

# Underpayment of Estimated Tax by Individuals, Estates, and Trusts

▶ See separate instructions.

▶ Attach to Form 1040, 1040A, 1040NR, 1040NR-EZ, or 1041.

Name(s) shown on tax return

Identifying number

## Do You Have To File Form 2210?

Complete lines 1 through 7 below. Is line 7 less than \$1,000?	Yes	Do not file Form 2210. You do not owe a penalty.
No		
Complete lines 8 and 9 below. Is line 6 equal to or more than line 9?	Yes	You do not owe a penalty. <b>Do not file Form 2210</b> (but if box <b>E</b> below applies, you must file page 1 of Form 2210).
No		
You may owe a penalty. Does any box in Part II below apply?	Yes	You <b>must</b> file Form 2210. Does box <b>B</b> , <b>C</b> , or <b>D</b> apply?
No		
<b>Do not file Form 2210.</b> You are not required to figure your penalty because the IRS will figure it and send you a bill for any unpaid amount. If you want to figure it, you may use Part III or Part IV as a worksheet and enter your penalty amount on your tax return, but <b>do not file Form 2210.</b>	No	You <b>must</b> figure your penalty.
	Yes	You are <b>not</b> required to figure your penalty because the IRS will figure it and send you a bill for any unpaid amount. If you want to figure it, you may use Part III or Part IV as a worksheet and enter your penalty amount on your tax return, but <b>file only page 1 of Form 2210.</b>

### Part I Required Annual Payment

1 Enter your 2007 tax after credits from Form 1040, line 57 (or comparable line of your return)	1		
2 Other taxes, including self-employment tax (see page 2 of the instructions)	2		
3 Refundable credits. Enter the total of your earned income credit, additional child tax credit, credit for federal tax paid on fuels, health coverage tax credit, and refundable credit for prior year minimum tax	3	(	)
4 Current year tax. Combine lines 1, 2, and 3. If less than \$1,000, you do not owe a penalty; <b>do not file Form 2210</b>	4		
5 Multiply line 4 by 90% (.90)	5		
6 Withholding taxes. <b>Do not</b> include estimated tax payments. (see page 2 of the instructions)	6		
7 Subtract line 6 from line 4. If less than \$1,000, you do not owe a penalty; <b>do not file Form 2210</b>	7		
8 Maximum required annual payment based on prior year's tax (see page 2 of the instructions)	8		
9 <b>Required annual payment.</b> Enter the <b>smaller</b> of line 5 or line 8	9		

**Next:** Is line 9 more than line 6?

- No.** You **do not** owe a penalty. **Do not file Form 2210** unless box **E** below applies.
- Yes.** You may owe a penalty, but **do not file Form 2210** unless one or more boxes in Part II below applies.
  - If box **B**, **C**, or **D** applies, you must figure your penalty and file Form 2210.
  - If only box **A** or **E** (or both) applies, file only page 1 of Form 2210. You are **not** required to figure your penalty; the IRS will figure it and send you a bill for any unpaid amount. If you want to figure your penalty, you may use Part III or IV as a worksheet and enter your penalty on your tax return, but **file only page 1 of Form 2210.**

### Part II Reasons for Filing. Check applicable boxes. If none apply, **do not file Form 2210.**

- A** You request a **waiver** (see page 1 of the instructions) of your entire penalty. You must check this box and file page 1 of Form 2210, but you are not required to figure your penalty.
- B** You request a **waiver** (see page 1 of the instructions) of part of your penalty. You must figure your penalty and waiver amount and file Form 2210.
- C** Your income varied during the year and your penalty is reduced or eliminated when figured using the **annualized income installment method**. You must figure the penalty using Schedule AI and file Form 2210.
- D** Your penalty is lower when figured by treating the federal income tax withheld from your income as paid on the dates it was actually withheld, instead of in equal amounts on the payment due dates. You must figure your penalty and file Form 2210.
- E** You filed or are filing a joint return for either 2006 or 2007, but not for both years, and line 8 above is smaller than line 5 above. You must file page 1 of Form 2210, but you are **not** required to figure your penalty (unless box **B**, **C**, or **D** applies).

**Part III Short Method**

You may use the short method if:

- You made no estimated tax payments (or your only payments were withheld federal income tax), **or**
- You paid the same amount of estimated tax on each of the four payment due dates.

You must use the regular method (Part IV) instead of the short method if:

- You made any estimated tax payments late,
- You checked box **C** or **D** in Part II, **or**
- You are filing Form 1040NR or 1040NR-EZ and you did not receive wages as an employee subject to U.S. income tax withholding.



*You do not need to file Form 2210 unless you checked a box in Part II on page 1.*

**Note:** *If any payment was made earlier than the due date, you may use the short method, but using it may cause you to pay a larger penalty than the regular method. If the payment was only a few days early, the difference is likely to be small.*

<b>10</b>	Enter the amount from Form 2210, line 9 . . . . .		<b>10</b>	
<b>11</b>	Enter the amount, if any, from Form 2210, line 6 . . . . .	<b>11</b>		
<b>12</b>	Enter the total amount, if any, of estimated tax payments you made	<b>12</b>		
<b>13</b>	Add lines 11 and 12 . . . . .		<b>13</b>	
<b>14</b>	<b>Total underpayment for year.</b> Subtract line 13 from line 10. If zero or less, stop here; you do not owe the penalty. <b>Do not file Form 2210 unless you checked box E on page 1</b> . . . . .		<b>14</b>	
<b>15</b>	Multiply line 14 by .05057 . . . . .		<b>15</b>	
<b>16</b>	<ul style="list-style-type: none"> <li>● If the amount on line 14 was paid <b>on or after</b> 4/15/08, enter -0-.</li> <li>● If the amount on line 14 was paid <b>before</b> 4/15/08, make the following computation to find the amount to enter on line 16.</li> </ul>			
	Amount on line 14    ×    Number of days paid before 4/15/08    ×    .00019 . . . . .		<b>16</b>	
<b>17</b>	<b>Penalty.</b> Subtract line 16 from line 15. Enter the result here and on Form 1040, line 77; Form 1040A, line 47; Form 1040NR, line 75; Form 1040NR-EZ, line 26; or Form 1041, line 26 . . . ▶		<b>17</b>	

**Part IV Regular Method** (See page 2 of the instructions if you are filing Form 1040NR or 1040NR-EZ.)

Section A—Figure Your Underpayment		Payment Due Dates			
		(a) 4/15/07	(b) 6/15/07	(c) 9/15/07	(d) 1/15/08
<b>18</b>	<b>Required installments.</b> If box C in Part II applies, enter the amounts from Schedule AI, line 25. Otherwise, enter 25% (.25) of line 9, Form 2210, in each column . . . .	<b>18</b>			
<b>19</b>	<b>Estimated tax paid and tax withheld</b> (see page 2 of the instructions). For column (a) only, also enter the amount from line 19 on line 23. If line 19 is equal to or more than line 18 for all payment periods, stop here; you do not owe a penalty. <b>Do not file Form 2210 unless you checked a box in Part II</b> . . . . <b>Complete lines 20 through 26 of one column before going to line 20 of the next column.</b>	<b>19</b>			
<b>20</b>	Enter the amount, if any, from line 26 in the previous column . . . . .	<b>20</b>			
<b>21</b>	Add lines 19 and 20 . . . . .	<b>21</b>			
<b>22</b>	Add the amounts on lines 24 and 25 in the previous column . . . . .	<b>22</b>			
<b>23</b>	Subtract line 22 from line 21. If zero or less, enter -0-. For column (a) only, enter the amount from line 19 . . . . .	<b>23</b>			
<b>24</b>	If line 23 is zero, subtract line 21 from line 22. Otherwise, enter -0- . . . . .	<b>24</b>			
<b>25</b>	<b>Underpayment.</b> If line 18 is equal to or more than line 23, subtract line 23 from line 18. Then go to line 20 of the next column. Otherwise, go to line 26 ▶	<b>25</b>			
<b>26</b>	<b>Overpayment.</b> If line 23 is more than line 18, subtract line 18 from line 23. Then go to line 20 of the next column . . . . .	<b>26</b>			

**Section B—Figure the Penalty** (Complete lines 27 through 30 of one column before going to the next column.)

		4/15/07	6/15/07	9/15/07	
<b>Rate Period 1</b>	<b>April 16, 2007—December 31, 2007</b>				
	<b>27</b> Number of days <b>from</b> the date shown above line 27 <b>to</b> the date the amount on line 25 was paid <b>or</b> 12/31/07, whichever is earlier . . . .	<i>Days:</i>	<i>Days:</i>	<i>Days:</i>	
	<b>28</b> Underpayment on line 25 (see page 3 of the instructions) × $\frac{\text{Number of days on line 27}}{365} \times .08$ ▶	<b>28</b> \$	\$	\$	
<b>Rate Period 2</b>	<b>January 1, 2008—April 15, 2008</b>				
	<b>29</b> Number of days <b>from</b> the date shown above line 29 <b>to</b> the date the amount on line 25 was paid <b>or</b> 4/15/08, whichever is earlier . . . .	<i>Days:</i>	<i>Days:</i>	<i>Days:</i>	<i>Days:</i>
	<b>30</b> Underpayment on line 25 (see page 4 of the instructions) × $\frac{\text{Number of days on line 29}}{366} \times .07$ ▶	<b>30</b> \$	\$	\$	\$
<b>31</b>	<b>Penalty.</b> Add all amounts on lines 28 and 30 in all columns. Enter the total here and on Form 1040, line 77; Form 1040A, line 47; Form 1040NR, line 75; Form 1040NR-EZ, line 26; or Form 1041, line 26; <b>but do not file Form 2210 unless you checked a box in Part II</b> . . . . . ▶	<b>31</b>	\$		

**Schedule AI—Annualized Income Installment Method** (See pages 4, 5, and 6 of the instructions.)

Estates and trusts, **do not** use the period ending dates shown to the right. Instead, use the following: 2/28/07, 4/30/07, 7/31/07, and 11/30/07.

	(a) 1/1/07-3/31/07	(b) 1/1/07-5/31/07	(c) 1/1/07-8/31/07	(d) 1/1/07-12/31/07
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**Part I Annualized Income Installments**

<b>1</b>	Enter your adjusted gross income for each period (see instructions). (Estates and trusts, enter your taxable income without your exemption for each period.) . . . . .			
<b>2</b>	4	2.4	1.5	1
<b>3</b>	Annualization amounts. (Estates and trusts, see instructions.) . . . . .			
<b>4</b>	Annualized income. Multiply line 1 by line 2 . . . . .			
<b>4</b>	Enter your itemized deductions for the period shown in each column. If you do not itemize, enter -0- and skip to line 7. (Estates and trusts, enter -0-, skip to line 9, and enter the amount from line 3 on line 9.)			
<b>5</b>	4	2.4	1.5	1
<b>6</b>	Annualization amounts . . . . .			
<b>6</b>	Multiply line 4 by line 5 (see instructions if line 3 is more than \$78,200)			
<b>7</b>	In each column, enter the full amount of your standard deduction from Form 1040, line 40, or Form 1040A, line 24 (Form 1040NR or 1040NR-EZ filers, enter -0-. <b>Exception:</b> Indian students and business apprentices, enter standard deduction from Form 1040NR, line 37, or Form 1040NR-EZ, line 11.) . . . . .			
<b>8</b>	Enter the <b>larger</b> of line 6 or line 7 . . . . .			
<b>9</b>	Subtract line 8 from line 3 . . . . .			
<b>10</b>	In each column, multiply \$3,400 by the total number of exemptions claimed (see instructions if line 3 is more than \$117,300). (Estates and trusts and Form 1040NR or 1040NR-EZ filers, enter the exemption amount shown on your tax return.) . . . . .			
<b>11</b>	Subtract line 10 from line 9 . . . . .			
<b>12</b>	Figure your tax on the amount on line 11 (see instructions) . . . . .			
<b>13</b>	Self-employment tax from line 34 below (complete Part II) . . . . .			
<b>14</b>	Enter other taxes for each payment period (see instructions) . . . . .			
<b>15</b>	Total tax. Add lines 12, 13, and 14 . . . . .			
<b>16</b>	For each period, enter the same type of credits as allowed on Form 2210, lines 1 and 3 (see instructions) . . . . .			
<b>17</b>	Subtract line 16 from line 15. If zero or less, enter -0- . . . . .			
<b>18</b>	22.5%	45%	67.5%	90%
<b>19</b>	Apply percentage . . . . .			
<b>19</b>	Multiply line 17 by line 18 . . . . .			
<b>Complete lines 20–25 of one column before going to line 20 of the next column.</b>				
<b>20</b>	Enter the total of the amounts in all previous columns of line 25 . . . . .			
<b>21</b>	Subtract line 20 from line 19. If zero or less, enter -0- . . . . .			
<b>22</b>	Enter 25% (.25) of line 9 on page 1 of Form 2210 in each column . . . . .			
<b>23</b>	Subtract line 25 of the previous column from line 24 of that column . . . . .			
<b>24</b>	Add lines 22 and 23 . . . . .			
<b>25</b>	Enter the <b>smaller</b> of line 21 or line 24 here and on Form 2210, line 18 . . . . . ▶			

**Part II Annualized Self-Employment Tax** (Form 1040 filers only)

<b>26</b>	Net earnings from self-employment for the period (see instructions)			
<b>27</b>	\$24,375	\$40,625	\$65,000	\$97,500
<b>28</b>	Prorated social security tax limit . . . . .			
<b>28</b>	Enter actual wages for the period subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax . . . . .			
<b>29</b>	Subtract line 28 from line 27. If zero or less, enter -0-. . . . .			
<b>30</b>	0.496	0.2976	0.186	0.124
<b>30</b>	Annualization amounts . . . . .			
<b>31</b>	Multiply line 30 by the <b>smaller</b> of line 26 or line 29 . . . . .			
<b>32</b>	0.116	0.0696	0.0435	0.029
<b>32</b>	Annualization amounts . . . . .			
<b>33</b>	Multiply line 26 by line 32 . . . . .			
<b>34</b>	Add lines 31 and 33. Enter here and on line 13 above . . . . . ▶			