

UNDERPAYMENT OF ESTIMATED TAX BY CORPORATIONS

CORPORATION FEIN

PART 1.DETERMINING TAX AMOUNT REQUIRED TO BE ESTIMATED (Round all entries to whole dollars)

1. Tax Liability for Year Ending ... 2. (a) 90% of Line 1: ... (b) Prior Year Tax Liability: ... 3. Enter Lesser of 2(a) or 2(b): ... 4. Total Estimated Tax Paid: ...

PART 2.COMPUTATION OF UNDERESTIMATED PENALTY (Round all entries to whole dollars)

Table with 5 columns: A Date, B Amounts, C Cumulative Underpay (+) Overpay (-), D Days Col. C (+) Amts. Only, E Penalty Col. C X Col. D X. Rows include 1st, 2nd, 3rd, and 4th quarter estimated payments and earlier income tax return due date.

PART 3. IF YOU ARE CLAIMING ONE OF THE EXCEPTIONS LISTED BELOW, CHECK THE CORRESPONDING NUMBER BOX AND ENTER THAT NUMBER IN THE BOX PROVIDED ON LINE 45 OF FORM AR1100CT.

Exceptions:

- (1) Taxpayers whose income from farming for the tax year can reasonably be expected to amount to at least two thirds (2/3) of the total gross income from all sources for the tax year, may file such declaration and pay the estimated tax on or before the 15th day of the 2nd month after the close of the tax year, or in lieu of filing any declaration, may file an income tax return and pay the tax on or before the 15th day of the 4th month after the close of the tax year.
(2) In lieu of filing the 4th quarter installment the taxpayer may file an income tax return and pay the tax on or before January 31st or on the last day of the first month after the close of the tax year.
(3) No penalty shall be imposed for a tax year if: (1)the preceding tax year was a tax year of 12 months, and (2)the taxpayer did not have a tax liability for the preceding tax year, and (3)the taxpayer was a resident of Arkansas throughout the preceding tax year.
(4) No penalty shall be imposed with respect to any underpayment to the extent that the Commissioner of Revenue determines that by reasons of casualty, disaster, or other unusual circumstances the imposition of such penalty would be against equity and good conscience.
(5) No penalty shall be imposed with respect to any underestimate or underpayment if the Commissioner determines that: (1)the taxpayer (i) retired after having attained age 62, or (ii) became disabled, in the tax year for which such estimated payments were required to be made or in the tax year preceding such tax year and, (2)such underpayment was due to reasonable cause and not to willful neglect.
(6) Taxpayers with varied income may benefit by computing the ten percent (10%) penalty on an annualized basis. The penalty is computed using Form AR2220A which must be submitted with Form AR1100CT. If penalty is computed using Form 2220A, write 6 in Box on Line 45 on Form AR1100CT.

Attach Completed Form AR2220A if Computing Penalty on Annualized Basis