

# Instructions for Underpayment of Estimated Income Tax by Individuals

## Estimated Tax Penalty

DC law requires every individual or couple filing jointly, to pay estimated tax if they:

- receive taxable income which is not subject to DC withholding; or
- receive wages with insufficient withholding; or
- the tax on this taxable income is expected to be more than \$100.

The law states that anyone required to file and pay estimated tax who fails to pay the amount required by the periodic payment due date is subject to penalty and interest on the underpayment of estimated income tax.

### When is a penalty assessed for underpayment of estimated income tax?

A penalty is assessed if your total DC estimated income tax payments (and withheld amounts) compared to your DC tax liability do not equal at least the smaller of:

- 90% of the tax due shown on your 2012 DC return; or
- 110% of the tax due shown on your 2011 DC tax return. You must have been a DC resident during all of 2011 to use the 110% exception.

### Are there any exceptions to imposition of the penalty?

You are not subject to the penalty for underpayment of estimated tax if:

- You had no DC income tax liability for the tax year 2011 and in that year, you lived in DC the entire 12 months;
- The tax due for 2012 minus income tax withheld and/or estimated tax payments is less than \$100;
- Your DC estimated tax payments plus any DC income tax withheld equals at least 110% of your 2011 DC income tax liability; or
- Your remaining tax due after totalling all credits, estimated tax payments and withholding, is less than 10% of your total DC tax liability for the year.

## When may you use this form?

- You may use this form to calculate your penalty, when submitting your D-40 form. If you do, attach it to your tax return and add the penalty and any interest to the amount you calculate for Line 43a or 43b of the D-40. If you do not wish to calculate the penalty and interest, the Office of Tax and Revenue (OTR) will do it when your return is processed and will notify you of the amount due.
- You may also complete this form if you believe the penalty assessed by OTR for an underpayment of estimated income tax is incorrect.

### How do you file this form?

Attach this form D-2210 to your return D-40, if you complete it before filing your D-40 return. If you complete this form after filing and/or receiving a notice of a penalty assessment, send it to:

Office of Tax and Revenue  
Attn: Customer Service Administration  
1101 4th St SW, 2nd Floor  
Washington DC 20024

## Completing this form

### Line 1

Enter the amount from your D-40, Line 27.

### Line 2

Multiply the amount on Line 1 by 90% (.90). Your withheld taxes and/or estimated tax payments must be equal to or greater than this amount.

### Line 3

Enter 110% of the amount from your 2011 DC Form D-40, Line 27. If your 2011 return was amended or corrected, multiply 110% times the corrected amount. You must have been a DC resident during all of 2011 to use this exception.

### Line 4

Enter the lesser of the amounts on Line 2 and Line 3. If you did not file a DC return for 2011, use only the Line 2 amount.

### Line 5

Multiply the amount on Line 4 by 25% (.25). This gives you an even distribution of your liability, payable over four periods.

### Line 6

Enter the amount required from Line 5 under each of the payment columns. For example, if Line 5 is \$2000, you would enter \$2000 for the 1st period, \$4000 for the 2nd period, \$6000 for the 3rd period and \$8000 for the 4th period.

**Annualized Income method:** If your income was different for each period, you may want to determine the percentage for each period (divide the period income by the full year's income). Multiply Line 4 by each period's percentage and enter the amounts as shown above. Check the "Annualized Income" method box.

### Line 7

Enter the amounts withheld and estimated tax payments made for each period. Include the amounts from the previous period in with the 2nd, 3rd and 4th periods. For example, if your withheld and estimated tax payment amount is \$1000 in each period, you would enter \$1000 in the 1st Period, \$2000 in the 2nd Period, \$3000 in the 3rd Period and \$4000 in the 4th Period.

### Line 8 Underpayment each period

For each column, subtract Line 7 from Line 6. If Line 7 exceeds Line 6, you have no penalty. If there is an amount remaining, this is your periodic underpayment amount.

**Line 9 Penalty factors** These are the penalty factors by period.

### Line 10

For each column, multiply the amount on Line 8 by the penalty factor on Line 9. This is your penalty amount by period.

### Line 11 Penalty

Add the amounts from each period on Line 10. This is your total underpayment of estimated tax penalty.

- If you are filing the D-2210 with your D-40 return, include the penalty and any interest on the penalty in the amount you owe and pay it with the return.
- If you are filing the D-2210 separately, pay the amount you owe. Attach payment to Form D-40P, Payment Voucher.

Make the check or money order payable to the **DC Treasurer** and mail the D-2210 and D-40P with payment to:

Office of Tax and Revenue  
PO Box 96169  
Washington DC 20090-6169



## What Is Form 1040-V

It is a statement you send with your check or money order for any balance due on the "Amount you owe" line of your 2013 Form 1040, Form 1040A, or Form 1040EZ.



*You can also pay your taxes online or by phone either by a direct transfer from your bank account or by credit or debit card. Paying online or by phone is convenient and secure and helps make sure we get your payments on time. For more information, go to [www.irs.gov/e-pay](http://www.irs.gov/e-pay).*

## How To Fill In Form 1040-V

**Line 1.** Enter your social security number (SSN). If you are filing a joint return, enter the SSN shown first on your return.

**Line 2.** If you are filing a joint return, enter the SSN shown second on your return.

**Line 3.** Enter the amount you are paying by check or money order.

**Line 4.** Enter your name(s) and address exactly as shown on your return. Please print clearly.

## How To Prepare Your Payment

- Make your check or money order payable to **United States Treasury**. Do not send cash.
- Make sure your name and address appear on your check or money order.
- Enter your daytime phone number and your SSN on your check or money order. If you are filing a joint return, enter the SSN shown first on your return. Also enter "2013 Form 1040," "2013 Form 1040A," or "2013 Form 1040EZ," whichever is appropriate.
- To help us process your payment, enter the amount on the right side of your check like this: \$ XXX.XX. Do not use dashes or lines (for example, do not enter "\$ XXX—" or "\$ XXX <sup>xx</sup>/<sub>100</sub>").

## How To Send In Your 2013 Tax Return, Payment, and Form 1040-V

- Detach Form 1040-V along the dotted line.
- Do not staple or otherwise attach your payment or Form 1040-V to your return or to each other. Instead, just put them loose in the envelope.
- Mail your 2013 tax return, payment, and Form 1040-V to the address shown on the back that applies to you.

Cat. No. 20975C

Form **1040-V** (2013)

▼ Detach Here and Mail With Your Payment and Return ▼

Form **1040-V**

Department of the Treasury  
Internal Revenue Service (99)

## Payment Voucher

► Do not staple or attach this voucher to your payment or return.

OMB No. 1545-0074

**2013**

Print or type	1 Your social security number (SSN)		2 If a joint return, SSN shown second on your return		3 Amount you are paying by check or money order. Make your check or money order payable to 'United States Treasury'		Dollars	Cents
	4 Your first name and initial				Last name			
	If a joint return, spouse's first name and initial				Last name			
	Home address (number and street)			Apt. no.	City, town or post office, state, and ZIP code (If a foreign address, also complete spaces below.)			
	Foreign country name				Foreign province/state/county			Foreign postal code