IOWA
department of Revenue and Finance

Important: Click this button to reset the form

IA 2210F 2002

Attach this form to your IA1040.

Underpayment of Estimated Tax by Farmers and Fishers

Name(s) as shown on IA1040	Social Security Number

How to Figure Your Underpayment (See Instruction C)

1. 2002 Tax (from form IA 1040, line 55; or form IA 1040A, line 13) ..... 1 _____
2. Out-of-State Tax Credit (from form IA 1040, line 63) ..... 2 _____
3. Iowa Motor Vehicle Fuel Tax Credit (from form IA 1040, line 64) ..... 3 _____
4. Child and Dependent Care Credit (from IA 1040, line 65) ..... 4 _____
5. Other Refundable Credits (from form IA 1040, line 66) ..... 5 _____
6. Total. Add lines 2 through 5 ..... 6 _____
7. Balance. Subtract line 6 from line 1 ..... 7 _____
8. Enter 66-2/3% of the amount shown on line 7 ..... 8 _____
9. Enter your 2001 tax. ..... 9 _____
10. Enter the smaller of line 8 or 9 ..... 10 _____
11. Amounts withheld during 2002 and amounts paid or credited by January 15, 2003. See instruction D ..... 11 _____
12. Underpayment of estimated tax. Subtract line 11 from line 10 ..... 12 _____

Exception Which Avoids the Penalty (See Instruction D)

13. Exception: Tax on 2001 return ..... 13 _____

How to Compute the Penalty (See Instruction E)

14. Number of days from January 15, 2003, to date of payment or April 30, 2003, whichever is earlier ..... 14 _____
15. Penalty: See instruction E. Enter here and on line 73, form IA 1040 ..... 15 _____

INSTRUCTIONS

Note: If any date shown falls on a Saturday, Sunday, or legal holiday, substitute the next regular workday.

A. Purpose of This Form: Persons whose gross income from farming or fishing is at least two-thirds of their gross annual income from all sources should use this form to determine if their income tax was sufficiently paid throughout the year by withholding and/ or installment payments. If not, a penalty may be imposed on the underpayment of the taxes. The estimated tax penalty is 7% per year on the amount of the underpayment. This form will help you to determine whether you are exempted from a penalty. See Instruction D.

B. Filing an Estimate and Paying the Tax: If you file returns on a calendar year basis and you are required to file form IA 1040ES, you are generally required to pay the tax in four installments with the first installment due by April 30. You can avoid this filing in one of the two ways noted: (1) File the installment and pay the tax in full by January 15, 2003. (2) File your return and pay the tax in full by March 1, 2003.

C. How to Compute Underpayment: Complete lines 1 through 12. If line 12 results in an underpayment, refer to Instruction D and go to line 13 to see if the exception will avoid the penalty.

D. Exception which Avoids the Penalty: No penalty will be imposed if your tax payments (amount on line 11) were made on or before the prescribed dates for payment and equal or exceed the amount determined under the following exception. Attach a separate sheet showing computation.

Exception: Prior Year's Tax: If your tax payments equal or exceed the tax on your 2001 tax return no penalty will be imposed. Your 2001 return must have covered a period of 12 months.

E. How to Figure the Penalty: If your tax payments (amount on line 11) do not equal or exceed the amount determined under the exception on line 13, complete lines 14 and 15 to determine the amount of penalty.

To Compute Penalty: Use the following formula:

Penalty = daily percentage rate (line 15) x number of days (line 14) x underpayment (line 12)

The daily percentage rate is: 7% per annum = 0.01918% per day

Waiver of Penalty: The underpayment of estimate tax penalty may be waived if the underpayment was due to casualty, disaster, or other unusual circumstances. The penalty may also be waived if the taxpayer retired at age 62 or later or became disabled in the tax year for which the estimate payments were required.

Questions? Call 1-800-367-3388 (Iowa, Omaha, Rock Island, Moline) or 515/281-3114

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www.state.ia.us/tax