



Corporate Estimated Income Tax

North Carolina Department of Revenue

Estimated income tax is the amount of income tax a corporation expects to owe for the tax year after subtracting the amount of any tax credits claimed during the tax year. A corporation that expects to incur an income tax liability to North Carolina of \$500 or more during the taxable year must file a declaration of estimated income tax. The total estimated income tax is payable during the taxable year. Generally, a corporation must make its first estimated income tax payment by the 15th day of the 4th month of its taxable year. A worksheet for determining the corporation's estimated income tax is printed below.

You can use the generic coupon printed below or you can go to the Department's website, www.dornc.com to file your return and pay your tax online. Click on **Electronic Services**. The Department encourages taxpayers to file and pay online for faster processing with fewer errors.

A corporation is required to make its estimated income tax payments to North Carolina by electronic funds transfer if the corporation meets either of the following descriptions:

- (1) The corporation's total estimated income tax payments exceeded \$240,000 in a twelve-month period and the Department has notified the corporation that it must pay by EFT.
- (2) The corporation is required to make its federal estimated income tax payment by electronic funds transfer.

Corporations required to make estimated income tax payments by electronic funds transfer are not required to file Form CD-429.

Worksheet for Computation of Estimated North Carolina Income Tax	
1. Estimated Federal Taxable Income	1. _____
2. Estimated Additions to Federal Taxable Income	2. _____
3. Estimated Deductions from Federal Taxable Income	3. _____
4. Estimated North Carolina Taxable Income (Line 1 plus Line 2 minus Line 3)	4. _____
5. Estimated Nonapportionable Income	5. _____
6. Estimated Apportionable Income (Line 4 minus Line 5)	6. _____
7. Amount of Line 6 Estimated to be Apportioned to North Carolina	7. _____
8. Amount of Line 5 Estimated to be Directly Allocated to North Carolina	8. _____
9. Estimated Net Taxable Income (Line 7 plus Line 8)	9. _____
10. Estimated North Carolina Net Income Tax (Multiply Line 9 by 6.90%)	10. _____
11. Estimated Tax Credits	11. _____
12. Estimated North Carolina Net Tax Due (Line 10 minus Line 11) If \$500 or more, see the worksheet printed on the reverse to determine the amount and due date of each installment. If \$500 or less, no payment is required at this time.	12. _____

Submit this form in its entirety. Do not separate the coupon from the rest of the form.

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Beginning Tax Year (MM-DD-YY)

Ending Tax Year (MM-DD-YY)

Federal Employer ID Number

N.C. Secretary of State ID Number

Legal Name (First 35 Characters) USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS

Address

City

State

Zip Code

Mail this form with your check or money order in U.S. currency from a domestic bank to:

N.C. Department of Revenue, P.O. Box 25000, Raleigh, N.C. 27640-0650.

Do not fold, tape, or staple the return or check. Do not send cash.

NEW: File and pay online at www.dornc.com. Click on Electronic Services.



AMOUNT OF THIS PAYMENT

\$.00

If your address has changed since the filing of your last tax return, report the correct address on Form NC-AC, Address Correction Notification.



Schedule of When to Pay Estimated Income Tax

Determine the amount and the due date of each installment to be paid in accordance with the following table:

If a corporation's estimated tax reduced by tax credits is \$500 or more, it meets the requirement for making payments. If this requirement is first met:	The number of installments to be paid is:	The following percentage of the estimated tax must be paid on or before the 15th day of the:			
		4th month	6th month	9th month	12th month
Before the 1st day of the 4th month of the taxable year	4	25	25	25	25
After the last day of the 3rd month and before the 1st day of the 6th month of the taxable year	3		33 1/3	33 1/3	33 1/3
After the last day of the 5th month and before the 1st day of the 9th month of the taxable year	2			50	50
After the last day of the 8th month and before the 1st day of the 12th month of the taxable year	1				100

Failure to Pay Estimated Tax

Failure to pay the required amount of estimated income tax will subject the corporation to interest on the underpayment of estimated income tax provided in Article 4C of Chapter 105 of the General Statutes. It is important to estimate the corporation's income tax carefully to avoid interest on the underpayment of estimated income tax.