



Form 63-29A-ES

Instructions for Ocean Marine Corporation Estimated Tax Payment Worksheet

Massachusetts
Department of
Revenue

General Information

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

Ocean marine corporations, like all insurance companies, are required to file and pay their taxes electronically. See Technical Information Release (TIR) 21-9. Go to MassTaxConnect at mass.gov/masstaxconnect for more information.

Are there penalties for failing to pay estimated tax?

Yes. An additional charge is imposed on the underpayment of 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 payments made? Estimated taxes may be paid in full on or before the 15th day of the third month of the 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 with less than 10 employees	All others
30%	40%
25%	25%
25%	25%
20%	10%

What if the ocean marine 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 such that you will be required to make payments later.

Ocean marine 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 ocean marine corporation credited its prior tax year overpayment to its current tax year? Ocean marine corporations that are C corporations are required to file their tax returns on or before the 15th day of the fourth month following the close of each taxable year (April 15 for corporations filing on a calendar year basis). The filing due date for ocean marine corporations that are organized

as an S corporation is the 15th day of the third month following the close of each taxable year. For further details see TIR 17-5.

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 prior tax year corporation tax return and elected to apply it as a credit to its current tax year estimated tax, the payment will be credited as of April 15 of the current tax year, which is the prior tax year return due date and about one month after the due date of the first estimated tax installment payment for the current tax year. To avoid the imposition of underpayment penalties the first estimated tax installment should be paid on or before the first installment due date, not the return due date. No credit may be applied to any estimated tax other than the current tax year.

Specific Instructions

Complete the enclosed Ocean Marine Corporation Estimated Tax Worksheet. Once you have used the worksheet to determine your estimated tax due, pay the full amount of each installment electronically on MassTaxConnect at mass.gov/masstaxconnect or by using third-party vendor software.

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 Amended Estimated Tax Payment Schedule.

Ocean Marine Corporation Estimated Tax Worksheet

a Total tax for prior year	a \$
b Overpayment from prior year to be credited to estimated tax for current year	b \$
c Estimated tax for current year	c \$

If you first meet the requirements for making estimated payments in the taxable year, use the Amended Estimated Tax Payment Schedule below.	1st installment	2nd installment	3rd installment	4th installment
1 Amount of each installment. Enter 40% of item c for installment 1. For second, third and fourth installments use 25%, 25% and 10% of item c respectively. Note: Taxpayers 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 prior year applied to an installment, if any.	\$	\$	\$	\$
3 Amount of this tax expected to be withheld during current tax year.	\$	\$	\$	\$
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 prior year, if any, to be credited to estimated tax for current year	2 \$
3 Enter recomputed estimated tax for current tax year, if amending. (Enter estimated tax for prior tax year, if first meeting the requirement for making estimated payments in the second, third or fourth quarter.)	3 \$
a If amending your estimated tax in the second, third or fourth 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.

Current Tax Year Record of Estimated Tax Payments

Estimated tax payment installment number	a. Date	b. Amount paid	c. Prior tax year 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 taxpayers in their first full taxable year with fewer than 10 employees have lower percentages: 30-25-25-20%; 55-25-20% and 80-20%.

Payments must be made electronically on MassTaxConnect at mass.gov/masstaxconnect or by using third-party vendor software.