



Form M-2220

Underpayment of Massachusetts Estimated Tax by Corporations

1999

Massachusetts
Department of
Revenue

Attach this form to your return. Please print in ink or type.

Name of corporation

Federal Identification number

Check type of return to be filed: ☐ 355A ☐ 355B ☐ 355C-A ☐ 355C-B ☐ 355S-A ☐ 355S-B ☐ Other (specify) _____**Part 1. Figuring your underpayment (see instructions)**

1. 1999 tax (from line 17, 355A, 355B, 355C-A or 355C-B; line 19, Form 355S-A or 355S-B; 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 1999 tax using 1998 income apportionment percentage																																	
4. Enter 1998 tax (total of line 16 and line 18, 1998 355A, 355B, 355C-A, 355C-B; total of line 18 and line 20, 1998 355S-A or 355S-B; or line 6, 1998 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 ►	<table><thead><tr><th colspan="4">Due dates of installments</th></tr><tr><th>(1)</th><th>(2)</th><th>(3)</th><th>(4)</th></tr></thead><tbody><tr><td>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 this box <input type="checkbox"/> and see the instructions for the amount to enter in each column of line 7.</td><td></td><td></td><td></td></tr><tr><td>8. Amount paid or credited for each period</td><td></td><td></td><td></td></tr><tr><td>9. Overpayment of previous installment</td><td></td><td></td><td></td></tr><tr><td>10. Total. Add line 8 and line 9</td><td></td><td></td><td></td></tr><tr><td>11. Overpayment. Subtract line 7 from line 10</td><td></td><td></td><td></td></tr><tr><td>12. Underpayment. Subtract line 10 from line 7</td><td></td><td></td><td></td></tr></tbody></table>	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 this box <input type="checkbox"/> and see the instructions for the amount to enter in each column of line 7.				8. Amount paid or credited for each period				9. Overpayment of previous installment				10. Total. Add line 8 and line 9				11. Overpayment. Subtract line 7 from line 10				12. Underpayment. Subtract line 10 from line 7			
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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.

For further information on estimated tax payments refer to the "Should the Corporation Be Making Estimated Tax Payments?" in your corporation excise instructions or in the instructions for Form 355-ES, Corporation Estimated Tax Payments.

Paying Estimated Taxes. All corporations which reasonably estimate their corporate excise to be in excess of \$1,000 for the taxable year are required to make estimated tax payments to the Commonwealth. Estimated taxes may be paid in full on or before the 15th day of the third month of the corporation's taxable year or in four installment payments according to the schedule. Corporations making estimated payments must use Form 355-ES to make their payments.

Short Year. Corporations are liable for estimated payments even if there was no return filed for 1998 or if a return filed for 1998 was for less than

twelve 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.

Making Estimated Tax Payments. Estimated taxes are paid in quarterly installments as follows:

Installment Number	% of Estimated Tax Due	Due Date from Start of Taxable Year
1	40%	15th day of 3rd month
2	25%	15th day of 6th month
3	25%	15th day of 9th month
4	10%	15th day of 12th month

Part 2. Figuring your underpayment penalty (see instructions)

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. (If more than one payment is made on an installment, attach a separate computation for each payment.)				
15. Number of days from due date of installment to the date shown in line 14.				
16. Number of days in line 15 after 3/15/99 and before 4/1/99				
17. Number of days in line 15 after 3/31/99 and before 1/1/00				
18. Number of days in line 15 after 12/31/99 and before 4/1/00				
19. Number of days in line 15 after 3/31/00 and before 7/1/00				
20. Number of days in line 15 after 6/30/00 and before 10/1/00				
21. Number of days in line 15 after 9/30/00 and before 1/1/01				
22. Number of days in line 15 after 12/31/00 and before 2/16/01				
23. Underpayment in line 13 \times (number of days in line 16 \div 365) \times 8%				
24. Underpayment in line 13 \times (number of days in line 17 \div 365) \times 9%				
25. Underpayment in line 13 \times (number of days in line 18 \div 365) \times *%				
26. Underpayment in line 13 \times (number of days in line 19 \div 365) \times *%				
27. Underpayment in line 13 \times (number of days in line 20 \div 365) \times *%				
28. Underpayment in line 13 \times (number of days in line 21 \div 365) \times *%				
29. Underpayment in line 13 \times (number of days in line 22 \div 365) \times *%				
30. Add lines 23 through 29.				
31. Total of amounts shown in line 30. Enter this amount in line 28 on page 1 of Form 355A, 355B, 355C-A or 355C-B; line 30, Form 355S-A or 355S-B; or line 14 of Form SBC ►				

*Rate to be determined.

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

Figuring Your Underpayment and Penalty

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.