

2010 Individual Estimated Tax Payment Instructions

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

General Information

- Please type or print your name, SSN, and present 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 using Form 140ES to make an estimated income tax payment for a trust or an estate, enter the trust's or estate's federal employer identification number in the area designated for an individual's social security number.
- 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 2009 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 2010 if:		
Your filing status is:	AND	AND
	Your Arizona gross income for 2009 was greater than:	Your Arizona gross income for 2010 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 2009, you must make estimated payments during 2010 unless you are sure you will not meet the threshold for 2010.

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 2010, or 100% of the tax due for 2009.

You can use your 2009 tax to figure the amount of payments that you must make during 2010 only if you were required to file and did file a 2009 Arizona income tax return.

When Should I Make My Estimated Payments?

For the most part, you must make your payments in four equal installments. The due dates for these installments for a calendar year taxpayer are as follows.

Installment	Due Date
First	April 15, 2010
Second	June 15, 2010
Third	September 15, 2010
Fourth	January 18, 2011

The dates above apply to a 2010 calendar year individual. For fiscal years, the payments are due on or before 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 1 through 3 below apply, you do not have to make your payments in four equal installments.

1. **File and pay by January 31, 2011.** If you file your Arizona return by January 31, 2011, 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 18, 2011. 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, 2011, 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, 2010, September 15, 2010, and January 18, 2011. The first installment must equal 50% of your total required payments.

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. If you are a calendar year taxpayer, pay four installments by the following dates.

Installment	Due Date
First	April 15, 2010
Second	June 15, 2010
Third	September 15, 2010
Fourth	January 18, 2011

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 18, 2011. The payment should reflect your estimated end-of-tax-year liability.

Record of Estimated Payments		
Payment Number	Date Payment Made	Amount of Payment
Amount of 2009 overpayment applied to 2010 estimated tax		
1		
2		
3		
4		
Total:		

Sending Your Payment

Individuals may make estimated payments by check, electronic check, money order, or credit card. Fiduciaries filing Arizona Form 141AZ making estimated payments 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 2010 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 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 2010 estimated tax through a third-party service provider using your Visa, MasterCard, Discover, or American Express credit card. Go to 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.*