Who Must File and Pay
This form should be used to determine estimated tax payments for S corporations who elect to be subject to Iowa Pass-through Entity Tax (PTET) or have built-in gains or excess passive loss income subject to tax. Every S 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.

Note: This form is only for S corporations. Corporations should use IA 1120 ES Worksheet. S corporations that are financial institutions subject to the franchise tax should also use the 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.

Iowa Code section 422.86 provides information for determining whether and when quarterly installments are due.

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 Iowa 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 tax return to your estimated tax account.

Note: If you elect on your Iowa S 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 installments 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 19 is less than $1,000, you do not have to file and pay estimated tax.
2. Enter the amount from line 22 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

Payment options include Modernized e-File (MeF), govconnect.iowa.gov, ACH Credit, or payment by check. Visit the Department's website (revenue.iowa.gov) for payment information. Do not send cash. Submit a voucher if making a payment by check. Vouchers are available on GovConnect.Iowa.gov.

Mail installments to:
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.

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1. Federal Schedule K income (Federal Schedule K, lines 1-10).................. 1. $ _____
2. Section 179 deduction from federal Schedule K, line 11 .... 2. $ _____
3. Other deductions from federal Schedule K, line 12
   (do not include informational amounts)... 3. $ _____
4. Net federal Schedule K income, Subtract lines 2 and 3 from 1 .... 4. $ _____
5. Iowa additions from IA 1120S, Schedule A .... 5. $ _____
6. Iowa reductions from IA 1120S, Schedule A .... 6. $ _____
7. Net Iowa modifications. Subtract line 6 from line 5................................. 7. $ _____
8. All-source S corporation distributive items for Iowa tax purposes.
   Add lines 4 and 7 .... 8. $ _____
9. Nonbusiness income from IA 1120S, Schedule D, line 17 .... 9. $ _____
10. Income subject to apportionment. Subtract line 9 from line 8................. 10. $ _____
11. Business Activity Ratio from Schedule E... 11. _____ %
12. Income apportioned to Iowa. Multiply line 10 by line 11 .... 12. $ _____
13. Nonbusiness income allocable to Iowa from Schedule D, line 8 .... 13. $ _____
14. Iowa-source S corporation distributive items. Add lines 12 and 13 .... 14. $ _____
15. PTET (if you are making a PTET election)
    a. Computed PTET. Multiply line 14 by 3.8% .... 15a. $ _____
    b. Franchise tax credit. Enter amount from your IA 1120F, line 14 ..... 15b. $ _____
    c. Net PTET. Subtract line 15b from line 15a .... 15c. $ _____
16. Built-in Gains or Passive Investment Income Tax
    a. Net recognized built-in gains and excess net passive income .... 16a. $ _____
    b. Built-in gains/passive income apportioned to Iowa.
       Multiply line 16a by line 11... 16b. $ _____
    c. Iowa net operating loss carryforward from C corporation years .... 16c. $ _____
    d. Built-in gains/passive income subject to Iowa tax.
       Subtract line 16c from line 16b .... 16d. $ _____
    e. Computed tax on built-in gains/passive income.
       Use Tax Rates below.. 16e. $ _____
    f. Remaining credit carryforward from C corporation years .... 16f. $ _____
    g. Tax after credits. Subtract line 16f from line 16e .... 16g. $ _____
17. Total tax. Add lines 15c and 16g... 17. $ _____
18. Total PTET/Composite credits available to S corporation .... 18. $ _____
19. Tax after credits. Subtract line 18 from line 17 .... 19. $ _____
20. Payments previously made for current period estimated tax.................. 20. $ _____
21. Unpaid balance. Subtract line 20 from line 19 .... 21. $ _____
22. Computation of installment. If first installment is to be filed on:
    ● last day of the 4th month, enter 1/4 of line 21, or.........................$ _____
    ● last day of the 6th month, enter 1/3 of line 21, or.........................$ _____
    ● last day of the 9th month, enter 1/2 of line 21, or.........................$ _____
    ● last day of the 12th month, enter all of line 21 ....$ _____

Tax Rates – If income shown on line 16d is:

For tax years beginning on or after January 1, 2024:
    ● $0 - $100,000: Multiply line 16d by 5.5%
    ● Over $100,000: Multiply line 16d by 7.1% and subtract $1,600

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S Corporation Estimated Income Worksheet
Keep for your records
revenue.iowa.gov

Estimated Tax Payment Schedule

A Date	B Computed installment (line 22)	C Prior period overpayment	D Amount to be paid (column B less column C)
1.			
2.			
3.			
4.			