

▶ See separate instructions.
▶ Attach to the corporation's tax return.

Name	Employer identification number
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Note: In most cases, the IRS will figure the penalty and the corporation will not have to complete this form. See **Who Must File** in the instructions for more information.

Part I Figuring the Underpayment

1 Total tax (see instructions)					1
2a Personal holding company tax included on line 1 (Schedule PH (Form 1120), line 26).	2a				
	2b				
	2c				
b Interest due under the look-back method of section 460(b)(2) for completed long-term contracts included on line 1					
c Credit for Federal tax paid on fuels (see instructions)					
d Total. Add lines 2a through 2c					2d
3 Subtract line 2d from line 1. If the result is less than \$500, do not complete or file this form. The corporation does not owe the penalty					3
4 Enter the tax shown on the corporation's 1993 income tax return. (CAUTION: See instructions before completing this line.)					4
5 Enter the smaller of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3 on line 5					5
6 Installment due dates. Enter in columns (a) through (d) the 15th day of the 4th, 6th, 9th, and 12th months of the corporation's tax year ▶	6	(a)	(b)	(c)	(d)
7 Required installments. Enter 25% of line 5 in columns (a) through (d) unless a or b below applies to the corporation.					
a Annualized income installment method and/or the adjusted seasonal installment method: Check this box <input type="checkbox"/> if the corporation uses one or both of these methods. After completing Schedule A of this form, enter on line 7 the amount from line 41, Part III of Schedule A.					
b "Large corporations": Check this box <input type="checkbox"/> and see the instructions for the amount to enter in each column of line 7	7				
8 Estimated tax paid or credited for each period (see instructions). For column (a) only, enter the amount from line 8 on line 12	8				
Complete lines 9 through 15 of one column before going to the next column.					
9 Enter amount, if any, from line 15 of the preceding column	9				
10 Add lines 8 and 9	10				
11 Add amounts on lines 13 and 14 of the preceding column.	11				
12 Subtract line 11 from line 10. If zero or less, enter -0-. For column (a) only, enter the amount from line 8	12				
13 If the amount on line 12 is zero, subtract line 10 from line 11. Otherwise, enter -0-	13				
14 Underpayment. If line 12 is less than or equal to line 7, subtract line 12 from line 7. Then go to line 9 of the next column. Otherwise, go to line 15 (see instructions)	14				
15 Overpayment. If line 7 is less than line 12, subtract line 7 from line 12. Then go to line 9 of the next column	15				

Complete Part II on page 2 to figure the penalty. If there are no entries on line 14, no penalty is owed.

Part II Figuring the Penalty

	(a)	(b)	(c)	(d)
16 Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions). (<i>Form 990-PF and Form 990-T filers:</i> Use 5th month instead of 3rd month.)				
17 Number of days from due date of installment on line 6 to the date shown on line 16				
18 Number of days on line 17 after 4/15/94 and before 7/1/94				
19 Number of days on line 17 after 6/30/94 and before 10/1/94				
20 Number of days on line 17 after 9/30/94 and before 4/1/95				
21 Number of days on line 17 after 3/31/95 and before 7/1/95				
22 Number of days on line 17 after 6/30/95 and before 10/1/95				
23 Number of days on line 17 after 9/30/95 and before 1/1/96				
24 Number of days on line 17 after 12/31/95 and before 2/16/96				
25 Underpayment on line 14 × $\frac{\text{Number of days on line 18}}{365} \times 7\%$	\$	\$	\$	\$
26 Underpayment on line 14 × $\frac{\text{Number of days on line 19}}{365} \times 8\%$	\$	\$	\$	\$
27 Underpayment on line 14 × $\frac{\text{Number of days on line 20}}{365} \times 9\%$	\$	\$	\$	\$
28 Underpayment on line 14 × $\frac{\text{Number of days on line 21}}{365} \times \%$	\$	\$	\$	\$
29 Underpayment on line 14 × $\frac{\text{Number of days on line 22}}{365} \times \%$	\$	\$	\$	\$
30 Underpayment on line 14 × $\frac{\text{Number of days on line 23}}{365} \times \%$	\$	\$	\$	\$
31 Underpayment on line 14 × $\frac{\text{Number of days on line 24}}{366} \times \%$	\$	\$	\$	\$
32 Add lines 25 through 31	\$	\$	\$	\$
33 PENALTY. Add columns (a) through (d), line 32. Enter here and on line 33, Form 1120; line 29, Form 1120-A; or comparable line for other income tax returns				33 \$

*If the corporation's tax year ends after December 31, 1994, see the Instructions for lines 28 through 31.

Schedule A Required Installments Using the Annualized Income Installment Method and/or the Adjusted Seasonal Installment Method Under Section 6655(e) (See instructions.)

Form 1120S filers: For lines 2, 14, 15, and 16, below, "taxable income" refers to excess net passive income or the amount on which tax is imposed under section 1374(a) (or the corresponding provisions of prior law), whichever applies.

Part I—Annualized Income Installment Method		(a)	(b)	(c)	(d)
		First _____ months	First _____ months	First _____ months	First _____ months
1	Annualization period (see instructions).	1			
2	Enter taxable income for each period.	2			
3	Annualization amount (see instructions).	3			
4	Multiply line 2 by line 3.	4			
5	Figure the tax on the amount in each column on line 4 using the instructions for Form 1120, Schedule J, line 3 (or the comparable line of the tax return).	5			
6	Enter other taxes for each payment period (see instructions).	6			
7	Total tax. Add lines 5 and 6.	7			
8	For each period, enter the same type of credits as allowed on Form 2220, lines 1 and 2c (see instructions).	8			
9	Total tax after credits. Subtract line 8 from line 7. If zero or less, enter -0-.	9			
10	Applicable percentage.	10	25%	50%	75%
11	Multiply line 9 by line 10.	11			
12	Add the amounts in all preceding columns of line 11 (see instructions).	12			
13	Subtract line 12 from line 11. If zero or less, enter -0-.	13			

Part II—Adjusted Seasonal Installment Method (Caution: Use this method only if the base period percentage for any 6 consecutive months is at least 70%. See the instructions for more information.)

		(a)	(b)	(c)	(d)
		First 3 months	First 5 months	First 8 months	First 11 months
14	Enter taxable income for the following periods:				
a	Tax year beginning in 1991	14a			
b	Tax year beginning in 1992	14b			
c	Tax year beginning in 1993	14c			
15	Enter taxable income for each period for the tax year beginning in 1994.	15			
			First 4 months	First 6 months	First 9 months
16	Enter taxable income for the following periods:				Entire year
a	Tax year beginning in 1991	16a			
b	Tax year beginning in 1992	16b			
c	Tax year beginning in 1993	16c			
17	Divide the amount in each column on line 14a by the amount in column (d) on line 16a.	17			
18	Divide the amount in each column on line 14b by the amount in column (d) on line 16b.	18			
19	Divide the amount in each column on line 14c by the amount in column (d) on line 16c.	19			

		(a)	(b)	(c)	(d)
		First 4 months	First 6 months	First 9 months	Entire year
20	Add lines 17 through 19.				
21	Divide line 20 by 3.				
22	Divide line 15 by line 21.				
23	Figure the tax on the amount on line 22 using the instructions for Form 1120, Schedule J, line 3 (or the comparable line of the return).				
24	Divide the amount in columns (a) through (c) on line 16a by the amount in column (d) on line 16a.				
25	Divide the amount in columns (a) through (c) on line 16b by the amount in column (d) on line 16b.				
26	Divide the amount in columns (a) through (c) on line 16c by the amount in column (d) on line 16c.				
27	Add lines 24 through 26.				
28	Divide line 27 by 3.				
29	Multiply the amount in columns (a) through (c) of line 23 by columns (a) through (c) of line 28. In column (d), enter the amount from line 23, column (d).				
30	Enter other taxes for each payment period (see instructions).				
31	Total tax. Add lines 29 and 30.				
32	For each period, enter the same type of credits as allowed on Form 2220, lines 1 and 2c (see instructions).				
33	Total tax after credits. Subtract line 32 from line 31. If zero or less, enter -0-.				
34	Add the amounts in all preceding columns of line 41 (see instructions).				
35	Subtract line 34 from line 33. If zero or less, enter -0-.				

Part III—Required Installments

		1st installment	2nd installment	3rd installment	4th installment
36	If only one of the above parts is completed, enter the amount in each column from line 13 or line 35. If both parts are completed, enter the smaller of the amounts in each column from line 13 or line 35.				
37	Divide line 5, page 1 of Form 2220, by 4 and enter the result in each column. (Note: "Large corporations" see the instructions for line 7b, Part I, for the amount to enter.)				
38	Enter the amount from line 40 of the preceding column.				
39	Add lines 37 and 38.				
40	If line 39 is more than line 36, subtract line 36 from line 39. Otherwise, enter -0-.				
41	Required installments. Enter the smaller of line 36 or line 39 here and on page 1 of Form 2220, line 7.				