Name(s) _____ Social Security Number _____

How to Compute Your Underpayment (See Instructions)

1. Enter 2018 Tax from IA 1040, line 53 .... 1. _____

2. Credits

    a. Iowa fuel tax credit from IA 1040, line 59 .... a. _____ ■

    b. Child and dependent care credit or Early childhood development

       credit from IA 1040, line 60 .... b. _____

    c. Iowa earned income tax credit from IA 1040, line 61 .... c. _____

    d. Other refundable credits from IA 1040, line 62 .... d. _____

    Total. Add lines a through d .... 2. _____

3. Balance. Subtract line 2 from line 1 .... 3. _____

4. Multiply line 3 by $66\frac{2}{3}$ % (.667) .... 4. _____

5. Enter your 2017 tax .... 5. _____

6. Enter the smaller amount of line 4 or line 5 .... 6. _____

7. Amounts withheld during 2018 and amounts paid or credited by January 15, 2019 ... 7. _____

8. Underpayment of estimated tax. Subtract line 7 from line 6. .... 8. _____

Exception Which Avoids the Penalty

9. Exception: Tax on 2017 return. See instructions .... 9. _____

How to Compute the Penalty

10. Number of days from January 15, 2019, to date of payment or April 30, 2019,

    whichever is earlier. See instructions .... 10. _____

11. Penalty: See instructions. Enter here and on IA 1040, line 71 .... 11. _____

■

2018 IA 2210F Instructions

Who must file IA 2210F?

Persons whose gross income from farming or fishing is at least two-thirds of their gross annual income from all sources should use this form to determine if their income tax was sufficiently paid throughout the year by withholding and/or installment payments. If not, a penalty may be imposed on the underpayment of the taxes. This form will help you determine if you are exempt from a penalty. See line 9 instructions below.

Penalty Waiver for tax year 2018: The

Department of Revenue has granted an automatic extension of time and penalty waiver for all taxpayers who qualify as a farmer or fisherman under Internal Revenue Code §6654(i)(2), which generally includes persons who earn at least two-thirds of their income from farming or commercial fishing. For tax year 2018, these taxpayers have until April 30, 2019 to file and pay the tax due on their 2018 returns without incurring an underpayment of estimated tax penalty.

Filing an Estimate and Paying the Tax: If

you file returns on a calendar-year basis and you are required to file form IA 1040ES, you are generally required to pay the tax in four installments with the first installment due by April 30. You can avoid this filing in one of the two ways noted:

1) File the installment and pay the tax in full by January 15, 2019.
2) File your return and pay the tax in full by March 1, 2019. See waiver above.

Note: If any date shown falls on a weekend, federal holiday, or legal holiday as defined in Iowa Code section 4.1(34), substitute the next regular business day.

Line 8: How to Compute Underpayment: If

line 8 results in an underpayment, refer to line 9 to determine if the exception will avoid the penalty.

Line 9: Penalty Exception: No penalty will be imposed if your tax payments (amount on line 7) were made on or before the prescribed dates for payment and equal or exceed the amount determined under the following exception.

Prior Year's Tax: If your tax payments equal or exceed the tax on your 2017 tax return, no penalty will be imposed. Your 2017 return must have covered a period of 12 months.

Lines 10 and 11: How to Compute the Penalty: If your tax payments (amount on line 7) do not equal or exceed the amount determined under the exception on line 9, complete lines 10 and 11 to determine the amount of penalty.

To compute penalty, use the following formula:

Penalty (line 11) = daily % rate x number of days (line 10) x underpayment (line 8)

The daily percentage rate is:
- **7%** per annum = 0.019178% per day (01/01/19 - 12/31/19)

Waiver of Penalty: The underpayment of estimated tax penalty may be waived if the underpayment was due to casualty, disaster, or other unusual circumstances. The penalty may also be waived if the taxpayer retired at age 62 or later, or became disabled in the tax year for which the estimated payments were required, and such underpayment was due to reasonable cause and not to willful neglect.