

▶ See separate instructions.  
▶ Attach to the corporation's tax return.

Name	Employer identification number
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**Note:** In most cases, the corporation **does not** need to file Form 2220. The IRS will figure any penalty owed and bill the corporation. File Form 2220 **only** if one or more boxes in Part I apply to the corporation. If the corporation does not need to file Form 2220, it may still use it to figure the penalty. Enter the amount from line 36, Part III, on the penalty line of the corporation's income tax return, but do not attach Form 2220.

**Part I Reasons For Filing**—Check the boxes below that apply to the corporation. If any box is checked, the corporation must file Form 2220 with the corporation's tax return, even if it does not owe the penalty. If the box on line 1 or line 2 applies, the corporation may be able to lower or eliminate the penalty. See instructions.

- 1  The corporation is using the annualized income installment method.
- 2  The corporation is using the adjusted seasonal installment method.
- 3  The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

**Part II Figuring the Underpayment**

<b>4</b> Total tax (see instructions) . . . . .					<b>4</b>
<b>5a</b> Personal holding company tax included on line 4 (Schedule PH (Form 1120), line 26).	<b>5a</b>				
	<b>b</b> Interest due under the look-back method of section 460(b)(2) for completed long-term contracts included on line 4 . . . . .	<b>5b</b>			
		<b>5c</b>			
<b>c</b> Credit for Federal tax paid on fuels (see instructions) . . . . .					<b>5d</b>
<b>d Total.</b> Add lines 5a through 5c . . . . .					<b>5d</b>
<b>6</b> Subtract line 5d from line 4. If the result is less than \$500, <b>do not</b> complete or file this form. The corporation does not owe the penalty . . . . .					<b>6</b>
<b>7</b> Enter the tax shown on the corporation's 1994 income tax return. ( <b>CAUTION: See the instructions before completing this line.</b> ) . . . . .					<b>7</b>
<b>8</b> Enter the <b>smaller</b> of line 6 or line 7. If the corporation is required to skip line 7, enter the amount from line 6 on line 8 . . . . .					<b>8</b>
<b>9</b> <b>Installment due dates.</b> Enter in columns (a) through (d) the 15th day of the 4th, 6th, 9th, and 12th months of the corporation's tax year. . . . . ▶	<b>9</b>	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
<b>10</b> <b>Required installments.</b> If the box on line 1 or line 2 above is checked, enter the amounts from Schedule A, line 41. If the box on line 3 (but not 1 or 2) is checked, see the instructions for the amounts to enter. If none of these boxes is checked, enter 25% of line 8 in each column . . . . .					
	<b>10</b>				
<b>11</b> Estimated tax paid or credited for each period (see instructions). For column (a) only, enter the amount from line 11 on line 15 . . . . .	<b>11</b>				
<b>Complete lines 12 through 18 of one column before going to the next column.</b>					
<b>12</b> Enter amount, if any, from line 18 of the preceding column	<b>12</b>				
<b>13</b> Add lines 11 and 12 . . . . .	<b>13</b>				
<b>14</b> Add amounts on lines 16 and 17 of the preceding column.	<b>14</b>				
<b>15</b> Subtract line 14 from line 13. If zero or less, enter -0-	<b>15</b>				
<b>16</b> If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0- . . . . .	<b>16</b>				
<b>17</b> <b>Underpayment.</b> If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18 (see instructions) . . . . .	<b>17</b>				
<b>18</b> <b>Overpayment.</b> If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column. . . . .	<b>18</b>				

**Complete Part III on page 2 to figure the penalty. If there are no entries on line 17, no penalty is owed.**

**Part III Figuring the Penalty**

	(a)	(b)	(c)	(d)
<b>19</b> Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions). (Form 990-PF and Form 990-T filers: Use 5th month instead of 3rd month.) . . . . .				
<b>20</b> Number of days from due date of installment on line 9 to the date shown on line 19 . . . . .				
<b>21</b> Number of days on line 20 after 4/15/95 and before 7/1/95 . . . . .				
<b>22</b> Underpayment on line 17 $\times \frac{\text{Number of days on line 21}}{365} \times 10\%$ . . . . .	\$	\$	\$	\$
<b>23</b> Number of days on line 20 after 6/30/95 and before 1/1/96 . . . . .				
<b>24</b> Underpayment on line 17 $\times \frac{\text{Number of days on line 23}}{365} \times 9\%$ . . . . .	\$	\$	\$	\$
<b>25</b> Number of days on line 20 after 12/31/95 and before 4/1/96 . . . . .				
<b>26</b> Underpayment on line 17 $\times \frac{\text{Number of days on line 25}}{366} \times 9\%$ . . . . .	\$	\$	\$	\$
<b>27</b> Number of days on line 20 after 3/31/96 and before 7/1/96 . . . . .				
<b>28</b> Underpayment on line 17 $\times \frac{\text{Number of days on line 27}}{366} \times *%$ . . . . .	\$	\$	\$	\$
<b>29</b> Number of days on line 20 after 6/30/96 and before 10/1/96 . . . . .				
<b>30</b> Underpayment on line 17 $\times \frac{\text{Number of days on line 29}}{366} \times *%$ . . . . .	\$	\$	\$	\$
<b>31</b> Number of days on line 20 after 9/30/96 and before 1/1/97 . . . . .				
<b>32</b> Underpayment on line 17 $\times \frac{\text{Number of days on line 31}}{366} \times *%$ . . . . .	\$	\$	\$	\$
<b>33</b> Number of days on line 20 after 12/31/96 and before 2/16/97 . . . . .				
<b>34</b> Underpayment on line 17 $\times \frac{\text{Number of days on line 33}}{365} \times *%$ . . . . .	\$	\$	\$	\$
<b>35</b> Add lines 22, 24, 26, 28, 30, 32, and 34 . . . . .	\$	\$	\$	\$
<b>36 Penalty.</b> Add columns (a) through (d), line 35. Enter here and on line 33, Form 1120; line 29, Form 1120-A; or comparable line for other income tax returns . . . . .				<b>36</b> \$

\*If the corporation's tax year ends after December 31, 1995, see the instructions for lines 28, 30, 32, and 34.

**Schedule A** Required Installments Using the Annualized Income Installment Method and/or the Adjusted Seasonal Installment Method Under Section 6655(e) (see instructions)

**Form 1120S filers:** For lines 2, 14, 15, and 16, below, "taxable income" refers to excess net passive income or the amount on which tax is imposed under section 1374(a) (or the corresponding provisions of prior law), whichever applies.

<b>Part I—Annualized Income Installment Method</b>		(a)	(b)	(c)	(d)
		First _____ months	First _____ months	First _____ months	First _____ months
<b>1</b>	Annualization period (see instructions).	<b>1</b>			
<b>2</b>	Enter taxable income for each annualization period.	<b>2</b>			
<b>3</b>	Annualization amount (see instructions).	<b>3</b>			
<b>4</b>	Annualized taxable income. Multiply line 2 by line 3.	<b>4</b>			
<b>5</b>	Figure the tax on the amount in each column on line 4 using the instructions for Form 1120, Schedule J, line 3 (or the comparable line of the tax return).	<b>5</b>			
<b>6</b>	Enter other taxes for each payment period (see instructions).	<b>6</b>			
<b>7</b>	Total tax. Add lines 5 and 6.	<b>7</b>			
<b>8</b>	For each period, enter the same type of credits as allowed on Form 2220, lines 4 and 5c (see instructions).	<b>8</b>			
<b>9</b>	Total tax after credits. Subtract line 8 from line 7. If zero or less, enter -0-.	<b>9</b>			
<b>10</b>	Applicable percentage.	<b>10</b>	25%	50%	75%
<b>11</b>	Multiply line 9 by line 10.	<b>11</b>			
<b>12</b>	Add the amounts in all preceding columns of line 41 (see instructions).	<b>12</b>			
<b>13</b>	<b>Annualized income installments.</b> Subtract line 12 from line 11. If zero or less, enter -0-.	<b>13</b>			

**Part II—Adjusted Seasonal Installment Method (Caution: Use this method only if the base period percentage for any 6 consecutive months is at least 70%. See instructions for more information.)**

		(a)	(b)	(c)	(d)
		First 3 months	First 5 months	First 8 months	First 11 months
<b>14</b>	Enter taxable income for the following periods:				
<b>a</b>	Tax year beginning in 1992	<b>14a</b>			
<b>b</b>	Tax year beginning in 1993	<b>14b</b>			
<b>c</b>	Tax year beginning in 1994	<b>14c</b>			
<b>15</b>	Enter taxable income for each period for the tax year beginning in 1995.	<b>15</b>			
			First 4 months	First 6 months	First 9 months
<b>16</b>	Enter taxable income for the following periods:				Entire year
<b>a</b>	Tax year beginning in 1992	<b>16a</b>			
<b>b</b>	Tax year beginning in 1993	<b>16b</b>			
<b>c</b>	Tax year beginning in 1994	<b>16c</b>			
<b>17</b>	Divide the amount in each column on line 14a by the amount in column (d) on line 16a.	<b>17</b>			
<b>18</b>	Divide the amount in each column on line 14b by the amount in column (d) on line 16b.	<b>18</b>			
<b>19</b>	Divide the amount in each column on line 14c by the amount in column (d) on line 16c.	<b>19</b>			

		(a)	(b)	(c)	(d)
		First 4 months	First 6 months	First 9 months	Entire year
<b>20</b>	Add lines 17 through 19.				
<b>21</b>	Divide line 20 by 3.				
<b>22</b>	Divide line 15 by line 21.				
<b>23</b>	Figure the tax on the amount on line 22 using the instructions for Form 1120, Schedule J, line 3 (or the comparable line of the return).				
<b>24</b>	Divide the amount in columns (a) through (c) on line 16a by the amount in column (d) on line 16a.				
<b>25</b>	Divide the amount in columns (a) through (c) on line 16b by the amount in column (d) on line 16b.				
<b>26</b>	Divide the amount in columns (a) through (c) on line 16c by the amount in column (d) on line 16c.				
<b>27</b>	Add lines 24 through 26.				
<b>28</b>	Divide line 27 by 3.				
<b>29</b>	Multiply the amount in columns (a) through (c) of line 23 by columns (a) through (c) of line 28. In column (d), enter the amount from line 23, column (d).				
<b>30</b>	Enter other taxes for each payment period (see instructions).				
<b>31</b>	Total tax. Add lines 29 and 30.				
<b>32</b>	For each period, enter the same type of credits as allowed on Form 2220, lines 4 and 5c (see instructions).				
<b>33</b>	Total tax after credits. Subtract line 32 from line 31. If zero or less, enter -0-.				
<b>34</b>	Add the amounts in all preceding columns of line 41 (see instructions).				
<b>35</b>	<b>Adjusted seasonal installments.</b> Subtract line 34 from line 33. If zero or less, enter -0-.				

**Part III—Required Installments**

		1st installment	2nd installment	3rd installment	4th installment
<b>36</b>	If only one of the above parts is completed, enter the amount in each column from line 13 or line 35. If both parts are completed, enter the smaller of the amounts in each column from line 13 or line 35.				
<b>37</b>	Divide line 8, page 1 of Form 2220, by 4 and enter the result in each column. <b>(Note: "Large corporations" see the instructions for line 10, Part I, for the amount to enter.)</b>				
<b>38</b>	Enter the amount from line 40 of the preceding column.				
<b>39</b>	Add lines 37 and 38.				
<b>40</b>	If line 39 is more than line 36, subtract line 36 from line 39. Otherwise, enter -0-.				
<b>41</b>	<b>Required installments.</b> Enter the smaller of line 36 or line 39 here and on page 1 of Form 2220, line 10.				