Massachusetts Department of Revenue
Form M-2220
Underpayment of Massachusetts
Estimated Tax by Corporations   **2018**

Enclose this form with your return. Electronic filing requirements may apply (see TIR 16-9). Please print in ink or type.

Name of corporation   Federal Identification number

Figuring your underpayment. See instructions.

1 Enter 2018 tax **1**

2 Enter 90% of line 1 . . . . **2**

3 Enter 90% of 2018 tax using 2017 income apportionment percentage **3**

4 Enter 2017 tax **4**

5 Enter line 2, 3 or 4, whichever is smallest. **5**

	a.	b.	c.	d.
6 Enter in col's. a through d (respectively) the installment dates of the 15th day of the 3rd, 6th, 9th and 12th months of your taxable year **6**				

7 Enter in col. a line 5 × 40%
Enter in col. b line 5 × 25%
Enter in col. c line 5 × 25%
Enter in col. d line 5 × 10% **7**
○ Fill in if you are a new corporation
(see instructions).

Line	a.	b.	c.	d.
8 Amount paid or credited for each period. **8**				
9 Overpayment of previous installment. **9**				
10 Total. Add lines 8 and 9 . . . . **10**				
11 Overpayment. Subtract line 7 from line 10. . . . **11**				
12 Underpayment. Subtract line 10 from line 7 . . . **12**				

Figuring your underpayment penalty

	a.	b.	c.	d.
Enter same installment dates used in line 6.				
13 Amount of underpayment from line 12 . . . . . . **13**				
14 Enter the date of payment, or the 15th day of the third month after the close of the taxable year, whichever is earlier. **14**				
15 Number of days from due date of installment to the date shown in line 14 . . . . **15**				
16 Number of days in line 15 after 3/15/18 and before 4/1/18. . . . . **16**				
17 Number of days in line 15 after 3/31/18 and before 7/1/18. . . . . **17**				

Name of corporation

Federal Identification number

Figuring your underpayment penalty (cont'd.)

	a.	b.	c.	d.
Enter same installment dates used in line 6.				
18 Number of days in line 15 after 6/30/18 and before 10/1/18. . . . . **18**				
19 Number of days in line 15 after 9/30/18 and before 1/1/19. . . . . **19**				
20 Number of days in line 15 after 12/31/18 and before 4/1/19. . . . . **20**				
21 Number of days in line 15 after 3/31/19 and before 7/1/19. . . . . **21**				
22 Number of days in line 15 after 6/30/19 and before 10/1/19. . . . . **22**				
23 Number of days in line 15 after 9/30/19 and before 1/1/20. . . . . **23**				
24 Number of days in line 15 after 12/31/19 and before 3/16/20. . . . . **24**				
25 Underpayment in line 13 × (number of days in line 16 ÷ 365) × 5%. **25**				
26 Underpayment in line 13 × (number of days in line 17 ÷ 365) × 6%. **26**				
27 Underpayment in line 13 × (number of days in line 18 ÷ 365) × 6%. **27**				
28 Underpayment in line 13 × (number of days in line 19 ÷ 365) × 6%. **28**				
29 Underpayment in line 13 × (number of days in line 20 ÷ 365) × 7%. **29**				
30 Underpayment in line 13 × (number of days in line 21 ÷ 365) × *%. **30**				
31 Underpayment in line 13 × (number of days in line 22 ÷ 365) × *%. **31**				
32 Underpayment in line 13 × (number of days in line 23 ÷ 365) × *%. **32**				
33 Underpayment in line 13 × (number of days in line 24 ÷ 365) × *%. **33**				
34 Add lines 25 through 33 . . . . **34**				

35 Total of amounts in line 34. Enter the amount on line 35 of the corresponding line of the return **35**

*Rate to be determined.

Form M-2220 Instructions

General Information

2018 Massachusetts Tax Change

Filing due dates. Massachusetts law was changed to conform the filing due dates for Massachusetts C corporation tax returns to federal filing due dates, beginning with tax returns due on or after January 1, 2018. MGL c. 62C, sections 11 and 12 have been amended to require C corporations to file their tax returns on or before the 15th day of the fourth month following the close of each taxable year (April 15 in the case of corporations filing on a calendar year basis). This change affects all returns due on or after January 1, 2018, irrespective of a corporation's fiscal year end. The law did not change the filing due date for S corporation tax returns, which remains the 15th day of the third month following the close of each taxable year. The due dates for estimated tax payments for corporations remain as prescribed in MGL c. 63B § 3. For further details see TIR 17-5.

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 2017 or if a return filed for 2017 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 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 § 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.

Line Instructions

Line 3. Multiply 2018 income measure of excise and non-income measure of excise (tangible property or taxable net worth) by 2017 apportionment factor. Then multiply the result by 2017 tax rate. Multiply that result by .90 (90%) and enter the result on line 3.

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.

Line 35. Enter the line 35 amount on the corresponding line item of the taxpayer's tax return as follows: Form 355, line 25; Form 355U, line 41; Form 355S, line 28; Form 355 SC, line 21a; Form 355SBC, line 14; Form 63 FI, line 25a; Form 63-20P, line 34a; Form 63-23P, line 41a; or Form M-990T, line 37a.

Note: Payments made with a return, including extension payments, estimated tax payments and withholding, are considered to be paid on the last day prescribed for the filing of the return and/or the payment of the tax, without regard to any extensions. See MGL ch 62C, § 79. Therefore, any overpayment from a prior year return will be considered to be paid as of the prior year return due date. For example, if a calendar year C corporation reported an overpayment on its 2017 corporation excise tax return and elected to apply it as a credit to its 2018 estimated tax, the payment will be credited as of April 17, 2018, which is the 2017 return due date and about one month after the due date of the first estimated tax installment payment for the 2018 tax year.

To avoid underpayment penalties the first estimated tax installment should be paid on or before the first installment due date, not the return due date.