



# 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

**Postponed due dates.** Notice 2020-23 automatically postponed to July 15, 2020, the due dates of estimated tax payments due on or after April 1, 2020, and before July 15, 2020. These instructions are modified to account for the postponed due dates.

For more information, see Notice 2020-23, 2020-18 I.R.B. 742, available at [IRS.gov/irb/2020-18\\_IRB#NOT-2020-23](https://www.irs.gov/irb/2020-18_IRB#NOT-2020-23). See also, *Filing and Payment Deadlines Questions and Answers* at [IRS.gov](https://www.irs.gov).

**Coronavirus tax relief for self-employed individuals paying estimated taxes.** If you're self-employed, the Coronavirus Aid, Relief, and Economic Security (CARES) Act allows you to defer the deposit or payment of 50% of the social security tax on net earnings from self-employment imposed on March 27, 2020, through December 31, 2020, so you wouldn't have to use that part of the tax to calculate your 2020 estimated tax.

Additionally, the Families First Coronavirus Relief Act (FFCRA) provides paid sick leave and paid family leave credits equal to what you're required to provide to your employees for qualified sick leave wages and qualified family leave wages paid at any time from April 1, 2020, through December 31, 2020. You can reduce payments of estimated income taxes by the amount of these credits you're entitled to on your 2020 Form 1040 or Form 1040-SR. More information is available in Publication 505, Tax Withholding and Estimated Tax, and at [IRS.gov/Coronavirus-Tax-Relief-and-Economic-Impact-Payments](https://www.irs.gov/Coronavirus-Tax-Relief-and-Economic-Impact-Payments).

#### 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 includes any legal holiday in the District of Columbia. These instructions make the adjustment for Saturdays, Sundays, and federal 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 2020, 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.

**Forms for the qualified business income deductions.** See Form 8995-A, Qualified Business Income Deduction, or Form 8995, Qualified Business Income Deduction Simplified Computation, and their separate instructions for information about your qualified business income deduction.

**Tax Withholding Estimator.** To determine adjustments to your withholdings, go to the Tax Withholding Estimator at [IRS.gov/W4App](https://www.irs.gov/W4App).

#### 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, 2021, 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

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're 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; and 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; and complete Schedule AI and Part IV, Section A. Complete 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 2020 if the total of your withholding and timely estimated tax payments didn't equal at least the smaller of:

1. 90% of your 2020 tax, or
2. 100% of your 2019 tax. Your 2019 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 2019 or 2020 is from farming and fishing, substitute 66<sup>2</sup>/<sub>3</sub>% 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 2019 was more than \$150,000 (\$75,000 if your 2019 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're 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 [Schedule AI Annualized Income Installment Method](#), 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 2019, 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 2019 tax return was (or would have been had you been required to file) for a full 12 months.
- The total tax shown on your 2020 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 2019 or 2020.
2. You filed Form 1040, 1040-SR, or 1041 and paid the entire tax due by March 1, 2021.

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 discuss 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 2019 or 2020, 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](#), later.

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're 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're 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.

**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 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, 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, 1040-SR, or 1040-NR, line 22. For an estate or trust, enter the amount from Form 1041, Schedule G, line 3.



*Form 1040, 1040-SR, or 1041 filers: You may exclude the amount of your net tax liability under section 965 when calculating the amount of your required annual payment.*

## Line 2

Enter the total of the following amounts.

IF you file...	THEN include on line 2 the amounts on...
1040 or 1040-SR	<p>Schedule SE (Form 1040): Line 12 minus line 26,</p> <p>Schedule H (Form 1040): Line 8c* minus line 8d,</p> <p>Schedule 2 (Form 1040): Line 6 (additional tax on distributions only), Line 7b, Line 8, don't include the following write-ins:</p> <ul style="list-style-type: none"> <li>• Uncollected social security and Medicare tax or RRTA tax on tips or group-term life insurance (identified as "UT");</li> <li>• Tax on excess golden parachute payments (identified as "EPP");</li> <li>• Excise tax on insider stock compensation from an expatriated corporation (identified as "ISC");</li> <li>• Look-back interest due under section 167(g) (identified as "8866"), and under section 460(b) (identified as "8697");</li> <li>• Recapture of federal mortgage subsidy (identified as "FMSR"); and</li> <li>• Interest accrued on deferred tax under a section 1294 election for the year of termination (see Form 8621, Part VI, line 24, and the 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 or 1040-SR, line 24.</li> </ul>
<p>* 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.</p>	

IF you file...	THEN include on line 2 the amounts on...
1040-NR	<p>Line 23a, Line 23c,</p> <p>Schedule SE (Form 1040): Line 12 minus line 26,</p> <p>Schedule H (Form 1040): Line 8c* minus 8d,</p> <p>Schedule 2 (Form 1040): Line 6 (additional tax on distributions only), Line 7b, Line 8, don't include the following write-ins:</p> <ul style="list-style-type: none"> <li>• Uncollected social security and Medicare tax or RRTA tax on tips or group-term life insurance (identified as "UT");</li> <li>• Tax on excess golden parachute payments (identified as "EPP");</li> <li>• Excise tax on insider stock compensation from an expatriated corporation (identified as "ISC");</li> <li>• Look-back interest due under section 167(g) (identified as "8866"), and under section 460(b) (identified as "8697");</li> <li>• Recapture of federal mortgage subsidy (identified as "FMSR"); and</li> <li>• Interest accrued on deferred tax under a section 1294 election for the year of termination (see Form 8621, Part VI, line 24, and the Instructions for Form 8621).</li> </ul>
1041	<p>Schedule H (Form 1040): Line 8c* minus line 8d,</p> <p>Schedule G (Form 1041): Line 5, Line 6, Line 8, don't include the following write-ins:</p> <ul style="list-style-type: none"> <li>• Look-back interest due under section 167(g) (identified as "From Form 8866");</li> <li>• Look-back interest due under section 460(b) (identified as "From Form 8697"); and</li> <li>• Interest accrued on deferred tax under a section 1294 election for the year of termination (see Form 8621, Part VI, line 24, and the Instructions for Form 8621).</li> </ul>
<p>* 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.</p>	

## Line 3

Enter the total amount of the following payments and 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).
- Recovery rebate credit.
- Premium tax credit (Form 8962).
- Credit for federal tax paid on fuels.
- Qualified sick and family leave credits from Schedule(s) H and Form(s) 7202 (Schedule 3 (Form 1040), line 12b).
- Health coverage tax credit.
- 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 shown on the following lines:

- Form 1040 or 1040-SR, line 25d;
- Form 1040-NR, lines 25d, 25e, 25f, and 25g;
- Also, Schedule 3 (Form 1040), line 10, if you filed the above forms;
- Form 1041, Schedule G, line 14.

**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 41 and 46, that you entered on line 33 of your 2020 Form 1040 or 1040-SR.

## Line 8

To figure your 2019 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 2019 tax return.

### (1) Add the amounts listed in the chart below based on which tax return you filed for 2019.

IF you filed for 2019...	THEN add the following amounts shown on your 2019 tax return.
1040 or 1040-SR	<p>Line 14,</p> <p>Schedule 2 (Form 1040):</p> <p>Line 4,</p> <p>Line 6 (additional tax on distributions only),</p> <p>Line 7a,*</p> <p>Line 7b,</p> <p>Line 8, don't include the following write-ins:</p> <ul style="list-style-type: none"> <li>• Uncollected social security and Medicare tax or RRTA tax on tips or group-term life insurance (identified as "UT");</li> <li>• Tax on excess golden parachute payments (identified as "EPP");</li> <li>• Excise tax on insider stock compensation from an expatriated corporation (identified as "ISC");</li> <li>• Look-back interest due under section 167(g) (identified as "8866"), and under section 460(b) (identified as "8697");</li> <li>• Recapture of federal mortgage subsidy (identified as "FMSR"); and</li> <li>• Interest accrued on deferred tax under a section 1294 election for the year of termination (see Form 8621, Part VI, line 24, and the 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 or 1040-SR, line 16.</li> </ul>
<p>* 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.</p>	

IF you filed for 2019...	THEN add the following amounts shown on your 2019 tax return.
1040-NR	<p>Line 53,</p> <p>Line 54,</p> <p>Line 55,</p> <p>Line 57 (additional tax on distributions only),</p> <p>Line 58,</p> <p>Line 59a,*</p> <p>Line 59b,</p> <p>Line 60, don't include the following write-ins:</p> <ul style="list-style-type: none"> <li>• Uncollected social security and Medicare tax or RRTA tax on tips or group-term life insurance (identified as "UT");</li> <li>• Tax on excess golden parachute payments (identified as "EPP");</li> <li>• Excise tax on insider stock compensation from an expatriated corporation (identified as "ISC");</li> <li>• Look-back interest due under section 167(g) (identified as "8866"), and under section 460(b) (identified as "8697");</li> <li>• Recapture of federal mortgage subsidy (identified as "FMSR"); and</li> <li>• Interest accrued on deferred tax under a section 1294 election for the year of termination (see Form 8621, Part VI, line 24, and the Instructions for Form 8621).</li> </ul>
1040-NR-EZ	Line 15
1041	<p>Schedule G:</p> <p>Line 5,</p> <p>Line 6,</p> <p>Line 7,*</p> <p>Line 8, don't include the following write-ins:</p> <ul style="list-style-type: none"> <li>• Look-back interest due under section 167(g) (identified as "From Form 8866");</li> <li>• Look-back interest due under section 460(b) (identified as "From Form 8697"); and</li> <li>• Interest accrued on deferred tax under a section 1294 election for the year of termination (see Form 8621, Part VI, line 24, and the Instructions for Form 8621).</li> </ul>
<p>* 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.</p>	

### (2) Subtract refundable credits listed below.

Subtract the total of the following refundable credits, if any, that you claimed on your 2019 tax return.

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

Enter the 2019 tax you figured above unless the AGI on your 2019 return is more than \$150,000 (\$75,000 if married filing separately for 2020). If the AGI shown on your 2019 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 2020, but you didn't file a joint return for 2019, add your 2019 tax (as figured earlier) to your spouse's 2019 tax (as figured earlier) and enter the total on line 8. If you file a separate return for 2020, but you filed a joint return with your spouse for 2019, your 2019 tax is your share of the tax on the joint return. You are filing a separate return if you file as single, head of household, or married filing separately. If you didn't file a return for 2019 or your 2019 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, 1040-SR, or 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.

## Part III—Short Method

If you can 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. In certain circumstances, the IRS will waive all or part of the underpayment penalty. See [Waiver of Penalty](#), earlier.

If you qualify to use this method, it will result in the same penalty amount as the regular method. However, either the annualized income installment method or the actual withholding method, explained later, may result in a smaller penalty.

You can use the short method only if you meet one of the following requirements.

- You made no estimated tax payments for 2020 (it does not matter whether you had income tax withholding).
- You paid the same amount of estimated tax on each of the four payment due dates.

If you don't meet either requirement, figure your penalty using the regular method in Part IV of Form 2210 and the penalty worksheet in the instructions.

**Note.** If any payment was made before the due date, you can use the short method, but the penalty may be less if you use the regular method. However, if the payment was only a few days early, the difference is likely to be small.

You can't use the short method if any of the following apply.

- You made any estimated tax payments late.
- You checked box C or D in Part II of Form 2210.
- You're filing Form 1040-NR and you didn't receive wages as an employee subject to U.S. income tax withholding.



If you use the short method, you can't use the annualized income installment method to figure your underpayment for each payment period. Also, you can't use your actual withholding during each period to figure your payments for each period.

## 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 1040-NR filers.** If you're filing Form 1040-NR 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 (b).
2. On line 18, column (a), enter one-half of the amount on line 9 of Part I (unless you're using the annualized income installment method).
3. On line 19, column (a), enter the total tax payments made through July 15, 2020, for the 2020 tax year. If you're treating federal income tax (and excess social security or tier 1 railroad retirement tax) as having been withheld evenly throughout the year, you're considered to have paid one-third of these amounts on each payment due date.

## Section A—Figure Your Underpayment



For estimated tax payments otherwise due between April 1, 2020, and July 14, 2020, the due date was automatically postponed to July 15, 2020.

Fiscal year filers with a fiscal year beginning after February 29, 2020, must use column (b) and treat the columns as having the applicable due dates for their fiscal year.

### 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 calendar year filers and fiscal year filers with fiscal year beginning February 1, 2020, enter the following percentages of the required annual payment shown in Part I, line 9.

- Skip column (b) entirely.
- Column (a) is 50% (0.50).
- Column (c) is 25% (0.25).
- Column (d) is 25% (0.25).

For other fiscal year filers, enter on line 18, columns (a) through (d), 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 Annualized Income Installment Method](#) instructions, later.

### Line 19

**Table 1—List your estimated tax payments for 2020.** Before completing line 19, enter in Table 1 the payments you made for 2020. Include the following payments.

- Any overpayment from your 2019 return applied to your 2020 estimated tax payments. Generally, treat the payment as made on July 15, 2020.
- Estimated tax payments you made for the 2020 tax year, plus any federal income tax and excess social security and RRTA tax withheld.
- Any payment made on your balance due return for 2020. Use the date you filed (or will file) your return or April 15, 2021, 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 applicable tax payments made by the applicable date for each column.

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'll find these amounts on the following lines.
  - Form 1040 or 1040-SR, line 25d;
  - Form 1040-NR, lines 25d, 25e, 25f, and 25g;
  - Also, Schedule 3 (Form 1040), line 10, if you filed the above forms;
  - Form 1041, Schedule G, line 14.



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 2019 tax return you elected to apply to your 2020 estimated tax. If your 2019 return was fully paid by the due date, treat the overpayment as a payment made on July 15, 2020. 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 2019 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 2019 return on August 1, 2020, 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 August 1.
- If you file your return and pay the tax due by February 1, 2021, 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 15, 2021.

**Example 1.** You filed your 2019 tax return on August 1, 2020, showing a \$2,000 refund. You elected to have \$1,000 of your 2019 overpayment applied to your 2020 estimated tax payments. In 2020, you had \$4,000 of federal income tax withheld from wages. You also made \$500 estimated tax payments on September 15, 2020, and January 15, 2021. On line 19, column (a), enter \$3,000 (\$2,000 withholding + \$1,000 overpayment). 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* below. 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 July 15 payment. The September 15 installment required a payment of

\$1,200. On September 10, you made a payment of \$1,200 to cover the September 15 installment. However, \$500 of this payment is applied first to the July 15 installment. The penalty for the July 15 installment is figured from July 15 to September 10 (57 days). The amount remaining to be applied to the September 15 installment is \$700.

**Total days per rate period.** If an underpayment remained unpaid for an entire rate period, use Table 2 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) 7/15/20	(b) mm/dd/yy	(c) 9/15/20	(d) 1/15/21
4/16/20–6/30/20	—	—	—	—
7/1/20–9/30/20	77*	—	15	—
10/1/20–12/31/20	92	—	92	—
1/1/21–4/15/21	105	—	105	90

\*This chart is modified by Notice 2020-23, so in the calculation of the estimated tax penalty, it disregards the days beginning 04/01/20, and ending 07/15/20 (rate period 07/01/20 – 09/30/20, actually begins on 07/16/20).

For example, if you have an underpayment on line 25, column (a), but Table 1 shows you have no payments until after January 4, 2021, you would enter "77" on line 6, column (a), of the penalty worksheet.

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

**Table 4-1. Calendar To Determine the Number of Days a Payment Is Late**

**Instructions.** Use this table with Form 2210 if you're completing Part IV, Section B. First, find the number for the payment due date by going across to the column of the month the payment was due and moving down the column to the due date. Then, in the same manner, find the number for the date the payment was made. Finally, subtract the due date number from the payment date number. The result is the number of days the payment is late.

**Example.** The payment due date is July 15 (91). The payment was made on November 4 (203). The payment is 112 days late (203 – 91).

Day of Month	Tax Year 2020												
	2020 April	2020 May	2020 June	2020 July	2020 Aug.	2020 Sept.	2020 Oct.	2020 Nov.	2020 Dec.	2021 Jan.	2021 Feb.	2021 Mar.	2021 Apr.
1		16	47	77	108	139	169	200	230	261	292	320	351
2		17	48	78	109	140	170	201	231	262	293	321	352
3		18	49	79	110	141	171	202	232	263	294	322	353
4		19	50	80	111	142	172	203	233	264	295	323	354
5		20	51	81	112	143	173	204	234	265	296	324	355
6		21	52	82	113	144	174	205	235	266	297	325	356
7		22	53	83	114	145	175	206	236	267	298	326	357
8		23	54	84	115	146	176	207	237	268	299	327	358
9		24	55	85	116	147	177	208	238	269	300	328	359
10		25	56	86	117	148	178	209	239	270	301	329	360
11		26	57	87	118	149	179	210	240	271	302	330	361
12		27	58	88	119	150	180	211	241	272	303	331	362
13		28	59	89	120	151	181	212	242	273	304	332	363
14		29	60	90	121	152	182	213	243	274	305	333	364
15	0	30	61	91	122	153	183	214	244	275	306	334	365
16	1	31	62	92	123	154	184	215	245	276	307	335	
17	2	32	63	93	124	155	185	216	246	277	308	336	
18	3	33	64	94	125	156	186	217	247	278	309	337	
19	4	34	65	95	126	157	187	218	248	279	310	338	
20	5	35	66	96	127	158	188	219	249	280	311	339	
21	6	36	67	97	128	159	189	220	250	281	312	340	
22	7	37	68	98	129	160	190	221	251	282	313	341	
23	8	38	69	99	130	161	191	222	252	283	314	342	
24	9	39	70	100	131	162	192	223	253	284	315	343	
25	10	40	71	101	132	163	193	224	254	285	316	344	
26	11	41	72	102	133	164	194	225	255	286	317	345	
27	12	42	73	103	134	165	195	226	256	287	318	346	
28	13	43	74	104	135	166	196	227	257	288	319	347	
29	14	44	75	105	136	167	197	228	258	289		348	
30	15	45	76	106	137	168	198	229	259	290		349	
31		46		107	138		199		260	291		350	

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

**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. *However, for each column, only enter payments you made or plan to make after the date at the top of the column.* Do not enter any withheld federal income tax and excess social security or tier 1 railroad retirement tax (RRTA) on line 1b.

**Example 3.** Your required installment for the July 15 payment due date is \$8,000 and is \$4,000 for each other payment due date. You made the following estimated tax payments.

Date	Payments
7/30/20	\$5,000
9/15/20	\$4,000
1/15/21	\$4,000

Line 1a, column (a), shows \$8,000. Enter "7/30 \$5,000" and "9/15 \$3,000" on line 1b, column (a). The remaining \$1,000 (\$4,000 – \$3,000) of the September 15 payment cannot be entered on line 1b, column (c) because the payment was not made after 9/15/20, and is already used to reduce the underpayment on line 1a, column (c). Line 1a, column (c)

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

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'll need to make more than one computation for that column. This worksheet is modified by Notice 2020-23, so in the calculation of the estimated tax penalty, it disregards the days beginning 4/1/2020, and ending 7/15/2020.

		Payment Due Dates				
		(a) 7/15/20	(b) mm/dd/yy	(c) 9/15/20	(d) 1/15/21	
<b>1a</b> Enter your underpayment from Part IV, Section A, line 25 . . . . .	<b>1a</b>					
<b>1b</b> 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). <b>Note.</b> Your payments are applied in the order made first to any underpayment balance in an earlier column until that underpayment is fully paid.	<b>1b</b>					
<b>Rate Period 1: April 16, 2020–June 30, 2020</b>						
<b>2</b> Computation starting dates for this period . . . . .	<b>2</b>					
<b>3</b> Number of days <b>from</b> the date on line 2 to the date the amount on line 1a was paid <b>or</b> 6/30/20, whichever is earlier . . . . .	<b>3</b>					
<b>4</b> Underpayment on line 1a × $\frac{\text{Number of days on line 3}}{366}$ × 0.05	<b>4</b>					
<b>Rate Period 2: July 1, 2020–September 30, 2020</b>						
<b>5</b> Computation starting dates for this period . . . . .	<b>5</b>	7/15/20		9/15/20		
<b>6</b> Number of days <b>from</b> the date on line 5 to the date the amount on line 1a was paid <b>or</b> 9/30/20, whichever is earlier . . . . .	<b>6</b>	Days:	Days:	Days:		
<b>7</b> Underpayment on line 1a × $\frac{\text{Number of days on line 6}}{366}$ × 0.03	<b>7</b>	\$	\$	\$		
<b>Rate Period 3: October 1, 2020–December 31, 2020</b>						
<b>8</b> Computation starting dates for this period . . . . .	<b>8</b>	9/30/20		9/30/20		
<b>9</b> Number of days <b>from</b> the date on line 8 to the date the amount on line 1a was paid <b>or</b> 12/31/20, whichever is earlier . . . . .	<b>9</b>	Days:	Days:	Days:		
<b>10</b> Underpayment on line 1a × $\frac{\text{Number of days on line 9}}{366}$ × 0.03	<b>10</b>	\$	\$	\$		
<b>Rate Period 4: January 1, 2021–April 15, 2021</b>						
<b>11</b> Computation starting dates for this period . . . . .	<b>11</b>	12/31/20		12/31/20	1/15/21	
<b>12</b> Number of days <b>from</b> the date on line 11 to the date the amount on line 1a was paid <b>or</b> 4/15/21, whichever is earlier . . . . .	<b>12</b>	Days:	Days:	Days:	Days:	
<b>13</b> Underpayment on line 1a × $\frac{\text{Number of days on line 12}}{365}$ × 0.03	<b>13</b>	\$	\$	\$	\$	
<b>14 Penalty.</b> Add all amounts on lines 7, 10, and 13 in all columns. Enter the total here and on line 27 of Part IV, Section B . . . . .	<b>14</b>	▶				\$



shows \$3,000. Enter "1/15/21 \$3,000" on line 1b, column (c), because \$3,000 of the \$4,000 January payment must be used to fully pay the September underpayment. Do not enter any payment on line 1b, column (d).

**Line 6.** 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 7/15 to 7/30) and "62" (number of days from 7/15 to 9/15) on line 6, column (a) (see illustration under *Example 5* below).

**Line 7.** Make the computation requested on line 7 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* below.

**Example 5.** Assume the same facts as in *Example 3*, earlier. On line 7, enter the penalty for each underpayment: "\$6.15" ( $\$5,000 \times (15 \div 366) \times 0.03$ ) and "\$15.25" ( $\$3,000 \times (62 \div 366) \times 0.03$ ). The entries are illustrated below.

(a)		
5	7/15/20	
6	Days: 15	Days: 62
7	\$6.15	\$15.25

Column (a) is fully paid in the second rate period; therefore, lines 9, 10, 12, and 13 for column (a) would be blank. Continue with the underpayment in columns (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 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 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.



Even though some estimated tax payment due dates have been postponed or changed for 2020, you may still want to use the regular due dates to figure each required payment for each period.

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. For each period shown on Schedule AI, figure your income and deductions based on your method of accounting. If you use the cash method of accounting (used by most people), include all income actually or constructively received during the period and all deductions actually paid during the period.
5. Attach Form 2210, Parts I, II, IV, and Schedule AI to your return.

**Note.** Each period (see the top of Schedule AI) includes amounts from the previous period(s).

- Period (a) includes items for January 1 through March 31.
- Period (b) includes items for January 1 through May 31.

- Period (c) includes items for January 1 through August 31.
- Period (d) includes items for the entire year.

**Additional information.** Estates and trusts, see Notice 87-32.

**Individuals filing Form 1040-NR.** If you're filing Form 1040-NR 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% for all your income during the year that isn't effectively connected with a U.S. trade or business, use the percentages determined by multiplying your treaty rate by 2.4, 1.5, and 1, respectively.

If different treaty rates are applicable, substitute your weighted average treaty rate during the year for the treaty rate in the previous sentence. For example, if you have \$1,000 of income during the year that isn't effectively connected with a U.S. trade or business, and \$500 is subject to a 15% treaty rate, \$200 is subject to a 5% treaty rate, and \$300 is subject to a 30% treaty rate, the weighted average treaty rate would be 17.5%. You would use the percentages for columns (b), (c), and (d) determined by multiplying 17.5% 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're self-employed, be sure to take into account the deductible part of your self-employment tax.

### 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're a resident of India and a student or business apprentice, enter your standard deduction from Form 1040-NR, line 12.

### 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 Forms 8995 and 8995-A.

**2020 Estimated Tax. Part I, Line 4**  
**Qualified Dividends and Capital Gain Tax Worksheet**

1. Enter the amount from the appropriate worksheet. <ul style="list-style-type: none"> <li>• Line 3 of your 2020 Estimated Tax Worksheet. (Worksheet 2-1 in Pub. 505)</li> <li>• Line 3 of Worksheet 2-6 in Pub. 505 (use if you will exclude or deduct foreign earned income or housing)</li> </ul>	1. _____
2. Enter your qualified dividends expected for 2020 <sup>1</sup>	2. _____
3. Enter your net capital gain expected for 2020 <sup>1</sup>	3. _____
4. Add lines 2 and 3	4. _____
5. Enter your 28% rate gain or loss expected for 2020 <sup>2</sup>	5. _____
6. Enter your unrecaptured section 1250 gain expected for 2020	6. _____
7. Add lines 5 and 6	7. _____
8. Enter the <b>smaller</b> of line 3 or line 7	8. _____
9. Subtract line 8 from line 4	9. _____
10. Subtract line 9 from line 1. If zero or less, enter -0-	10. _____
11. Enter the <b>smaller</b> of line 1 or \$80,000 (\$40,000 if single or married filing separately, or \$53,600 if head of household)	11. _____
12. Enter the <b>smaller</b> of line 10 or line 11	12. _____
13. Subtract line 4 from line 1. If zero or less, enter -0-	13. _____
14. Enter the <b>larger</b> of line 12 or line 13 <b>Note.</b> If line 11 and line 12 are the same, skip line 15 and go to line 16.	14. _____
15. Subtract line 12 from line 11. This is the amount taxed at 0% <b>Note.</b> If lines 1 and 11 are the same, skip lines 16 through 36 and go to line 37.	15. _____
16. Enter the <b>smaller</b> of line 1 or line 9	16. _____
17. Enter the amount from line 15. If line 15 is blank, enter -0-	17. _____
18. Subtract line 17 from line 16. If zero or less, enter -0-	18. _____
19. Enter: <ul style="list-style-type: none"> <li>• \$441,450 if single,</li> <li>• \$248,300 if married filing separately,</li> <li>• \$496,600 if married filing jointly or qualifying widow(er), or</li> <li>• \$469,050 if head of household</li> </ul>	19. _____
20. Enter the <b>smaller</b> of line 1 or line 19	20. _____
21. Add lines 14 and 15	21. _____
22. Subtract line 21 from line 20. If zero or less, enter -0-	22. _____
23. Enter the smaller of line 18 or line 22	23. _____
24. Multiply line 23 by 15% (0.15)	24. _____
25. Add line 17 and line 23. If line 1 equals the sum of lines 21 and 23, then skip lines 26 through 36 and go to line 37	25. _____
26. Subtract line 25 from line 16	26. _____
27. Multiply line 26 by 20% (0.20)	27. _____
28. Enter the <b>smaller</b> of line 3 or line 6	28. _____
29. Add lines 4 and 14	29. _____
30. Enter the amount from line 1 above	30. _____
31. Subtract line 30 from line 29. If zero or less, enter -0-	31. _____
32. Subtract line 31 from line 28. If zero or less, enter -0-	32. _____
33. Multiply line 32 by 25% (0.25) <b>Note.</b> If line 5 is zero or blank, skip lines 34 through 36 and go to line 37.	33. _____
34. Add lines 14, 15, 23, 26, and 32	34. _____
35. Subtract line 34 from line 1	35. _____
36. Multiply line 35 by 28% (0.28)	36. _____
37. Figure the tax on the amount on line 14 from the 2020 Tax Rate Schedules	37. _____
38. Add lines 24, 27, 33, 36, and 37	38. _____

(Continued on next page)

## 2020 Estimated Tax. Part I, Line 4

### Qualified Dividends and Capital Gain Tax Worksheet (Continued)

39. Figure the tax on the amount on line 1 from the 2020 Tax Rate Schedules . . . . .	39. _____
40. Tax on all taxable income (including capital gains and qualified dividends). Enter the smaller of line 38 or line 39 here and on Part I, line 4 (or line 4 of Worksheet 2-6 in Pub. 505) . . . . .	40. _____

<sup>1</sup> If you expect to deduct investment interest expense, don't include on this line any qualified dividends or net capital gain that you will elect to treat as investment income.

<sup>2</sup> This includes a section 1202 exclusion from eligible gain on qualified small business stock and gain or loss from the sale or exchange of collectibles. See the Instructions for Schedule D (Form 1040) for more information.

#### Line 12

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

#### Line 14

To compute the tax, see the instructions for your tax return for the applicable Tax Table or worksheet to use. For example, Form 1040 or 1040-SR filers can 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, Tax for Certain Children Who Have Unearned Income.

#### 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 or 1040-SR 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're 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're 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.

#### Line 32

To calculate the annualization amounts, first determine the proportion (P) of earnings from self-employment during 2020 that is subject to tax under section 1401(a) (before any deferral under CARES Act section 2302(b)(1)) that is attributable to the period from March 27, 2020, to December 31, 2020. For example, if you had \$10,000 of earnings from self-employment during 2020 that is subject to tax under section 1401(a) (before any deferral under CARES Act section 2302(b)(1)), and \$9,000 of the earnings are attributable to the period from March 27, 2020, to December 31, 2020, then the proportion (P) is 90%. Use any reasonable method to determine the net earnings from self-employment for the year attributable to the period from March 27, 2020, to December 31, 2020.

Under CARES Act section 2302(b)(2), half of the section 1401(a) self-employment tax attributable to the period from March 27, 2020, to December 31, 2020, is disregarded for purposes of determining your estimated tax obligations. Accordingly, fill in annualization amounts for line 32 as (0.496, 0.2976, 0.186, 0.124) multiplied by (100% minus 50% of P). For example, if you have a proportion (P) of 90%, column (a) of line 32 would be 0.496 multiplied by (100% minus 50% of 90%), 0.496 x 55%, or 0.2728. In this example, column (b) of line 32 would be 0.2976 x 55%, or 0.16368.

**Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You're required to give us the information. We need it to ensure that you're 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.

	<b>Short Method</b>	<b>Regular Method</b>
<b>Recordkeeping</b> . . . . .	13 min.	13 min.
<b>Learning about the law or the form</b> . . . . .	12 min.	13 min.
<b>Preparing the form</b> . . . . .	36 min.	4 hr., 06 min.
<b>Copying, assembling, and sending the form to the IRS</b> . . . . .	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.

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