

See the Department's website for additional information regarding 2024 taxes: tax.iowa.gov

**Who needs to file and pay estimates:** Every individual or married couple filing a joint Iowa return that expects to have a tax liability of \$200 or more from income not subject to withholding.

Each individual required to make estimated payments must file an estimated payment under their name and Social Security Number.

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

For fiscal year filers, the dates for paying the estimated tax are the last day of the fourth, sixth, and ninth months of the fiscal year, and the last day of the first month of the next fiscal year.

**How to compute estimated taxes:** Compute estimated tax by using one of the following methods:

- Pay 100% of the prior year's Iowa tax liability from IA 1040, line 18, less applicable credits; or
- Pay 110% of the prior year's Iowa tax liability from IA 1040, line 18, less applicable credits, if prior year's federal adjusted gross income (AGI) plus any bonus depreciation adjustment/section 179 from IA 1040 Schedule 1, line 9 and all other Iowa net income decoupling, exceeded \$150,000 (\$75,000 if married filing separately); or
- Complete the traditional worksheet provided on page 2.

**Overpayment credit:** If you had a refund on your 2023 Iowa income tax return and elected to apply it as a credit to your estimated tax, the amount is automatically posted as an estimated credit for 2024. Use the Estimated Tax Payment Schedule to record and apply the credit. If the credit equals or exceeds the first estimated payment, do not send an estimated voucher until a payment is due.

**Amending estimated tax:** If your income changes during the year, adjust the estimated tax for the remaining quarters accordingly.

**Underpayment of estimated tax:** A penalty for underpayment of estimated tax may apply if sufficient estimated payments are not submitted, regardless of the computation method used in calculating the estimated tax liability. See form IA 2210 for penalty exceptions.

## EXCEPTIONS

### Nonresidents:

**Composite Tax:** If a nonresident partner, shareholder, or beneficiary ("member") is included on a pass-through entity's (partnership, S corporation, estate, or trust) composite return under Iowa Code section 422.16B, the nonresident member is not required to pay estimated tax on their distributive share of income from that pass-through entity. If a nonresident member is exempt from inclusion on the composite return or is excluded from the composite return pursuant to a 2024 Nonresident Member Composite Agreement (41-175) signed

by the member and the entity, the nonresident member must include their distributive share of pass-through income in the calculation of their estimated tax. To obtain the 2024 Nonresident Member Composite Agreement form, visit the Department's website.

**Pass-through Entity Tax (PTET):** A nonresident partner or shareholder of a pass-through entity that elects to pay tax at the entity level is not required to pay estimated tax on their distributive share of income from that pass-through entity.

**Other non-wage income:** For Iowa-source income other than income from wages or a pass-through entity, Iowa law provides that nonresidents have the option of having Iowa income tax withheld or paying estimated income tax. If paying estimated tax is preferred, a release from withholding must be obtained prior to receipt of income. Complete the Nonresident Request for Release from Withholding form (44-017). To obtain this form, see the Department's website. Submit the form with the tax payment and installment voucher to the Department at the address on the voucher. A release may then be furnished to the payer from the Department, based on the information provided.

**Farmers and Fishers:** If two-thirds or more of estimated gross income is from farming or commercial fishing, two additional options are available:

- Pay the estimated tax in one payment on or before January 15, 2025 and file the Iowa income tax return by April 30, 2025; or
- File the Iowa income tax return and pay the tax due in full on or before March 1, 2025.

Those qualifying to make fewer than four estimated payments should use the installment voucher for the quarter from which the Iowa-source income was generated.

### Low income exemption from tax:

**Taxpayers 65 years of age or older:** You are exempt if: (1) You are single and your Iowa taxable income is \$24,000 or less, or (2) Your filing status is other than single and your combined Iowa taxable income is \$32,000 or less. Only one spouse must be 65 or older to qualify for the exemption.

**Taxpayers under 65 years of age:** You are exempt if: (1) You are single or married filing separately and your Iowa taxable income is \$9,000 or less and you are not claimed as a dependent on another person's Iowa return, or (2) Your filing status is other than single or married filing separately and your combined Iowa taxable income is \$13,500 or less.

**Married Separate Filers:** If you and your spouse's combined income exceeds \$13,500, neither of you qualify for the low-income exemption.

**Note:** The amount of any itemized or standard deduction not to exceed federal AGI, net operating loss carryover, QBI deduction, and lump-sum tax distributions of taxable income must be added back to Iowa taxable income for purposes of determining the low-income exemption regardless of age.

If opting to use one of the methods other than the traditional worksheet, proceed to number 16 of the traditional worksheet under "Quarterly Estimated Tax Computation."

**Traditional Worksheet - for taxpayer records ONLY**

1. Federal taxable income. Report income for both spouses if filing a joint Iowa return ..... 1. \_\_\_\_\_
2. Iowa modifications to federal taxable income ..... 2. \_\_\_\_\_
3. Iowa taxable income. Add lines 1 and 2. If less than zero, you do not owe estimated income tax ..... 3. \_\_\_\_\_
4. Compute income tax using 2024 Tax Rate Schedule below ..... 4. \_\_\_\_\_
5. Iowa lump-sum tax ..... 5. \_\_\_\_\_
6. Total estimated tax liability. Add lines 4 and 5 ..... 6. \_\_\_\_\_
7. Total credits. Personal and dependent exemptions, tuition and textbook credit, firefighter/EMS/reserve peace officer credit ..... 7. \_\_\_\_\_
8. Balance. Subtract line 7 from line 6. If you are a resident, skip line 9 ..... 8. \_\_\_\_\_
9. Nonresidents. Enter amount of Iowa-source net income ..... 9. \_\_\_\_\_
10. Percentage of Iowa income vs. total income. Nonresidents divide line 9 by line 1, round to the nearest ten-thousandth of a percent (e.g. 12.3456%). Iowa residents enter 100% ..... 10. \_\_\_\_\_ %
11. Estimated Iowa tax. Multiply line 8 by line 10 ..... 11. \_\_\_\_\_
12. Out-of-state tax credit and any other nonrefundable Iowa credits ..... 12. \_\_\_\_\_
13. Balance. Subtract line 12 from line 11 ..... 13. \_\_\_\_\_
14. Total Iowa credits: fuel tax, child and dependent care or early childhood development, Iowa earned income tax credit, other refundable Iowa credits, composite, PTET, and withholding ..... 14. \_\_\_\_\_
15. Estimated tax. Subtract line 14 from line 13.  
Do not file estimated taxes if line 15 is less than \$200.  
If line 15 exceeds \$200, continue to line 16 directly below ..... 15. \_\_\_\_\_

**Quarterly Estimated Tax Computation**

16. If the estimated tax exceeds \$200, enter 100% (110% if high income taxpayer) of the prior year's tax liability, or the amount from line 15 on the above worksheet ..... 16. \_\_\_\_\_
17. Multiply line 16 by 25% (.25). This is your quarterly estimated payment amount. Enter this amount into column A, lines 1 through 4, on the Estimated Tax Payment Schedule below ..... 17. \_\_\_\_\_

**2024 Tax Rate Schedule**

Taxable income:

Single, Head of Household, Married Filing Separately, or Qualifying Surviving Spouse with dependent child					Married Filing Jointly:				
Over	But not over		Of excess over	Over	But not over		Of excess over		
0	6,210	\$0 plus 4.40%	0	0	12,420	\$0 plus 4.4%	0		
6,210	31,050	\$273.24 plus 4.82%	6,210	12,420	62,100	\$546.48 plus 4.82%	12,420		
31,050		\$1,470.53 plus 5.70%	31,050	62,100		\$2941.06 plus 5.7%	62,100		

**Estimated Tax Payment Schedule**

Date	A Computed Installment	B Refund Carryforward/ Prior Period Overpayment	C Amount to be Paid (column A less column B)
Installment 1 04/30/2024			
Installment 2 06/30/2024			
Installment 3 09/30/2024			
Installment 4 01/31/2025			

**Example on how to compute estimated tax:**

The taxable income of a single taxpayer is \$24,000.  
 The calculation = \$273.24 + [4.82% x (\$24,000 - \$6,210)].  
 The result = \$857.48 + \$273.24 = \$1130.72.