

# Underpayment of Estimated Tax by Corporations

**2008**

▶ See separate instructions.

▶ Attach to the corporation's tax return.

Name	Employer identification number
------	--------------------------------

**Note:** Generally, the corporation is not required to file Form 2220 (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2, line 38 on the estimated tax penalty line of the corporation's income tax return, but **do not** attach Form 2220.

**Part I Required Annual Payment**

<b>1</b> Total tax (see instructions) . . . . .			<b>1</b>
<b>2a</b> Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 1 . . . . .	<b>2a</b>		
<b>b</b> Look-back interest included on line 1 under section 460(b)(2) for completed long-term contracts or section 167(g) for depreciation under the income forecast method . . . . .	<b>2b</b>		
<b>c</b> Credit for federal tax paid on fuels (see instructions) . . . . .	<b>2c</b>		
<b>d Total.</b> Add lines 2a through 2c . . . . .		<b>2d</b>	
<b>3</b> Subtract line 2d from line 1. If the result is less than \$500, <b>do not</b> complete or file this form. The corporation does not owe the penalty . . . . .			<b>3</b>
<b>4</b> Enter the tax shown on the corporation's 2007 income tax return (see instructions). <b>Caution: If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 3 on line 5</b> . . . . .			<b>4</b>
<b>5 Required annual payment.</b> Enter the <b>smaller</b> of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3 . . . . .			<b>5</b>

**Part II Reasons for Filing—** Check the boxes below that apply. If any boxes are checked, the corporation **must** file Form 2220 even if it does not owe a penalty (see instructions).

- 6**  The corporation is using the adjusted seasonal installment method.
- 7**  The corporation is using the annualized income installment method.
- 8**  The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

**Part III Figuring the Underpayment**

		(a)	(b)	(c)	(d)
<b>9 Installment due dates.</b> Enter in columns (a) through (d) the 15th day of the 4th ( <b>Form 990-PF filers:</b> Use 5th month), 6th, 9th, and 12th months of the corporation's tax year . . . . .	<b>9</b>				
<b>10 Required installments.</b> If the box on line 6 and/or line 7 above is checked, enter the amounts from Schedule A, line 38. If the box on line 8 (but not 6 or 7) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% of line 5 above in each column . . . . .	<b>10</b>				
<b>11</b> Estimated tax paid or credited for each period (see instructions). For column (a) only, enter the amount from line 11 on line 15 . . . . .	<b>11</b>				
<b>Complete lines 12 through 18 of one column before going to the next column.</b>					
<b>12</b> Enter amount, if any, from line 18 of the preceding column . . . . .	<b>12</b>				
<b>13</b> Add lines 11 and 12 . . . . .	<b>13</b>				
<b>14</b> Add amounts on lines 16 and 17 of the preceding column . . . . .	<b>14</b>				
<b>15</b> Subtract line 14 from line 13. If zero or less, enter -0- . . . . .	<b>15</b>				
<b>16</b> If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0- . . . . .	<b>16</b>				
<b>17 Underpayment.</b> If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18 . . . . .	<b>17</b>				
<b>18 Overpayment.</b> If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column . . . . .	<b>18</b>				

**Go to Part IV on page 2 to figure the penalty. Do not go to Part IV if there are no entries on line 17—no penalty is owed.**

**Part IV Figuring the Penalty**

	(a)	(b)	(c)	(d)
<b>19</b> 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: Use 5th month instead of 3rd month.)</i> . . . . .	<b>19</b>			
<b>20</b> Number of days from due date of installment on line 9 to the date shown on line 19 . . . . .	<b>20</b>			
<b>21</b> Number of days on line 20 after 4/15/2008 and before 7/1/2008	<b>21</b>			
<b>22</b> Underpayment on line 17 $\times \frac{\text{Number of days on line 21}}{366} \times 6\%$	<b>22</b>	\$	\$	\$
<b>23</b> Number of days on line 20 after 6/30/2008 and before 10/1/2008	<b>23</b>			
<b>24</b> Underpayment on line 17 $\times \frac{\text{Number of days on line 23}}{366} \times 5\%$	<b>24</b>	\$	\$	\$
<b>25</b> Number of days on line 20 after 9/30/2008 and before 1/1/2009	<b>25</b>			
<b>26</b> Underpayment on line 17 $\times \frac{\text{Number of days on line 25}}{366} \times 6\%$	<b>26</b>	\$	\$	\$
<b>27</b> Number of days on line 20 after 12/31/2008 and before 4/1/2009	<b>27</b>			
<b>28</b> Underpayment on line 17 $\times \frac{\text{Number of days on line 27}}{365} \times 5\%$	<b>28</b>	\$	\$	\$
<b>29</b> Number of days on line 20 after 3/31/2009 and before 7/1/2009	<b>29</b>			
<b>30</b> Underpayment on line 17 $\times \frac{\text{Number of days on line 29}}{365} \times *%$	<b>30</b>	\$	\$	\$
<b>31</b> Number of days on line 20 after 6/30/2009 and before 10/1/2009 .	<b>31</b>			
<b>32</b> Underpayment on line 17 $\times \frac{\text{Number of days on line 31}}{365} \times *%$	<b>32</b>	\$	\$	\$
<b>33</b> Number of days on line 20 after 9/30/2009 and before 1/1/2010 .	<b>33</b>			
<b>34</b> Underpayment on line 17 $\times \frac{\text{Number of days on line 33}}{365} \times *%$	<b>34</b>	\$	\$	\$
<b>35</b> Number of days on line 20 after 12/31/2009 and before 2/16/2010	<b>35</b>			
<b>36</b> Underpayment on line 17 $\times \frac{\text{Number of days on line 35}}{365} \times *%$	<b>36</b>	\$	\$	\$
<b>37</b> Add lines 22, 24, 26, 28, 30, 32, 34, and 36 . . . . .	<b>37</b>	\$	\$	\$
<b>38 Penalty.</b> Add columns (a) through (d) of line 37. Enter the total here and on Form 1120, line 33; or the comparable line for other income tax returns . . . . .	<b>38</b>			\$

\*Use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at **www.irs.gov**. You can also call 1-800-829-4933 to get interest rate information.

**Schedule A Adjusted Seasonal Installment Method and Annualized Income Installment Method**  
(see instructions)

**Form 1120S filers:** For lines 1, 2, 3, and 21, below, "taxable income" refers to excess net passive income or the amount on which tax is imposed under section 1374(a), whichever applies.

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

		(a)	(b)	(c)	(d)
		First 3 months	First 5 months	First 8 months	First 11 months
<b>1</b>	Enter taxable income for the following periods:				
<b>a</b>	Tax year beginning in 2005 . . . . .	<b>1a</b>			
<b>b</b>	Tax year beginning in 2006 . . . . .	<b>1b</b>			
<b>c</b>	Tax year beginning in 2007 . . . . .	<b>1c</b>			
<b>2</b>	Enter taxable income for each period for the tax year beginning in 2008 (see instructions for the treatment of extraordinary items).	<b>2</b>			
<b>3</b>	Enter taxable income for the following periods:	First 4 months	First 6 months	First 9 months	Entire year
<b>a</b>	Tax year beginning in 2005 . . . . .	<b>3a</b>			
<b>b</b>	Tax year beginning in 2006 . . . . .	<b>3b</b>			
<b>c</b>	Tax year beginning in 2007 . . . . .	<b>3c</b>			
<b>4</b>	Divide the amount in each column on line 1a by the amount in column (d) on line 3a . . . . .	<b>4</b>			
<b>5</b>	Divide the amount in each column on line 1b by the amount in column (d) on line 3b . . . . .	<b>5</b>			
<b>6</b>	Divide the amount in each column on line 1c by the amount in column (d) on line 3c . . . . .	<b>6</b>			
<b>7</b>	Add lines 4 through 6 . . . . .	<b>7</b>			
<b>8</b>	Divide line 7 by 3.0 . . . . .	<b>8</b>			
<b>9a</b>	Divide line 2 by line 8 . . . . .	<b>9a</b>			
<b>b</b>	Extraordinary items (see instructions) . . . . .	<b>9b</b>			
<b>c</b>	Add lines 9a and 9b . . . . .	<b>9c</b>			
<b>10</b>	Figure the tax on the amount on line 9c using the instructions for Form 1120, Schedule J, line 2 (or comparable line of corporation's return) . . . . .	<b>10</b>			
<b>11a</b>	Divide the amount in columns (a) through (c) on line 3a by the amount in column (d) on line 3a . . . . .	<b>11a</b>			
<b>b</b>	Divide the amount in columns (a) through (c) on line 3b by the amount in column (d) on line 3b . . . . .	<b>11b</b>			
<b>c</b>	Divide the amount in columns (a) through (c) on line 3c by the amount in column (d) on line 3c . . . . .	<b>11c</b>			
<b>12</b>	Add lines 11a through 11c . . . . .	<b>12</b>			
<b>13</b>	Divide line 12 by 3.0 . . . . .	<b>13</b>			
<b>14</b>	Multiply the amount in columns (a) through (c) of line 10 by columns (a) through (c) of line 13. In column (d), enter the amount from line 10, column (d) . . . . .	<b>14</b>			
<b>15</b>	Enter any alternative minimum tax for each payment period (see instructions) . . . . .	<b>15</b>			
<b>16</b>	Enter any other taxes for each payment period (see instructions) . . . . .	<b>16</b>			
<b>17</b>	Add lines 14 through 16 . . . . .	<b>17</b>			
<b>18</b>	For each period, enter the same type of credits as allowed on Form 2220, lines 1 and 2c (see instructions) . . . . .	<b>18</b>			
<b>19</b>	Total tax after credits. Subtract line 18 from line 17. If zero or less, enter -0- . . . . .	<b>19</b>			

**Part II Annualized Income Installment Method**

		(a)	(b)	(c)	(d)
		First _____ months	First _____ months	First _____ months	First _____ months
<b>20</b> Annualization periods (see instructions) . . . . .	<b>20</b>				
<b>21</b> Enter taxable income for each annualization period (see instructions for the treatment of extraordinary items) . . . . .	<b>21</b>				
<b>22</b> Annualization amounts (see instructions) . . . . .	<b>22</b>				
<b>23a</b> Annualized taxable income. Multiply line 21 by line 22 . . . . .	<b>23a</b>				
<b>b</b> Extraordinary items (see instructions) . . . . .	<b>23b</b>				
<b>c</b> Add lines 23a and 23b . . . . .	<b>23c</b>				
<b>24</b> Figure the tax on the amount on line 23c using the instructions for Form 1120, Schedule J, line 2 (or comparable line of corporation's return) . . . . .	<b>24</b>				
<b>25</b> Enter any alternative minimum tax for each payment period (see instructions) . . . . .	<b>25</b>				
<b>26</b> Enter any other taxes for each payment period (see instructions).	<b>26</b>				
<b>27</b> Total tax. Add lines 24 through 26 . . . . .	<b>27</b>				
<b>28</b> For each period, enter the same type of credits as allowed on Form 2220, lines 1 and 2c (see instructions) . . . . .	<b>28</b>				
<b>29</b> Total tax after credits. Subtract line 28 from line 27. If zero or less, enter -0- . . . . .	<b>29</b>				
<b>30</b> Applicable percentage . . . . .	<b>30</b>	25%	50%	75%	100%
<b>31</b> Multiply line 29 by line 30 . . . . .	<b>31</b>				

**Part III Required Installments**

		1st	2nd	3rd	4th
		installment	installment	installment	installment
<b>Note:</b> Complete lines 32 through 38 of one column before completing the next column.					
<b>32</b> If only Part I or Part II is completed, enter the amount in each column from line 19 or line 31. If both parts are completed, enter the <b>smaller</b> of the amounts in each column from line 19 or line 31 . . . . .	<b>32</b>				
<b>33</b> Add the amounts in all preceding columns of line 38 (see instructions) . . . . .	<b>33</b>				
<b>34</b> <b>Adjusted seasonal or annualized income installments.</b> Subtract line 33 from line 32. If zero or less, enter -0- . . . . .	<b>34</b>				
<b>35</b> Enter 25% of line 5 on page 1 of Form 2220 in each column. <b>Note:</b> "Large corporations," see the instructions for line 10 for the amounts to enter . . . . .	<b>35</b>				
<b>36</b> Subtract line 38 of the preceding column from line 37 of the preceding column . . . . .	<b>36</b>				
<b>37</b> Add lines 35 and 36 . . . . .	<b>37</b>				
<b>38</b> <b>Required installments.</b> Enter the <b>smaller</b> of line 34 or line 37 here and on page 1 of Form 2220, line 10 (see instructions) . . . . .	<b>38</b>				