

**Schedule A
(Form 8804)**

**Penalty for Underpayment of Estimated
Section 1446 Tax by Partnerships**

OMB No. 1545-0123

2014

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8804.

▶ For information about Schedule A (Form 8804) and its instructions, go to www.irs.gov/uac/About-Schedule-A-Form-8804.

Name	Employer identification number
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Note. Generally, the partnership is not required to file this Schedule A (see Part I below for exceptions) because the IRS will figure any penalty owed and bill the partnership. However, the partnership may still use this Schedule A to figure the penalty. If so, enter the amount from line 65 of this Schedule A on line 8 of Form 8804, but **do not attach this Schedule A**.

Part I Reasons for Filing—Check the boxes below that apply. If any boxes are checked, the partnership **must** file Schedule A (Form 8804) even if it does not owe a penalty (see instructions).

- The partnership is using the adjusted seasonal installment method.
- The partnership is using the annualized income installment method.

Part II Current Year and Prior Year Safe Harbors

1	Enter the total section 1446 tax shown on the partnership's 2014 Form 8804, line 5f. If less than \$500, do not complete or file this form. The partnership does not owe the penalty	1	
2	Enter the total section 1446 tax that would have been due for 2013, without regard to reductions for certified foreign partner-level items, on the effectively connected taxable income (ECTI) allocable to foreign partners for 2013. <i>Caution: This line 2 amount only applies if certain conditions are met (see instructions)</i>	2	
3	Enter the smaller of line 1 or line 2. If the partnership is required to skip line 2, enter the amount from line 1	3	

Part III Figuring the Underpayment

		(a)	(b)	(c)	(d)
4 Installment due dates. Enter in columns (a) through (d) the 15th day of the 4th, 6th, 9th, and 12th months of the partnership's tax year	4				
5 Required installments. If the partnership uses the adjusted seasonal installment method and/or the annualized income installment method, enter the amounts from line 43. If neither of those methods is used, enter 25% of line 3 above in each column	5				
6 Estimated section 1446 tax paid or credited for each period (see instructions). For column (a) only, enter the amount from line 6 on line 10	6				
7 Enter amount, if any, from line 13 of the preceding column	7				
8 Add lines 6 and 7	8				
9 Add amounts on lines 11 and 12 of the preceding column	9				
10 Subtract line 9 from line 8. If zero or less, enter -0-	10				
11 If the amount on line 10 is zero, subtract line 8 from line 9. Otherwise, enter -0-	11				
12 Underpayment. If line 10 is less than or equal to line 5, subtract line 10 from line 5. Then go to line 7 of the next column. Otherwise, go to line 13	12				
13 Overpayment. If line 5 is less than line 10, subtract line 5 from line 10. Then go to line 7 of the next column	13				

Go to Part VII on page 5 to figure the penalty. Do not go to Part VII if there are no entries on line 12—no penalty is owed.

Part V Annualized Income Installment Method

		(a)	(b)	(c)	(d)
		First _____ months	First _____ months	First _____ months	First _____ months
30	Annualization periods (see instructions).	30			
31	Enter ECTI allocable to all foreign partners for each annualization period (see instructions for the treatment of extraordinary items):				
a	Total ECTI allocable to corporate partners.	31a			
b	Total ECTI allocable to non-corporate partners other than on lines 31c, 31d, and 31e.	31b			
c	28% rate gain (non-corporate partners only).	31c			
d	Unrecaptured section 1250 gain (non-corporate partners only).	31d			
e	Adjusted net capital gain (including qualified dividend income and net section 1231 gains) (non-corporate partners only).	31e			
32	Annualization amounts (see instructions).	32			
33	Annualized ECTI allocable to all foreign partners (see instructions for the treatment of extraordinary items):				
a	Total ECTI allocable to corporate partners (multiply line 31a by line 32).	33a			
b	Reduction to line 33a for state and local taxes under Regulations section 1.1446-6(c)(1)(iii) (see instructions).	33b	()	()	()
c	Reduction to line 33a for certified foreign partner-level items submitted using Form 8804-C (see instructions).	33c	()	()	()
d	Combine lines 33a, 33b, and 33c.	33d			
e	Total ECTI allocable to non-corporate partners other than on lines 33i, 33m, and 33q (multiply line 31b by line 32).	33e			
f	Reduction to line 33e for state and local taxes under Regulations section 1.1446-6(c)(1)(iii) (see instructions).	33f			
g	Reduction to line 33e for certified foreign partner-level items submitted using Form 8804-C (see instructions).	33g			
h	Combine lines 33e, 33f, and 33g.	33h			
i	28% rate gain allocable to non-corporate partners (multiply line 31c by line 32).	33i			
j	Reduction to line 33i for state and local taxes under Regulations section 1.1446-6(c)(1)(iii) (see instructions).	33j	()	()	()
k	Reduction to line 33i for certified foreign partner-level items submitted using Form 8804-C (see instructions).	33k	()	()	()
l	Combine lines 33i, 33j, and 33k.	33l			
m	Unrecaptured section 1250 gain allocable to non-corporate partners (multiply line 31d by line 32).	33m			
n	Reduction to line 33m for state and local taxes under Regulations section 1.1446-6(c)(1)(iii) (see instructions).	33n	()	()	()
o	Reduction to line 33m for certified foreign partner-level items submitted using Form 8804-C (see instructions).	33o	()	()	()
p	Combine lines 33m, 33n, and 33o.	33p			
q	Adjusted net capital gain (including qualified dividend income and net section 1231 gains) allocable to non-corporate partners (multiply line 31e by line 32).	33q			
r	Reduction to line 33q for state and local taxes under Regulations section 1.1446-6(c)(1)(iii) (see instructions).	33r	()	()	()
s	Reduction to line 33q for certified foreign partner-level items submitted using Form 8804-C (see instructions).	33s	()	()	()
t	Combine lines 33q, 33r, and 33s.	33t			
34	Figure the tax on line 33 amounts as follows:				
a	Multiply line 33d by 35%.	34a			
b	Multiply line 33h by 39.6%.	34b			
c	Multiply line 33l by 28%.	34c			
d	Multiply line 33p by 25%.	34d			
e	Multiply line 33t by 20%.	34e			
f	Add lines 34a through 34e.	34f			

Part V Annualized Income Installment Method *(continued)*

		(a)	(b)	(c)	(d)
35	Applicable percentage.	35			
36	Multiply line 34f by line 35.	36			

Part VI Required Installments

Note. Complete lines 37 through 43 of one column before completing the next column.

		1st installment	2nd installment	3rd installment	4th installment
37	If only Part IV or Part V is completed, enter the amount in each column from line 29 or line 36. If both parts are completed, enter the smaller of the amounts in each column from line 29 or line 36.	37			
38	Add the amounts in all preceding columns of line 43 (see instructions).	38			
39	Adjusted seasonal or annualized income installments. Subtract line 38 from line 37. If zero or less, enter -0-.	39			
40	Enter 25% of line 1 in each column.	40			
41	Subtract line 43 of the preceding column from line 42 of the preceding column.	41			
42	Add lines 40 and 41.	42			
43	Required installments. Enter the smaller of line 39 or line 42 here and on line 5 (see instructions).	43			

Part VII Figuring the Penalty

	(a)	(b)	(c)	(d)
44 Enter the date of payment or the 15th day of the 4th month after the close of the tax year, whichever is earlier (see instructions). <i>Partnerships that keep their records and books of account outside the United States and Puerto Rico:</i> Use 6th month instead of 4th month.				
45 Number of days from due date of installment on line 4 to the date shown on line 44				
46 Number of days on line 45 after 4/15/2014 and before 7/1/2014				
47 Underpayment on line 12 × $\frac{\text{Number of days on line 46}}{365} \times 3\%$	\$	\$	\$	\$
48 Number of days on line 45 after 6/30/2014 and before 10/1/2014				
49 Underpayment on line 12 × $\frac{\text{Number of days on line 48}}{365} \times 3\%$	\$	\$	\$	\$
50 Number of days on line 45 after 9/30/2014 and before 1/1/2015				
51 Underpayment on line 12 × $\frac{\text{Number of days on line 50}}{365} \times 3\%$	\$	\$	\$	\$
52 Number of days on line 45 after 12/31/2014 and before 4/1/2015				
53 Underpayment on line 12 × $\frac{\text{Number of days on line 52}}{365} \times *%$	\$	\$	\$	\$
54 Number of days on line 45 after 3/31/2015 and before 7/1/2015				
55 Underpayment on line 12 × $\frac{\text{Number of days on line 54}}{365} \times *%$	\$	\$	\$	\$
56 Number of days on line 45 after 6/30/2015 and before 10/1/2015				
57 Underpayment on line 12 × $\frac{\text{Number of days on line 56}}{365} \times *%$	\$	\$	\$	\$
58 Number of days on line 45 after 9/30/2015 and before 1/1/2016				
59 Underpayment on line 12 × $\frac{\text{Number of days on line 58}}{365} \times *%$	\$	\$	\$	\$
60 Number of days on line 45 after 12/31/2015 and before 4/1/2016				
61 Underpayment on line 12 × $\frac{\text{Number of days on line 60}}{366} \times *%$	\$	\$	\$	\$
62 Number of days on line 45 after 3/31/2016 and before 5/16/2016				
63 Underpayment on line 12 × $\frac{\text{Number of days on line 62}}{366} \times *%$	\$	\$	\$	\$
64 Add lines 47, 49, 51, 53, 55, 57, 59, 61, and 63	\$	\$	\$	\$
65 Penalty. Add columns (a) through (d) of line 64. Enter the total here and on Form 8804, line 8			65	\$

* 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 1-800-829-1040 to get interest rate information.