



Form M-2220

Underpayment of Massachusetts Estimated Tax by Corporations

2003

Massachusetts
Department of
Revenue

Enclose this form with your return. Please print in ink or type.

Name of corporation _____

Federal Identification number _____

Check type of return to be filed: 355 355C 355S Other _____

Figuring your underpayment. See instructions.

1. 2003 tax (from line 18, Forms 355 or 355C; line 21, Form 355S; or line 6, Form SBC).
Commercial banks, insurance companies, and public service companies enter total excise due from return
2. Enter 90% of line 1
3. Enter 90% of 2003 tax using 2002 income apportionment percentage
4. Enter 2002 tax (from line 18, 2002 Forms 355 or 355C; line 20, 2002 Form 355S; or line 6, 2002 Form SBC).
Large corporations or short taxable year corporations, see instructions
5. Enter line 2, 3 or 4, whichever is smallest

6. Enter in columns 1 through 4 the installment dates that correspond to the the 15th day of the 3rd, 6th, 9th and 12th months of your taxable year ▶

Due dates of installments			
(1)	(2)	(3)	(4)

7. Enter in column (1) 40% of line 5
Enter in column (2) 25% of line 5
Enter in column (3) 25% of line 5
Enter in column (4) 10% of line 5

If you are a new corporation, check and see instructions.
8. Amount paid or credited for each period
9. Overpayment of previous installment
10. Total. Add lines 8 and 9
11. Overpayment. Subtract line 7 from line 10
12. Underpayment. Subtract line 10 from line 7

Complete reverse to calculate underpayment penalty.

General Information

Who should use this form. Corporations taxed under Ch. 63 of the Massachusetts General Laws should use Form M-2220 to determine whether they paid the correct amount of estimated tax by the proper due date. If not, a penalty may be imposed on the underpayment amount.

Short year. Corporations are liable for estimated payments even if there was no return filed for 2002 or if a return filed for 2002 was for less than 12 months. Corporations meeting either of these conditions should enter the smaller of lines 2 or 3 in line 5. See Massachusetts Regulation 830 CMR 63B.2.2 for additional information.

Large corporation. Any corporation having \$1 million or more of federal taxable income in any of its three preceding taxable years (IRC Sec. 6655(g)) may **only** use its prior year tax liability to calculate its **first** quarterly estimated payment. Any reduction in the first installment payment must be added to the second installment payment.

Note: New corporations in their first full taxable year with less than 10 employees have lower payment percentages — 30-25-25-20%; 55-25-20%; and 80-20%. New corporations should check the box in line 7 and use these percentage amounts to complete line 7.

Commercial banks, insurance companies and public service companies. Enter in line 1 the **Total Excise Due** amount from the return being filed. Also, if an underpayment penalty is due, show this amount in the bottom margin of page 1 of your respective return as “underpayment penalty” and increase your total payment due or decrease excess payment to be refunded.

Line Instructions

Lines 7 through 12. To determine the underpayment amount, complete lines 7 through 12 for each appropriate column. If line 11 shows an overpayment, that overpayment may first be used as a payment of any existing underpayment amount. Overpayments used as payments of prior underpayment amounts **do not** decrease the actual underpayment amount but serve to reduce instead the **period** of underpayment subject to penalty. If there are no existing underpayment amounts, the overpayment is applied as a credit against the next installment. If more than one payment is made for a given installment, attach separate computations for each payment.

Figuring your underpayment penalty

Enter same installment dates used in line 6 ►	(1)	(2)	(3)	(4)
13. Amount of underpayment from line 12				
14. Enter the date of payment or the 15th day of the 3rd month after the close of the taxable year, whichever is earlier				
15. Number of days from due date of installment to the date shown in line 14				
16. Number of days in line 15 after 3/15/03 and before 4/1/03				
17. Number of days in line 15 after 3/31/03 and before 7/1/03				
18. Number of days in line 15 after 6/30/03 and before 10/1/03				
19. Number of days in line 15 after 9/30/03 and before 1/1/04				
20. Number of days in line 15 after 12/31/03 and before 4/1/04				
21. Number of days in line 15 after 3/31/04 and before 7/1/04				
22. Number of days in line 15 after 6/30/04 and before 10/1/04				
23. Number of days in line 15 after 9/30/04 and before 1/1/05				
24. Number of days in line 15 after 12/31/04 and before 2/16/05				
25. Underpayment in line 13 × (number of days in line 16 ÷ 365) × 6%				
26. Underpayment in line 13 × (number of days in line 17 ÷ 365) × 6%				
27. Underpayment in line 13 × (number of days in line 18 ÷ 365) × 6%				
28. Underpayment in line 13 × (number of days in line 19 ÷ 365) × 5%				
29. Underpayment in line 13 × (number of days in line 20 ÷ 365) × 5%				
30. Underpayment in line 13 × (number of days in line 21 ÷ 365) × *%				
31. Underpayment in line 13 × (number of days in line 22 ÷ 365) × *%				
32. Underpayment in line 13 × (number of days in line 23 ÷ 365) × *%				
33. Underpayment in line 13 × (number of days in line 24 ÷ 365) × *%				
34. Add lines 25 through 33.				
35. Total of amounts shown in line 34. Enter this amount in line 28 of the excise calculation of Form 355 or 355C; line 30 of Form 355S; or line 14 of Form SBC ►				

*Rate to be determined.