



Massachusetts Department of Revenue

Form M-2210

Underpayment of Massachusetts Estimated Income Tax 2017

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

Name(s) as shown on page 1 of return

Social Security or Federal Identification number

Type of return filed (fill in one only):

- Form 1 Form 1-NR/PY

Exceptions to the underpayment penalty

- You are a qualified farmer or fisherman filing and paying your full amount due on or before March 1, 2018.
You were a resident of Massachusetts for 12 months and not liable for taxes during 2016.
Your estimated payments and withholding equal or exceed your 2016 tax (where taxable year was 12 months and a return was filed).

Part 1. Required annual payment

Table with 6 rows for required annual payment calculations, including 2017 tax, total credits, balance, 80% of line 3, 2016 tax liability, and the smaller of line 4 or line 5.

Part 2. Figuring your underpayment

Table for figuring underpayment with columns for installment due dates: a. April 18, 2017; b. June 15, 2017; c. September 15, 2017; d. January 16, 2018. Rows include division of line 6, estimated taxes paid, overpayment of previous installment, total, overpayment, and underpayment.

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**Part 3. Figuring your underpayment penalty**

<b>13</b>	Enter the date you paid the amount in line 12 or the 15th day of the 4th month after the close of the taxable year, whichever is earlier . . . . .	<b>13</b>				
<b>14</b>	Number of days from the due date of installment to the date shown in line 13. . . . .	<b>14</b>				
<b>15</b>	Number of days in line 14 after 4/18/17 and before 7/1/17 . . . . .	<b>15</b>				
<b>16</b>	Number of days in line 14 after 6/30/17 and before 10/1/17 . . . . .	<b>16</b>				
<b>17</b>	Number of days in line 14 after 9/30/17 and before 1/1/18 . . . . .	<b>17</b>				
<b>18</b>	Number of days in line 14 after 12/31/17 and before 4/15/18 . . . . .	<b>18</b>				
<b>19</b>	Underpayment in line 12 × (number of days in line 15 ÷ 365) × 5% . . . . .	<b>19</b>				
<b>20</b>	Underpayment in line 12 × (number of days in line 16 ÷ 365) × 5% . . . . .	<b>20</b>				
<b>21</b>	Underpayment in line 12 × (number of days in line 17 ÷ 365) × 5% . . . . .	<b>21</b>				
<b>22</b>	Underpayment in line 12 × (number of days in line 18 ÷ 365) × *% . . . . .	<b>22</b>				
<b>23</b>	Penalty. Add all amounts shown in lines 19 through 22. Enter this amount on Form 1, line 49; Form 1-NR/PY, line 53; or Form 3M, line 19a . . . . .	<b>23</b>				

\*Rate to be determined.

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Part 4. Annualized income installment method

	Jan. 1–March 31	Jan. 1–May 31	Jan. 1–August 31	Jan. 1–December 31
<b>1</b> Taxable 5.1% income each period (including long-term capital gain income taxed at 5.1%) . . . <b>1</b>				
<b>2</b> Annualization amount . . . . . <b>2</b>	4	2.4	1.5	1
<b>3</b> Multiply line 1 by line 2. . . . . <b>3</b>				
<b>4</b> Tax on amount in line 3. Multiply line 3 by .051 <b>4</b>				
<b>5</b> Taxable 12% income each period . . . . . <b>5</b>				
<b>6</b> Annualization amount . . . . . <b>6</b>	4	2.4	1.5	1
<b>7</b> Multiply line 5 by line 6. . . . . <b>7</b>				
<b>8</b> Tax on amount in line 7. Multiply line 7 by .12 . <b>8</b>				
<b>9</b> Total tax. Add lines 4 and 8 . . . . . <b>9</b>				
<b>10</b> Total credits . . . . . <b>10</b>				
<b>11</b> Total tax after credits. Subtract line 10 from line 9 . . . . . <b>11</b>				
<b>12</b> Applicable percentage. . . . . <b>12</b>	20%	40%	60%	80%
<b>13</b> Multiply line 11 by line 12. . . . . <b>13</b>				
<b>14</b> Enter the combined amounts of line 20 from all preceding periods. . . . . <b>14</b>				
<b>15</b> Subtract line 14 from line 13. If less than "0" enter "0". . . . . <b>15</b>				
<b>16</b> Divide line 6 of Form M-2210 by 4 and enter result in each column . . . . . <b>16</b>				
<b>17</b> Enter the amount from line 19 of this worksheet for the preceding column. . . . . <b>17</b>				
<b>18</b> Add lines 16 and 17. . . . . <b>18</b>				
<b>19</b> If line 18 is more than line 15, subtract line 15 from line 18. Otherwise enter "0". . . . . <b>19</b>				
<b>20</b> Enter the smaller of line 15 or line 18 here and on Form M-2210, line 7 . . . . . <b>20</b>				

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# Form M-2210 Instructions

## General Information

**Who should use this form.** If you are an individual, or a taxpayer taxed as an individual, you should use Form M-2210 to determine if your estimated and/or withholding tax payments were sufficient. If they were not, an underpayment penalty will be imposed, unless you qualify for one of the exceptions or waivers explained below.

**Filing estimated tax vouchers.** You are required to file estimated tax vouchers if you reasonably expect to pay more than \$400 in Massachusetts income tax on income which is not covered by withholding. For further information regarding estimated taxes, see the instructions for Form 1-ES Payment Vouchers or the publication *Should You Be Paying Estimated Taxes?*

**Exceptions which avoid the penalty.** No underpayment penalty will be imposed if:

1. Your 2017 tax due after credits and withholding is \$400 or less.
2. You were a qualified farmer or fisherman who filed and paid in full with your return by March 1, 2018. To qualify, your gross income from farming or fishing must be at least two-thirds of the annual gross income shown on your 2016 or 2017 return.
3. You were a resident of Massachusetts for the full 12 months of the previous taxable year and were not liable for taxes.
4. Your 2017 estimated payments and withholding (line 8) made on or before each installment due date in the taxable year equal or exceed the tax shown on your 2016 return divided among the four installment due dates **provided** that such return was for a full 12-month period.

If you qualify for an exception, do not complete lines 13 through 23. Instead, check the appropriate box on the front of this form **and** fill in the "EX" oval on the back of Form 1 or Form 1-NR/PY. Enclose this form with your return. If you qualify for the first exception (your 2016 tax due after credits and withholding is \$400 or less) you do not need to complete this form.

**Waiver of underpayment penalty.** A waiver of underpayment penalty for one or more installments may be granted if:

1. Your underpayment was by reason of casualty, disaster or unusual circumstance; or
2. You retired in 2016 or 2017 after reaching age 62, or you became disabled and your underpayment was due to reasonable cause and not willful neglect.

If you qualify for the waiver, complete lines 7 through 12 for the installment(s) for which you are claiming a waiver, and write "WAIVER" in the appropriate box(es) in line 13. Fill in the "EX" oval on the back of Form 1 or Form 1-NR/PY. Enclose this form and an explanation of your reasons for claiming the waiver with your return.

## Line-by-Line Instructions

**Figuring your underpayment & penalty.** To determine the underpayment amount, complete lines 1 through 12, in order of installment due dates, taking care to complete all four columns for lines 7 through 12.

### Line 5

• If you filed a return for 2016 and it was for a full 12 months, enter your 2016 tax liability after credits.

• If you were a resident of Massachusetts for 12 months in 2016 and you were not liable for taxes, enter "0."

• If you did not file a return for 2016, or if your 2016 tax year was less than 12 months, **do not** complete line 5. Instead, enter the amount from line 4 in line 6.

### Line 8

If more than one payment is made for a given installment, attach a separate penalty computation for each payment.

If you had any taxes withheld during the year, you may apply an equal part of those taxes as payment on each required installment(s). If you can establish the actual dates and amounts of your withholding, you may consider those amounts as payments on the dates they were actually withheld.

### Line 11

If line 11 shows an overpayment, that overpayment may be used as 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.

### Line 12

If line 12 shows an underpayment, see the General Information section to determine whether you qualify for an exception to, or waiver of, the underpayment penalty. If you do not qualify, continue on through line 23 to determine your underpayment penalty.

**Part 4. Annualized income installment method.** If you do not receive taxable income evenly throughout the year, you may wish to annualize your income to adjust your required installment amount(s). Enter any adjusted installment amount in the appropriate column in line 7 and calculate any underpayment penalty from those figures. Write "ANNUALIZED" under the column in line 23.

**Fiscal year taxpayers.** If you file on a fiscal year basis and are subject to an underpayment penalty, attach a separate statement to calculate the penalty due based on the interest rate(s) in effect for the period(s) of the underpayment(s).