



# Form 355-ES Instructions for Corporation Estimated Tax Payment Vouchers

## General Information

**What is the purpose of the estimated tax payment vouchers?** Estimated tax payment vouchers provide a means for paying any current taxes due under Chapter 63 of the Massachusetts General Laws.

**Who must make estimated payments?** All corporations that reasonably estimate their corporation excise to be in excess of \$1,000 for the taxable year are required to make estimated payments.

**Note:** Corporations with more than \$100,000 in receipts, sales or revenue must make all payments electronically. See Technical Information Release (TIR) 05-22. Also, a taxable member of a combined group must make its estimated payments through WebFile for Business. See TIR 09-18. Go to WebFile for Business at [www.mass.gov/dor](http://www.mass.gov/dor) for more information.

**Are there penalties for failing to pay estimated taxes?** Yes. An additional charge is imposed on the underpayment of any corporate estimated tax for the period of that underpayment. Use Form M-2220 when filing your annual return to determine any penalty due.

**When and where are estimated tax vouchers filed?** Estimated taxes may be paid in full on or before the 15th day of the third month of the corporation's taxable year or according to the following installment amount schedule: on or before the 15th day of the third, sixth, ninth and twelfth months of the taxable year.

### Percent of estimated tax due

First full taxable year of a corporation with less than 10 employees	All others
30%	40%
25%	25%
25%	25%
20%	10%

Payment vouchers with amounts due should be filed with Massachusetts Department of Revenue, PO Box 7046, Boston, MA 02204. Make check or money order payable to **Commonwealth of Massachusetts** and write your Federal Identification number in the lower left hand corner on your check or money order.

**What if the corporation's estimated tax liability changes during the year?** Even though you may not be required to make estimated tax payments at the beginning of the taxable year, your expected income, assets and credits may change so that you will be required to make tax payments later.

Corporations that first meet the requirement for paying estimated taxes sometime after the first quarterly period should make estimated payments as shown on the enclosed chart.

**What if the corporation credited its 2014 overpayment to its 2015 tax?** If the corporation reported an overpayment on its 2014 corporation excise tax return and elected to apply it as a credit to its 2015 estimated tax, the amount of the credit must be applied to the first installment due after the overpayment is determined. Any excess must be applied to succeeding installments. No credit may be applied to any estimated tax other than 2015. Be sure to enter the total overpayment credit in item b of your first voucher and in column (c) of the Record of Estimated Tax Payments (enclosed).

## Specific Instructions

1. Complete the enclosed Corporation Estimated Tax Worksheet.
2. Verify your name, address, identification number, taxable year and installment due dates on the preprinted vouchers.
3. Enter in item a of the first voucher your total tax for the prior year, if any, from item a of the worksheet.
4. Enter in item b of the first voucher any overpayment from last year to be credited to estimated tax this year from item b of the worksheet.
5. Enter your estimated tax for 2015 from item c of the worksheet in item c of your first voucher.
6. Enter the amount of this installment from line 1 of the worksheet in line 1 of your first voucher.
7. Enter in line 2 of the first voucher the amount of overpayment from last year to be applied to this installment, if any, from line 2 of the worksheet.
8. Enter in line 3 of the first voucher the amount of this tax expected to be withheld during 2015 to be applied to this installment, if any, from line 3 of the worksheet.
9. Subtract the total of lines 2 and 3 from line 1 and enter the result in line 4. File only if line 4 is greater than zero.
10. Check the appropriate box in the section "Check the form you file" only on your first voucher.
11. Mail the voucher with check or money order payable to **Commonwealth of Massachusetts**.
12. For each later installment, you need only complete lines 1 through 4 of the remaining payment vouchers, attach remittance and mail. If you must amend your estimated tax or if you first meet the requirements to pay estimated tax in the 2nd, 3rd or 4th quarter of the taxable year, use the enclosed Amended Estimated Tax Payment Schedule.

## Special Information for 355-ES Filers

The Form 355-ES coupons in this package are color-coded to ensure that DOR is able to process your payments as quickly as possible and credit your payments to your account accurately. The following color codes have been assigned to each type of corporation:

Type of corporation	355-ES color
Business or manufacturing	Yellow
Financial institutions	Purple
Public service	Green
Insurance	Blue

If the coupons you received in this package are not the correct color, please call one of the following numbers:

- Business and manufacturing corporations: (617) 887-MDOR or toll-free in Massachusetts at 1-800-392-6089.
- Financial institutions, public service and insurance corporations: (617) 887-6714.

**Corporation Estimated Tax Worksheet**

a. Total tax for prior year \$ \_\_\_\_\_ b. Overpayment from last year to be credited to estimated tax for this year \$ \_\_\_\_\_ c. Estimated tax for year ending \_\_\_\_\_ \$ \_\_\_\_\_

If you first meet the requirements for making estimated payments in the taxable year, use the <b>Amended Estimated Tax Payment Schedule</b> below.	1st installment	2nd installment	3rd installment	4th installment
1. Amount of each installment. Enter 40% of item c for installment 1. For 2nd, 3rd and 4th installments use 25%, 25% and 10% of item c, respectively. <b>Note:</b> Corporations in their first full taxable year with less than 10 employees should use 30%, 25%, 25% and 20% respectively.	\$ _____	\$ _____	\$ _____	\$ _____
2. Enter amount of overpayment from last year applied to an installment, if any.	\$ _____	\$ _____	\$ _____	\$ _____
3. Amount of this tax expected to be withheld during 2014.	\$ _____	\$ _____	\$ _____	\$ _____
4. Amount due. Subtract the total of lines 2 and 3 from line 1.	\$ _____	\$ _____	\$ _____	\$ _____

**Amended Estimated Tax Payment Schedule**

- 1. Enter total tax for prior year, if any. 1. \$ \_\_\_\_\_
- 2. Enter overpayment from last year, if any, to be credited to Estimated Tax this year. 2. \$ \_\_\_\_\_
- 3. Enter recomputed Estimated Tax for 2014, if amending. (Enter Estimated Tax for 2014, if first meeting the requirement for making estimated payments in the 2nd, 3rd or 4th quarter.) 3. \$ \_\_\_\_\_
- a. If amending your estimated tax in the 2nd, 3rd or 4th quarter, multiply line 3 by the appropriate installment percentage amount, then subtract previous amounts paid and overpayments applied to date, if any. a. \$ \_\_\_\_\_

Enter the item a amount in the proper column of line 1 in the Estimated Tax Worksheet (above) and adjust or complete the remaining applicable items.

**2014 Record of Estimated Tax Payments**

Voucher number	a. Date	b. Amount paid	c. 2013 overpayment credit applied to installment	Total amount paid and credited from Jan. 1 through the installment date shown (col. b + col. c)
1				
2				
3				
4				
Total				

If the corporation first meets the requirement to make estimated payments	Number of installments required	The corporation* should pay the following percentage by the 15th day of the —			
		3rd month	6th month	9th month	12th month
By the last day of the 2nd month	4	40%	25%	25%	10%
After the last day of the 2nd month and before the first day of the 6th month	3		65%	25%	10%
After the last day of the 5th month and before the first day of the 9th month	2			90%	10%
After the last day of the 8th month and before the first day of the 12th month	1				100%

\*New corporations in their first full taxable year with fewer than 10 employees have lower percentages — 30–25–25–20%; 55–25–20% and 80–20%.

Please submit the vouchers, with your payments, when due. Make all checks payable to **Commonwealth of Massachusetts**.

If forms are lost, contact the Massachusetts Department of Revenue, Customer Service Bureau, PO Box 7010, Boston, MA 02204. Call (617) 887-MDOR or toll-free in Massachusetts at 1-800-392-6089.

**Practitioners:** You must obtain prior approval if you plan to use substitute vouchers.