

## Individual Estimated Tax Payment

**This booklet contains:**

- ◆ FORM 140ES
- ◆ WORKSHEET





# 2012 Individual Estimated Tax Payment Instructions

# Arizona Form 140ES

## Phone Numbers

If you have questions, please call one of the following numbers:

- Phoenix (602) 255-3381
- From area codes 520 & 928 toll-free (800) 352-4090
- Hearing impaired TDD user
- Phoenix (602) 542-4021
- From area codes 520 & 928 toll-free (800) 397-0256

You may also visit our web site at: [www.azdor.gov](http://www.azdor.gov)

## Who Should Use Form 140ES

All of the following should use Form 140ES:

- An individual making a voluntary or mandatory estimated payment.
- A partnership making a voluntary estimated payment on behalf of its nonresident individual partners participating in the filing of a composite return.
- An S corporation making a voluntary estimated payment on behalf of its nonresident individual shareholders participating in the filing of a composite return.

## General Information

- Please type or print your name, SSN, and current address. If you are married making a joint estimated payment, enter your SSNs in the same order as your first names and in the same order as they will be shown on your joint Arizona income tax return.
- If you are a partnership or S corporation using Form 140ES to make a voluntary estimated income tax payment for its nonresident partners or shareholders participating in the filing of a composite income tax return, enter the partnership's or S corporation's EIN in the area designated for an individual's SSN.
- Complete Form 140ES using black ink.
- Once you make an estimated payment, you must file a tax return for that year in order to claim the estimated payment.
- You must round each estimated payment to whole dollars (no cents).
- Use Tax Table X or Y (in the 2011 tax instruction booklet) to help estimate this year's tax liability. Figure this tax on your total annual income.

The department will charge you a penalty if you fail to make any required estimated payment. Use Form 221, *Underpayment of Estimated Tax by Individuals*, to figure the amount of this penalty. The penalty is equal to the interest that would accrue on the underpayment. The penalty cannot be more than 10% of the underpayment.

## Required Payments

Arizona requires certain individuals to make estimated income tax payments.

You must make Arizona estimated income tax payments during 2012 if:

Your filing status is:	AND Your Arizona gross income for 2011 was greater than:	AND Your Arizona gross income for 2012 exceeds:
Married Filing Joint	\$150,000	\$150,000
Single	\$75,000	\$75,000
Head of Household	\$75,000	\$75,000
Married Filing Separately	\$75,000	\$75,000

If you met the income threshold for 2011, you must make estimated payments during 2012 unless you are sure you will not meet the threshold for 2012.

## What is Arizona Gross Income for the Purpose of Estimated Income Tax Payments?

If you are a **full year resident**, your Arizona gross income is your federal adjusted gross income.

If you are a **part-year resident**, your Arizona gross income is that part of your federal adjusted gross income that you must report to Arizona.

If you are a **nonresident**, your Arizona gross income is that part of your federal adjusted gross income derived from Arizona sources.

## How Much Should My Estimated Payments Total?

If you have to make estimated payments, your payments, when added to your Arizona withholding, must total either 90% of the tax due for 2012, or 100% of the tax due for 2011.

You can use your 2011 tax to figure the amount of payments that you must make during 2012 only if you were required to file and did file a 2011 Arizona income tax return.

## When Should I Make My Estimated Payments?

For the most part, you must make your payments in four equal installments.

Payments for calendar year filers are due as follows:	
<b>Payment 1</b>	April 15, 2012 – Because April 15, 2012 falls on a Sunday and April 16, 2012 is a legal holiday in Washington DC, you have until April 17, 2012 to make this payment. If you do not pay by April 17, you may be subject to a penalty starting on April 16th.
<b>Payment 2</b>	June 15, 2012
<b>Payment 3</b>	September 15, 2012 – Because September 15 falls on a Saturday, you have until September 17, 2012 to make this payment. If you do not pay by September 17, you may be subject to a penalty starting on April 16th.
<b>Payment 4</b>	January 15, 2013

For fiscal years, the payments are due on the 15th day of the fourth, sixth and ninth months of the current fiscal year, and the first month of the next fiscal year. If the due date falls on a Saturday, Sunday or legal holiday, you may file by midnight on the next day following that day.

*If 1 through 3 below apply, you do not have to make your payments in four equal installments.*

1. **File and pay by January 31, 2013.** If you file your Arizona return by January 31, 2013, and pay in full the amount stated on the return as payable, you do not have to make the **fourth** estimated tax payment. Fiscal year filers must file and pay by the last day of the month following the close of the fiscal year.

2. **Farmer or fisherman.** If you report as a farmer or fisherman for federal purposes, you only have to make one installment for a taxable year. The due date for this installment for a calendar year filer is January 15, 2013. The due date for a fiscal year filer is the 15th day of the first month after the end of a fiscal year. There is no requirement

to make this payment if you file your Arizona return on or before March 1, 2013, and pay in full the amount stated on the return as payable. Fiscal year filers must file and pay on or before the first day of the third month after the end of the fiscal year.

**3. Nonresident alien.** If you are an individual who elects to be treated as a nonresident alien on the federal income tax return, you may make three estimated payments. The due dates for these installments are June 15, 2012, September 15, 2012, and January 15, 2013. The first installment must equal 50% of your total required payments. You may make the September 15 payment on September 17 since the 15th falls on a Saturday.

## Voluntary Payments

An individual who does not have to make Arizona estimated income tax payments may choose to make them. Taxpayers who make such an election may choose one of the following methods to make their payments.

**Method 1:** If you file federal estimated tax, you can file an Arizona Estimated Tax Payment Form 140ES at the same time. The amount that you remit with Form 140ES should be 10%, 15%, or 20% of the amount that you paid on the federal **Form 1040-ES**.

**Method 2:** You may file installments using Arizona Estimated Tax Payment Form 140ES.

### Payments for calendar year filers are due as follows:

<b>Payment 1</b>	April 15, 2012 – Because April 15, 2012 falls on a Sunday and April 16, 2012 is a legal holiday in Washington DC, you have until April 17, 2012 to make this payment.
<b>Payment 2</b>	June 15, 2012
<b>Payment 3</b>	September 15, 2012 – Because September 15 falls on a Saturday, you have until September 17, 2012 to make this payment.
<b>Payment 4</b>	January 15, 2013

If you are a fiscal year filer, use the due dates established for federal filing.

The sum of the amounts remitted should equal your estimated end-of-tax-year liability.

**Method 3:** You may file an Arizona Estimated Tax Payment Form 140ES with a single, lump-sum payment before January 15, 2013. The payment should reflect your estimated end-of-tax-year liability.

Record of Estimated Payments		
Payment #	Date Made	Amount
Amount of 2011 overpayment applied to 2012 estimated tax		
<b>1</b>		
<b>2</b>		
<b>3</b>		
<b>4</b>		
Total:		

## Sending Your Payment

Individuals may make estimated payments by check, electronic check, money order, or credit card. Partnerships or S corporations making estimated payments on behalf of nonresidents participating in the filing of a composite return must make those payments by check or money order.

### Check or money order

Fill in the amount of your payment on Form 140ES. Round your payment to the nearest dollar. Your payment is the amount you figured using the worksheet for computing estimated payments.

Make your check payable to Arizona Department of Revenue and mail your check along with Form 140ES to:

Arizona Department of Revenue  
PO Box 29085  
Phoenix, AZ 85038-9085.

The department cannot accept checks or money orders in foreign currency. You must make payment in U.S. dollars.

### Electronic payment from your checking or savings account

**NOTE:** *You may not make an electronic payment from your checking or savings account if the payment will ultimately be coming from a foreign account. In this case, you must pay by check or money order.*

You can pay your 2012 estimated tax with an electronic payment from your checking or savings account. There is no fee to use this method. To make an electronic payment, go to [www.aztaxes.gov](http://www.aztaxes.gov) and click on the “Make a Payment” link. The “E-Check” option in the “Payment Method” drop-down box will debit the amount from the checking or savings account that you specify. If you make an electronic payment from your checking or savings account, you will receive a confirmation number. **Please keep this confirmation number as proof of payment.**

**NOTE:** *If you are paying by electronic check, do not use Form 140ES. We will apply your estimated tax payment to your account. You must claim the estimated payment on your original return when you file.*

### Credit card payment

You can pay your 2012 estimated tax through a third-party service provider using your Visa, MasterCard, Discover, or American Express credit card. Go to [www.aztaxes.gov](http://www.aztaxes.gov), click on the “Make a Payment” link and choose the credit card option. This will take you to a third party vendor site. The provider will charge you a convenience fee based on the amount of your tax payment. If you accept the credit card transaction, you will receive a confirmation number. **Please keep this confirmation number as proof of payment.**

**NOTE:** *If you are paying by credit card, do not use Form 140ES. We will apply your estimated tax payment to your account. You must claim the estimated payment on your original return when you file.*



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# Worksheet for Computing Estimated Payments for Individuals

## For use with Arizona Form 140ES

### Step 1: Estimated Arizona Taxable Income

1 Use the estimated tax worksheet attached to IRS Form 1040ES and *enter here the amount shown as income on your federal worksheet*..... 

1		00
---	--	----

### Step 2: Additions

Below are common items of income that are not taxable under the Internal Revenue Code but are taxable under Arizona Revised Statutes. *Estimate amounts and enter in the spaces provided:*

2		00
3		00
4		00
5		00
6		00

2 Non-Arizona municipal interest.....

3 Ordinary income portion of lump-sum distributions (excluded on your federal return).....

4 Other additions to income.....

5 Total additions to income: *Add lines 2 through 4*.....

6 *Add line 1 and line 5*.....

### Step 3: Subtractions

Below are common items not subject to tax in Arizona but taxable under the Internal Revenue Code. *Estimate amounts and enter in the spaces provided:*

7		00
8		00
9		00
10		00
11		00
12		00
13		00

7 Amounts received as annuities from certain federal, Arizona state, or local government retirement and disability funds (up to \$2,500) that are subject to federal tax.....

8 Interest income on obligations of the United States (e.g. U.S. savings bonds, treasury bills, etc.).....

9 Arizona state lottery winnings (up to \$5,000) included as income on federal return.....

10 U.S. Social Security benefits or Railroad Retirement Act benefits included as income on federal return.....

11 Other exempt income.....

12 Total subtractions: *Add lines 7 through 11*.....

13 *Subtract line 12 from line 6*.....

### Step 4: Deductions and Exemptions

14		00
15		00
16		00
17		00

14 If you plan to itemize deductions, *enter the estimated total of your deductions*. If you do not plan to itemize deductions, *see the instructions for the allowable 2011 standard deduction*.....

15 Exemptions: *Enter your allowable 2011 exemption amounts*.....

16 Total deductions and exemptions: *Add line 14 and line 15*.....

17 *Subtract line 16 from line 13*.....

### Step 5: Estimated Arizona Income Tax

18		00
19		00
20		00
21		00
22		00
23		00
24		00

18 Using Tax Table X or Y, use the amount on line 17 to calculate your Arizona estimated tax liability. *Enter your estimated tax liability here*.....

19 *Enter 90% (.90) of line 18*.....

20 Enter the preceding year's Arizona tax liability if you were required to file and did file a return for the preceding year, otherwise skip this line.....

21 If you entered an amount on line 20, *enter the smaller of line 19 or line 20*. Otherwise, *enter the amount from line 19*.....

22 Total Arizona income tax expected to be withheld (include all employment and pensions).....

23 *Subtract line 22 from line 21, and base estimated payments on this amount*.....

24 If the first payment you are required to make is due April 15, 2012, *enter 1/4 of line 23 (minus any 2011 overpayment that you are applying to this installment) here and on your 140ES*.....

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## QUICK AND EASY ACCESS TO TAX HELP AND FORMS

### PERSONAL COMPUTER



You may use a personal computer and modem to get the forms and information you need.

Here is a sample of what you will find when you visit our web site at [www.azdor.gov](http://www.azdor.gov):

- Forms and Instructions
- Brochures
- Tax Rulings and Procedures
- Other General Tax Information



### PHONE

Information by phone...

#### Individual Income Tax:

Phoenix..... (602) 255-3381

Toll-free from  
area codes 520 and 928..... (800) 352-4090

#### Hearing Impaired TDD User:

Phoenix..... (602) 542-4021

Toll-free from  
area codes 520 and 928..... (800) 397-0256

*Reasonable accommodations for any person with a disability can be made.*

### WALK-IN SERVICE

You may get forms and information at any of our offices.



We have offices at the following locations:

#### Phoenix

1600 West Monroe

#### Gilbert

275 East Germann Road  
Building 2, Suite 180

#### Tucson

400 West Congress

## Did You Know?

Tax software does all the hard work for you! The software:

- Calculates Tax
- Does the Math
- Selects Forms and Schedules
- Makes Complex Returns Simple
- Checks for Errors Before You File
- E-Files the IRS and AZ Returns at the same time
- Gives Proof of E-Filing



[www.azdor.gov](http://www.azdor.gov)

For details & eligibility

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**E-File**  
Available