## **FORM 2220ME**



# UNDERPAYMENT OF ESTIMATED TAX

2013

MAINE REVENUE SERVICES, P.O. BOX 1065, AUGUSTA, ME 04332-1065

This form is used for the computation of Maine corporate income tax and Maine fran				ırn.			
For calendar year 2013, or fiscal year beginning	, 2	013 and ending _		, 20			
NAME		FEDERAL IDENTIFICATION NUMBER					
NUMBER AND STREET							
CITY OR TOWN, STATE AND ZIP CODE							
Part I - Calculating Your Underpayment							
<ol> <li>2013 tax (check the applicable space below)</li></ol>	d (Income Tax Withheld Loss Credit) and line is less than \$1,000, do	d) and 8e (refundable cred 4e (Other Credits)	dit) 2 n)3				
PAYMENT DUE DATES	Α	В	С	D			
Enter in columns A through D the installment dates that correspond to the 15th day of the 4th, 6th, 9th and 12th months of the taxable year.							
5. Enter 25% of line 4 in columns A through D, unless (a) or (b) below applies:  a. Actual liability: Check here and on line 9b, page 3, Form 1120ME Enter amount from line 19 of the annualization worksheet.  b. If the corporation is a "large" corporation under IRC § 6655(g) (2)(A), enter the required estimated tax amount by statute and check this box							
6. a. Estimated tax paid and carryover of prior year overpayment6a.							
b. Overpayment on line 8b from prior column6b.							
7. Line 6a plus line 6b							
8. a. Underpayment (line 5 minus line 7) or8a.							
b. Overpayment (line 7 minus line 5)8b.							
Part II - Calculating the Penalty							
Enter the due date of the return (or the date the underpayment on line 8a was paid to MRS, if earlier)9.							
Number of months or fraction thereof from the payment due date to the date shown on line 9							
11. Enter the rate from the table on reverse side11.							
12. Underpayment penalty. Underpayment on line 8a multiplied by rate on line 11							
13. Total of amounts shown on line 12. Enter result here and on Form 1120ME,	line 9b or Form 1120B	-ME, line 5b	13.				

## **INSTRUCTIONS FOR FORM 2220ME**

**PURPOSE OF FORM:** Form 2220ME enables corporations and financial institutions to determine if sufficient estimated tax was paid by the proper due date. If the minimum amount was not paid timely, an underpayment penalty is imposed for the period of underpayment. This form helps determine whether or not you are subject to this penalty.

WHO MUST PAY THE UNDERPAYMENT PENALTY: If you did not pay enough estimated tax by any due date for paying estimated tax, you may be charged a

penalty.

In general, you may owe the penalty if, for 2013 you did not pay the lesser of 90% of your tax liability for 2013 or 100% of the tax liability for 2012 if the 2012 return covered 12 months. Large corporations, as defined by IRC § 6655(g) (2)(A), must also meet the test required by 36 M.R.S.A. § 5228(5)(C).

**EXCEPTIONS TO THE PENALTY:** You will not have to pay the penalty or file this form if either of the following two situations applies:

- 1. Your tax liability for 2013, reduced by allowable credits, is less than \$1,000.
- 2. Your 2012 tax liability was less than \$1,000.

The penalty may be avoided if at least 90% of the 2013 tax was paid when due, even though you may be required to file this form.

#### **ACTUAL LIABILITY FOR EACH QUARTER:**

Taxpayers are required to make four equal installments of estimated tax unless the actual liability can be established, by adequate record, for each required installment payment of estimated tax. The Annualized Income Installment Worksheet for Underpayment of Estimated Tax is used to determine actual liability.

#### COMPUTATION OF UNDERPAYMENT

**PENALTY:** If no exception applies for an installment date, complete lines 9 through 13 to determine the amount of the penalty. The penalty is based on the amount of the underpayment of the required installment for the period of underpayment. It is computed at the stated rate for each month or fraction thereof in the period of underpayment. For calendar year 2013, the penalty rate is .5833% per month or fraction thereof, compounded monthly. For calendar year 2014, the penalty rate is .5833% per month or fraction thereof, compounded monthly. The effective penalty rate for the number of months shown on line 10 is listed below.

### Fiscal year filers may not use the table below.

Number of Months shown on line 10	1	2	3	4	5	6	7	8	9	10	11
Enter this Rate on line 11, Column A	0.005833	0.011701	0.017602	0.023538	0.029509	0.035514	0.041555	0.047631	0.053742	0.059889	0.066071
Enter this Rate on line 11, Column B	0.005833	0.011701	0.017602	0.023538	0.029509	0.035514	0.041555	0.047631	0.053742		
Enter this Rate on line 11, Column C	0.005833	0.011701	0.017602	0.023538	0.029509	0.035514					
Enter this Rate on line 11, Column D	0.005833	0.011701	0.017602								