

Who Must File and Pay

Every corporation with more than \$1,000 in tax due after credits must file and pay estimated tax.

Failure to make estimated payments may result in a penalty for underpayment of estimated tax. See IA 2220.

Installments must be made electronically when total corporate tax liability for the tax year prior to the tax year just completed exceeds \$80,000.

Payment options include Modernized e-File (MeF), govconnect.iowa.gov, ACH Credit, or payment by check. Visit the Department's website (tax.iowa.gov) for payment information.

Note: This form is only for corporations. Financial institutions subject to the franchise tax should use IA 1120F ES Worksheet.

Payments of Estimated Tax

Dates for paying estimated tax in equal installments are:

- The last day of the fourth month of the calendar or fiscal year.
- The last day of the sixth month of the calendar or fiscal year.
- The last day of the ninth month of the calendar or fiscal year.
- The last day of the twelfth month of the calendar or fiscal year.

Note: If a period or due date ends on a weekend or holiday as defined in Iowa Code section 421.9A, substitute the next regular business day.

Overpayment Credit for Iowa Corporation Income Tax Return

If you had an overpayment on your prior-period income tax return and timely elected to apply it as a credit to your estimated income tax for the current period, the amount will be automatically posted from your prior-period Iowa income tax return to your estimated tax account.

Note: If you elect on your Iowa corporation income tax return to have your overpayment refunded, the refund will be processed automatically; it is not necessary to file a separate claim for refund.

Use the Estimated Tax Payment Schedule to Record and Apply Your Credit

If the credit equals or exceeds the estimated tax liability for the first installment, the balance of the estimated tax can be paid in full or in equal installments beginning with installment two. Do not send installment forms if your current-period estimate is paid in full, either by overpayment credit from your prior-period income tax return or by estimated payments already submitted.

How to Complete Worksheet and Installments

1. Fill out the worksheet on the second page of these instructions. If the tax after credits on line 16 is less than \$1,000, you do not have to file and pay estimated tax.
2. Enter the amount from line 19 into column B of the Estimated Tax Payment Schedule. Enter any applicable overpayment in column C. Subtract column C from the amount in column B and enter the difference in column D. Also enter the amount from column D on the "Payment Amount" line on the IA 1120ES.
3. Enter the corporation's name, address, and taxpayer identification number in the space provided on the IA 1120ES.
4. Detach the installment.
5. For each remaining installment, complete steps 2-4.

Mail: Iowa Department of Revenue
PO Box 10466
Des Moines Iowa 50306-0466

Make checks payable to "Iowa Department of Revenue."

How to Amend Your Estimated Tax

You may find after having filed and paid one or more installments that your estimated Iowa income tax has substantially changed. If this happens:

1. Re-compute the estimated tax payments remaining in your tax year.
2. Update the Estimated Tax Payment Schedule for the quarters remaining.
3. Follow steps 3-5 from above using the revised figures for the remaining quarters.

1. Taxable income from federal return 1. \$ _____

2. Total additions from IA 1120, Schedule A 2. \$ _____

3. Net income after additions. Add lines 1 and 2 3. \$ _____

4. Total reductions from IA 1120, Schedule A 4. \$ _____

5. Net Income after reductions. Subtract line 4 from line 3..... 5. \$ _____

6. Nonbusiness income from IA 1120, Schedule D, line 17 6. \$ _____

7. Income subject to apportionment. Subtract line 6 from line 5..... 7. \$ _____

8. Business Activity Ratio..... 8. _____ %

9. Apportioned income. Multiply line 7 by line 8..... 9. \$ _____

10. Nonbusiness income allocable to Iowa from IA 1120, Schedule D, line 8 10. \$ _____

11. Income before Iowa net operating loss carryforward. Add lines 9 and 10.11. \$ _____

12. Iowa net operating loss carryforward from IA 1120, line 12 12. \$ _____

13. Income subject to tax. Subtract line 12 from line 11 13. \$ _____

14. Computed tax. Use Tax Rates below 14. \$ _____

15. Total credits 15. \$ _____

16. Tax after credits. Subtract line 15 from line 14 16. \$ _____

17. Payments previously made for current period estimated tax..... 17. \$ _____

18. Unpaid balance. Subtract line 17 from line 16 18. \$ _____

19. Computation of installment. If first installment is to be filed on:

- last day of the 4th month, enter 1/4 of line 18, or..... \$ _____
- last day of the 6th month, enter 1/3 of line 18, or..... \$ _____
- last day of the 9th month, enter 1/2 of line 18, or..... \$ _____
- last day of the 12th month, enter all of line 18 \$ _____

Tax Rates – If income shown on line 13 is:

For tax years beginning on or after January 1, 2023, and before January 1, 2024:

- \$0 - \$100,000: Multiply line 13 by 5.5%
- Over \$100,000: Multiply line 13 by 8.4% and subtract \$2,900

For tax years beginning on or after January 1, 2024:

- \$0 - \$100,000: Multiply line 13 by 5.5%
- Over \$100,000: Multiply line 13 by 7.1% and subtract \$1,600

Estimated Tax Payment Schedule

A Date	B Computed installment (line 19)	C Prior period overpayment	D Amount to be paid (column B less column C)
1.			
2.			
3.			
4.			