, earlier.



Form 1040 filers: You may exclude the amount of your net tax liability under section 965 when calculating the amount of your maximum required annual payment based on your prior year's tax. For purposes of figuring out the amount includable on line 8 of Form 2210 only, you may refigure the amount you reported on line 44 of your 2017 Form 1040 return as described below.

If you reported a net section 965 amount on line 21 of your 2017 Form 1040, for purposes of figuring the amount includable on line 8 of Form 2210 only, the amount of the section 965 inclusion should be zero. Refigure lines 22, 37, and 38–56 on your 2017 Form 1040, and use the refigured line 56 amount in calculating your 2017 tax for line 8.

If you are a shareholder of an S corporation and you reported a net section 965 amount on line 21 of your 2017 Form 1040, and you reduced line 44 by the amount of your net tax liability deferred under section 965(i), for purposes of figuring the amount includable on line 8 of Form 2210 only, the amount of the section 965 inclusion should be zero. Do not enter any amount on line 44 for the amount of net tax liability deferred under section 965(i). Refigure lines 22, 37, and 38–56 on your 2017 Form 1040, and use the refigured line 56 amount in calculating your 2017 tax for line 8.



Form 1041 filers: You may exclude the amount of your net tax liability under section 965 when calculating the amount of your maximum required annual payment based on your prior year's tax. For purposes of figuring the amount includable on line 8 of Form 2210 only, you may refigure the amount you reported on Schedule G, line 7, of your 2017 Form 1041 as described below.

If you reported a net section 965 amount to the extent it was distributed to a beneficiary or beneficiaries on line 8 of Form 1041, the amount of the net section 965 amount should be zero. Refigure lines 8 through 22 of Form 1041, and then refigure lines 1 through 3 and 7 of Schedule G. Use the refigured amount from Schedule G, line 7, in calculating your 2017 tax for line 8.

If you did not report a net section 965 amount on your 2017 Form 1041 but instead included the net tax liability under section 965 on Schedule G, line 7 (either in its entirety or reduced by the amount of the net tax liability deferred under section 965(i)), that amount should not be included. Refigure Schedule G, line 7, by not including the section 965 net tax liability (in its entirety or reduced for section 965(i)). Use the refigured amount from Schedule G, line 7, in calculating your 2017 tax for line 8.

Part III—Short Method

If you can use the short method (see Form 2210, Part III, *Can You Use the Short Method?*), complete lines 10 through 14 to figure your total underpayment for the year, and lines 15 through 17 to figure the penalty. Fiscal year filers: See Pub. 505 to see if you can use the short method. In certain circumstances, the IRS will waive all or part of the underpayment penalty. See *Waiver of Penalty*, earlier.

Part IV—Regular Method

Use the regular method if you aren't eligible to use the short method. See Form 2210, Part III, *Must You Use the Regular Method?* If you checked box C in Part II, complete Schedule AI before Part IV.

Form 1040NR or 1040NR-EZ filers. If you are filing Form 1040NR or 1040NR-EZ and didn't receive wages as an employee subject to U.S. income tax withholding, the instructions for completing Part IV are modified as follows.

1. Skip column (a).
2. On line 18, column (b), enter one-half of the amount on line 9 of Part I (unless you are using the annualized income installment method).

3. On line 19, column (b), enter the total tax payments made through June 15, 2018, for the 2018 tax year. If you are treating federal income tax (and excess social security or tier 1 railroad retirement tax) as having been withheld evenly throughout the year, you are considered to have paid one-third of these amounts on each payment due date.

4. Skip all lines in column (b) that are shaded in column (a).

Section A—Figure Your Underpayment

Line 18

Enter on line 18, columns (a) through (d), the amount of your required installment for the due date shown in each column heading. For most taxpayers, this is one-fourth of the required annual payment shown in Part I, line 9. However, it may be to your benefit to figure your required installments by using the annualized income installment method. See the Schedule AI instructions later.

Line 19

Table 1—List your estimated tax payments for 2018. Before completing line 19, enter in Table 1 the payments you made for 2018. Include the following payments.

- Any overpayment from your 2017 return applied to your 2018 estimated tax payments. Generally, treat the payment as made on April 17, 2018.
- Estimated tax payments you made for the 2018 tax year, plus any federal income tax and excess social security and tier 1 railroad retirement tax withheld.
- Any payment made on your balance due return for 2018. Use the date you filed (or will file) your return or April 15, 2019, whichever is earlier, as the payment date.

Table 1. Estimated Tax Payments

Date	Payment amount	Date	Payment amount

Entries on Form 2210. Enter on line 19 the following tax payments.

- Column (a)—payments you made by April 17, 2018.
- Column (b)—payments you made after April 17, 2018, through June 15, 2018.
- Column (c)—payments you made after June 15, 2018, through September 17, 2018.
- Column (d)—payments you made after September 17, 2018, through January 15, 2019.

When figuring your payment dates and the amounts to enter on line 19 of each column, apply the following rules.

- For withheld federal income tax and excess social security or tier 1 railroad retirement tax (RRTA), you are considered to have paid one-fourth of these amounts on each payment due date unless you can show otherwise. You will find these amounts on Form 1040, line 16, and Schedule 5 (Form 1040), line 72; Form 1040NR, lines 62a, 62b, 62c, 62d, and 67; Form 1040NR-EZ, lines 18a and 18b; and Form 1041, line 25e.



If you treat withholding as paid for estimated tax purposes when it was actually withheld, you must check box D in Part II and complete and attach Form 2210 to your return.

- Include all estimated tax payments you made for each period. Include any overpayment from your 2017 tax return you elected to apply to your 2018 estimated tax. If your 2017 return was fully paid by the due date, treat the overpayment as a payment made on April

17, 2018. If you mail your estimated tax payments, use the date of the U.S. postmark as the date of payment.

- If an overpayment is generated on your 2017 return from a payment made after the due date, treat the payment as made on the date of payment. For example, you paid \$500 due on your 2017 return on July 1, 2018, and later amended the return and were due a \$400 refund which you elected to have applied to your estimated taxes. The \$400 overpayment would be treated as paid on July 1.
- If you file your return and pay the tax due by January 31, 2019, include on line 19, column (d), the amount of tax you pay with your tax return. In this case, you won't owe a penalty for the payment due on January 16, 2019.

Example 1. You filed your 2017 tax return on June 1, 2018, showing a \$2,000 refund. You elected to have \$1,000 of your 2017 overpayment applied to your 2018 estimated tax payments. In 2018, you had \$4,000 of federal income tax withheld from wages. You also made \$500 estimated tax payments on September 15, 2018, and January 16, 2019. On line 19, column (a), enter \$2,000 (\$1,000 withholding + \$1,000 overpayment). In column (b), enter \$1,000 (withholding), and in columns (c) and (d), enter \$1,500 (\$1,000 withholding + \$500 estimated tax payment).

Line 25

If line 25 is zero for all payment periods, you don't owe a penalty. But if you checked box C or D in Part II, you must file Form 2210 with your return. If you checked box E, you must file page 1 of Form 2210 with your return. In certain circumstances, the IRS will waive all or part of the underpayment penalty. See *Waiver of Penalty*, earlier.

Section B—Figure the Penalty

Use the penalty worksheet (Worksheet for Form 2210, Part IV, Section B—Figure the Penalty), later, to figure your penalty for each period by applying the appropriate rate against each underpayment shown in Section A, line 25. The penalty is figured for the number of days that each underpayment remains unpaid.

Your payments are applied first to any underpayment balance on an earlier installment even if you designate a payment for a later period. See *Example 2*. Use lines 3, 6, 9, and 12 of the penalty worksheet to show the number of days an underpayment remained unpaid. Use lines 4, 7, 10, and 13 to figure the actual penalty amount by applying the appropriate rate to an underpayment for the number of days it remained unpaid.

Example 2. You had a \$500 underpayment remaining after your April 15 payment. The June 15 installment required a payment of \$1,200. On June 10, you made a payment of \$1,200 to cover the June 15 installment. However, \$500 of this payment is applied first to the April 15 installment. The penalty for the April 15 installment is figured from April 15 to June 10 (56 days). The amount remaining to be applied to the June 15 installment is \$700.

Total days per rate period. If an underpayment remained unpaid for an entire rate period, use the chart below to determine the number of days to enter in each column. The chart is organized in the same format as the penalty worksheet.

Table 2. Chart of Total Days

Rate Period	(a) 4/15/18	(b) 6/15/18	(c) 9/15/18	(d) 1/15/19
4/16/18-6/30/18	76	15	—	—
7/1/18-9/30/18	92	92	15	—
10/1/18-12/31/18	92	92	92	—
1/1/19-4/15/19	105	105	105	90

For example, if you have an underpayment on line 25, column (a), but Table 1 shows you have no payments until after January 2, 2019, you would enter "76" on line 3, column (a), of the penalty worksheet.



If you make a payment during a rate period, see Pub. 505, chapter 4, Table 4-1, for an easy way to figure the number of days the payment is late.

Worksheet for Form 2210, Part IV, Section B—Figure the Penalty

Line 1b. If more than one payment was applied to fully pay the underpayment amount in a column (line 1a), enter on line 1b the date and amount applied up to the underpayment amount. If a payment was more than the underpayment amount, enter the excess in the next column with the same date.

Example 3. Your required installment for each payment due date is \$4,000. You made the following estimated tax payments.

Date	Payments
4/30/18	\$2,000
6/15/18	\$3,000
9/15/18	\$4,000
1/15/19	\$4,000

Line 1a, column (a), shows \$4,000. You enter "4/30 \$2,000" and "6/15 \$2,000" on line 1b, column (a). The remaining \$1,000 (\$3,000 – \$2,000) of the June 15 payment is entered on line 1b, column (b), "6/15 \$1,000." Also enter "9/15 \$3,000" on line 1b, column (b), because \$3,000 of the \$4,000 September payment must be used to fully pay the June underpayment. Continue in this manner until all your payments are used.

Line 3. If more than one payment was applied to an underpayment on line 1a, enter the number of days each payment was late.

Example 4. Using the same facts as *Example 3* above, enter "15" (number of days from 4/15 to 4/30) and "61" (number of days from 4/15 to 6/15) on line 3, column (a) (see illustration under *Example 5*).

Line 4. Make the computation requested on line 4 and enter the result. If more than one payment was required to fully satisfy an underpayment amount, make a separate computation for each payment. See *Example 5* and the example in Pub. 505, chapter 4.

Example 5. Assume the same facts as in *Example 3*. On line 4, enter the penalty for each underpayment: "\$4.11" ($\$2,000 \times (15 \div 365) \times 0.05$) and "\$16.71" ($\$2,000 \times (61 \div 365) \times 0.05$). The entries are illustrated below.

(a)		
2	4/15/18	
3	Days: 15	Days: 61
4	\$4.11	\$16.71

Column (a) is fully paid in the first rate period; therefore, lines 6, 7, 9, 10, 12, and 13 for column (a) would be blank. Continue with the underpayment in columns (b), (c), and (d) in the same manner.

Note: If an underpayment balance remains for the remaining rate periods, calculate the penalty using the same steps as explained above, but use the dates and interest rates on lines 6 and 7 for rate period 2, lines 9 and 10 for rate period 3, and lines 12 and 13 for rate period 4.

Schedule AI—Annualized Income Installment Method

If your income varied during the year because, for example, you operated your business on a seasonal basis or had a large capital gain late in the year, you may be able to lower or eliminate the amount of one or more required installments by using the annualized

**Worksheet for Form 2210, Part IV, Section B—Figure the Penalty
(penalty worksheet)**

Keep for Your Records 

Complete Rate Period 1 of each column before going to the next column; then go to Rate Periods 2, 3, and 4 in the same manner. If multiple estimated tax payments are applied to the underpayment amount in a column of line 1a, you will need to make more than one computation for that column.

		Payment Due Dates				
		(a) 4/15/18	(b) 6/15/18	(c) 9/15/18	(d) 1/15/19	
1a	Enter your underpayment from Part IV, Section A, line 25	1a				
1b	Date and amount of each payment applied to the underpayment in the same column. Don't enter more than the underpayment amount on line 1a for each column (see instructions). Note: Your payments are applied in the order made first to any underpayment balance in an earlier column until that underpayment is fully paid.	1b				
Rate Period 1: April 16, 2018—June 30, 2018						
2	Computation starting dates for this period	2	4/15/18	6/15/18		
			Days:	Days:		
3	Number of days from the date on line 2 to the date the amount on line 1a was paid or 6/30/18, whichever is earlier	3				
4	Underpayment on line 1a × $\frac{\text{Number of days on line 3}}{365}$ × 0.05	4	\$	\$		
Rate Period 2: July 1, 2018—September 30, 2018						
5	Computation starting dates for this period	5	6/30/18	6/30/18	9/15/18	
			Days:	Days:	Days:	
6	Number of days from the date on line 5 to the date the amount on line 1a was paid or 9/30/18, whichever is earlier	6				
7	Underpayment on line 1a × $\frac{\text{Number of days on line 6}}{365}$ × 0.05	7	\$	\$	\$	
Rate Period 3: October 1, 2018—December 31, 2018						
8	Computation starting dates for this period	8	9/30/18	9/30/18	9/30/18	
			Days:	Days:	Days:	
9	Number of days from the date on line 8 to the date the amount on line 1a was paid or 12/31/18, whichever is earlier	9				
10	Underpayment on line 1a × $\frac{\text{Number of days on line 9}}{365}$ × 0.05	10	\$	\$	\$	
Rate Period 4: January 1, 2019—April 15, 2019						
11	Computation starting dates for this period	11	12/31/18	12/31/18	12/31/18	1/15/19
			Days:	Days:	Days:	Days:
12	Number of days from the date on line 11 to the date the amount on line 1a was paid or 4/15/19, whichever is earlier	12				
13	Underpayment on line 1a × $\frac{\text{Number of days on line 12}}{365}$ × 0.06	13	\$	\$	\$	\$
14	Penalty. Add all amounts on lines 4, 7, 10, and 13 in all columns. Enter the total here and on line 27 of Part IV, Section B	14				\$

income installment method. Use Schedule AI to figure the required installments to enter on Form 2210, Part IV, line 18.



If you use Schedule AI for any payment due date, you must use it for all payment due dates.

To use the annualized income installment method to figure the penalty, you must do all of the following.

1. Complete Schedule AI, Part I (and Part II, if necessary). Enter the amounts from Schedule AI, Part I, line 27, columns (a) through (d), in the corresponding columns of Form 2210, Part IV, line 18.
2. Complete Part IV to figure the penalty. This includes completing the penalty worksheet, earlier, in the instructions.
3. Check box C in Part II.
4. Attach Form 2210, Parts I, II, IV, and Schedule AI to your return.

Additional information. See Pub. 505, chapter 4, for more details about the annualized income installment method. Estates and trusts, see Notice 87-32.

Individuals filing Form 1040NR or 1040NR-EZ. If you are filing Form 1040NR or 1040NR-EZ and you didn't receive wages as an employee subject to U.S. income tax withholding, follow these modified instructions for Schedule AI.

1. Skip column (a).
2. Beginning with column (b), enter on line 1 your income for the period that is effectively connected with a U.S. trade or business.
3. Increase the amount on line 19 by the amount determined by multiplying your income for the period that isn't effectively connected with a U.S. trade or business by the following.
 - In column (b), 72%.
 - In column (c), 45%.
 - In column (d), 30%.However, if you can use a treaty rate lower than 30%, use the percentages determined by multiplying your treaty rate by 2.4, 1.5, and 1, respectively.
4. Enter on line 24, column (b), one-half of the amount from Form 2210, Part I, line 9. In columns (c) and (d), enter one-fourth of that amount.
5. Skip column (b) of lines 22 and 25.

Part I—Annualized Income Installments

To figure the amount of each required installment, Schedule AI selects the smaller of the annualized income installment or the regular installment (that has been increased by the amount saved by using the annualized income installment method in figuring any earlier installments).

Line 1

For each period (column), figure your total income minus your adjustments to income. Include your share of partnership or S corporation income or loss items for the period.

If you are self-employed, be sure to take into account the deductible part of your self-employment tax. For more information on how to figure this amount for each period, see Pub. 505, chapter 4.

Line 2

Estates and trusts don't use the amounts shown in columns (a) through (d). Instead, use 6, 3, 1.71429, and 1.09091, respectively, as the annualization amounts.

Line 6

If you itemized deductions, multiply line 4 of each column by line 5 and enter the result on line 6.

Line 7

If you are a resident of India and a student or business apprentice, enter your standard deduction from Form 1040NR, line 37; or Form 1040NR-EZ, line 11.

Line 9

Enter your deduction for qualified business income. For information on how to compute your deduction for qualified business income, see the Instructions for Form 1040, and Pub. 535, **Business Expenses**.

Line 12

Form 1040, 1040NR, or 1040NR-EZ filers, enter -0- in each column. Estates and trusts, use the exemption amount shown on your return.

Line 14

To compute the tax, use the Tax Table, Tax Computation Worksheet, Qualified Dividends and Capital Gain Tax Worksheet, Schedule D Tax Worksheet, Foreign Earned Income Tax Worksheet, Schedule J, or Form 8615, along with the instructions for your tax return.

Note: Pub. 505, chapter 4, contains a Qualified Dividends and Capital Gain Tax Worksheet and a Foreign Earned Income Tax Worksheet designed for use with Schedule AI.

Line 16

Enter all of the other taxes you owed because of events that occurred during the months shown in the column headings. Include the same taxes used to figure Form 2210, Part I, line 2 (except self-employment tax), plus the tax from Form 4972, Tax on Lump-Sum Distributions; Form 8814, Parents' Election To Report Child's Interest and Dividends; and any alternative minimum tax (AMT).

To figure the AMT, Form 1040 filers use Form 6251; estates and trusts use Schedule I (Form 1041). Figure alternative minimum taxable income based on your income and deductions during the periods shown in the column headings. Multiply this amount by the annualization amounts shown for each column on Schedule AI, line 2, before subtracting the AMT exemption.

Line 18

For each column, enter the credits you are entitled to because of events that occurred during the months shown in the column headings. These are the credits you used to arrive at the amounts on lines 1 and 3 of Part I, Required Annual Payment.

When figuring your credits, annualize any item of income or deduction used to figure each credit. For example, if your earned income (and AGI) for the first period (column (a)) is \$8,000 and you qualify for the earned income credit (EIC), use your annualized earned income (\$32,000) to figure your EIC for column (a).

Part II—Annualized Self-Employment Tax

If you had net earnings from self-employment during any period, complete Part II for that period to figure your annualized self-employment tax.

If you are married and filing a joint return and both you and your spouse had net earnings from self-employment, complete a separate Part II for each spouse. Enter on line 15 of Schedule AI, Part I, the combined amounts from line 36 of each spouse's Part II.

Any Additional Medicare Tax on self-employment income will be computed in Part I.

Line 28

Generally, to figure your net earnings from self-employment on line 28, multiply your net profit from all trades or businesses for each period by 92.35% (0.9235).

However, if your Form W-2 showed church employee income or you deducted Conservation Reserve Program payments on your Schedule SE, use a separate Schedule SE as a worksheet to calculate net earnings from self-employment for each period. For this purpose, net earnings from self-employment is the amount on Short Schedule SE, line 4, or Long Schedule SE, line 6.

Line 30

If you filed Form 4137, Social Security and Medicare Tax on Unreported Tip Income, or Form 8919, Uncollected Social Security and Medicare Tax on Wages, use the following instructions to figure the additional amount to include in the appropriate columns of line 30.

- Form 4137: Include the actual unreported tips for the period subject to social security tax. This will be the amount on Form 4137, line 10, when the form is completed for a specific period.
- Form 8919: Include the actual wages for the period from which the social security tax wasn't withheld. This will be the amount on Form 8919, line 10, when the form is completed for a specific period.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You aren't required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated burden for individual taxpayers filing this form is approved under OMB control number 1545-0074 and is included in the estimates shown in the instructions for their individual income tax return. The estimated burden for all other taxpayers who file this form is shown below.

	Short Method	Regular Method
Recordkeeping	13 min.	13 min.
Learning about the law or the form	12 min.	13 min.
Preparing the form	36 min.	4 hr., 06 min.
Copying, assembling, and sending the form to the IRS	20 min.	1 hr., 03 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we'd be happy to hear from you. See the instructions for the tax return with which this form is filed.