

▶ This form is primarily for first-time filers of estimated tax.

1990

Paperwork Reduction Act Notice.— We ask for this information to carry out the Internal Revenue laws of the United States. We need it to ensure that taxpayers are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping**, 1 hr., 25 min.; **Learning about the law or the form**, 20 min.; **Preparing the form**, 1 hr., 16 min.; **Copying, assembling, and sending the form to IRS**, 10 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to the **Internal Revenue Service**, Washington, DC 20224, Attention: IRS Reports Clearance Officer, T:FP; or the **Office of Management and Budget**, Paperwork Reduction Project (1545-0087), Washington, DC 20503.

Item To Note.—See page 4 for details on some of the tax law changes effective for 1990.

Purpose of Form.—Use this form to figure and pay your estimated tax.

This form is primarily for first-time filers. After we receive your first payment-voucher, we will mail you a 1040-ES package (but continue to use the blank payment-vouchers on this form until you receive the 1040-ES package). Your name, address, and social security number will be preprinted on the vouchers. You should use these vouchers in making the **remaining** payments of estimated tax for the year. Using the preprinted vouchers will speed processing, reduce the chance of error, and help us save processing costs.

This form can also be used if you did not receive or if you lost your 1040-ES package. Complete the appropriate payment-voucher and mail it with your payment.

A. Who Must Make Estimated Tax Payments.

—These rules apply to U.S. citizens and residents. They also apply to residents of Puerto Rico, the Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa. (If you are a nonresident alien, use **Form 1040-ES (NR)**.)

Generally, you must pay estimated tax if you expect to owe, after subtracting your withholding and credits, at least \$500 in tax for 1990, and you expect your withholding and credits to be less than the **smaller** of:

- 90% of the tax shown on your 1990 tax return, **OR**
- 100% of the tax shown on your 1989 tax return** (assuming the return covered all 12 months).

Exceptions.—Generally, you do not have to pay estimated tax if your 1990 income tax return will show (1) a tax refund, or (2) a tax balance due of less than \$500. Also, you do not have to pay estimated tax if you were a

U.S. citizen or resident and you had no tax liability for the full 12-month preceding tax year.

If you have to make estimated tax payments and receive salaries and wages, you may not have enough tax withheld during the year. To avoid making estimated tax payments, consider asking your employer to take more tax out of your earnings. To do this, file a new **Form W-4**, Employee's Withholding Allowance Certificate, with your employer to make sure you will not owe \$500 or more in tax.

B. How To Figure Your Estimated Tax.—Use the **1990 Estimated Tax Worksheet** on page 3, the instructions and the **1990 Tax Rate Schedules** on page 4, and your 1989 tax return as a guide for figuring your estimated tax. See the 1989 Instructions for Form 1040 for information on figuring your income, deductions, and credits, including the taxable amount of **social security benefits**.

Note: You may not make joint estimated tax payments if: (1) either you or your spouse is a nonresident alien, (2) you are separated under a decree of divorce or separate maintenance, or (3) you and your spouse have different tax years.

Line 7—Additional taxes.—Enter on line 7 any additional taxes from:

- **Form 4970**, Tax on Accumulation Distribution of Trusts, **OR**
- **Form 4972**, Tax on Lump-Sum Distributions.

Line 9—Credits.—For details on credits you may take, see the 1989 Form 1040, lines 41 through 46, and the related instructions.

Line 11—Self-employment tax.—If you and your spouse make joint estimated tax payments and both have self-employment income, figure the estimated self-employment tax separately. Enter the total amount on line 11.

Beginning in 1990, you can take a new deduction in figuring the amount of your net earnings from self-employment. This deduction is allowed only in figuring your self-employment tax. To figure your deduction for 1990, multiply your estimated net earnings from self-employment by .0765. Subtract the deduction from your estimated net earnings and enter the result in the space provided next to line 11.

Line 12—Other taxes.—Enter any other taxes such as recapture of investment credit, tax on early distributions (Form 5329, Part II, only), and alternative minimum tax. For details, see pages 18 and 19 of the 1989 Instructions for Form 1040. You do not have to include social security tax on tip income not reported to your employer or uncollected employee social security and RRTA tax on tips.

C. How to Use the Payment-Voucher.—Each payment-voucher has the date when the voucher is due for calendar year taxpayers. Please use the correct voucher.

(1) Enter your name, address, and social security number in the space provided on the payment-voucher. If you are filing a joint payment-voucher, your spouse's name and social security number should be included on the voucher.

(2) Enter the net amount of your payment on line 1 of the payment-voucher. If you paid too much tax on your 1989 Form 1040, you may have chosen to apply the overpayment to your estimated tax for 1990. If so, you may apply all or part of the overpayment to any voucher. **Send the payment-voucher to IRS ONLY when you are making a payment.**

(3) Enclose, but please do not staple or attach, your check or money order with the payment-voucher. Make the check or money order payable to "Internal Revenue Service" (not "IRS"). Write your social security number and "**1990 Form 1040-ES**" on your check or money order. **Do not** include any balance due on your Form 1040 with your check for estimated tax. Fill in the **Record of Estimated Tax Payments** on page 2 so you will have a record of your payments.

(4) Mail your payment-voucher to the address for the place where you live shown on page 2.

D. When To Pay Your Estimated Tax.—In general, you must make your first estimated tax payment by April 16, 1990. The April 16th date applies whether or not you are outside the United States and Puerto Rico on April 16. You may either pay all of your estimated tax at that time or pay in four equal amounts that are due by April 16, 1990; June 15, 1990; September 17, 1990; and January 15, 1991. Exceptions to these rules are listed below.

1. Other payment dates.—In some cases, such as a change in income, you may have to make your first estimated tax payment after April 16, 1990. The payment dates are as follows:

If the requirement to pay estimated tax is met after:

- | | Payment date is: |
|---------------------------------|-------------------------|
| ● March 31 and before
June 1 | June 15, 1990 |
| ● May 31 and before
Sept. 1 | Sept. 17, 1990 |
| ● August 31 | Jan. 15, 1991 |

Note: You may use the **Amended Estimated Tax Schedule** on page 3 to figure your amended estimated tax.

If the first payment you are required to make is due:

- June 15, 1990, enter $\frac{1}{2}$;
- September 17, 1990, enter $\frac{3}{4}$;
- January 15, 1991, enter all of line 16 (minus any 1989 overpayment applied to this installment) on line 17 of the worksheet and on line 1 of the payment-voucher.

If you file your 1990 Form 1040 by January 31, 1991, and pay the entire

(Continued on page 2)

balance due, then you do not have to make the payment that would otherwise be due January 15, 1991.

2. Farmers and fishermen.—If at least two-thirds of your gross income for 1989 or 1990 is from farming or fishing, you may do one of the following:

- Pay all of your estimated tax by January 15, 1991; OR
- File Form 1040 for 1990 by March 1, 1991, and pay the total tax due. In this case, you do not need to make estimated tax payments for 1990.

3. Fiscal year.—If your return is on a fiscal year basis, your due dates are the 15th day of the 4th, 6th, and 9th months of your fiscal year and the 1st month of the following fiscal year. If any date falls on a Saturday, Sunday, or legal holiday, use the next regular workday.

E. Penalty for Not Paying Enough Estimated Tax.—You may be charged a penalty for not paying enough estimated tax, or for not making the payments on time in the required amount, even if you have an overpayment on your tax return. The penalty does not apply if each required payment is timely and the total tax paid is at least equal to the **smallest** of the following three amounts:

1. 90% (66⅔% for farmers and fishermen) of the amount of income tax (including alternative minimum tax) and self-employment tax due as shown on your return for 1990, or 90% of the tax due if no return was filed; **OR**

2. 100% of the tax shown on your return for 1989 (you must have filed a return for 1989 and it must have been for a full 12-month year); **OR**

3. 90% of the tax figured by annualizing the taxable income, alternative minimum taxable income, and adjusted self-employment income received for the months ending before the due date of the installment.

Note: The penalty may be waived under certain conditions. Get **Pub. 505, Tax Withholding and Estimated Tax**, for details.

Caution: You may be required to make payments of past due amounts to avoid further penalty. You may have to make these payments if you do not make your estimated tax payments on time, or if you did not pay the correct amount for a previous payment date.

Example: On June 1, 1990, you find out that you should have made an estimated tax payment for April 16. You should immediately fill out the payment-voucher due April 16, 1990, and send in the required amount (¼ x 1990 estimated tax).

For more details about the penalty, get **Pub. 505.**

If you changed your name because of marriage, divorce, etc., and you made estimated tax payments using your old name, you should attach a statement to the front of your 1990 Form 1040. In it, explain all the estimated tax payments you and your spouse made for 1990, the address where you made the payments, and the name(s) and social security number(s) under which you made payments.

F. Where To File Your Payment-Voucher.—Mail your payment-voucher to the Internal Revenue Service at the following address. **Do not** mail your tax return to these addresses. Also do not mail your estimated tax payments to the address shown in the Form 1040 or 1040A/1040EZ instructions.

Note: For proper delivery of your estimated tax payment, you must include the P.O. box number in the address.

If you are located in: Use this address:

New Jersey, New York (New York City and counties of Nassau, Rockland, Suffolk, and Westchester) P.O. Box 162 Newark, NJ 07101-0162

New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont P.O. Box 371999 Pittsburgh, PA 15250-7999

Delaware, District of Columbia, Maryland, Pennsylvania, Virginia P.O. Box 8318 Philadelphia, PA 19162-0825

Florida, Georgia, South Carolina P.O. Box 62001 Philadelphia, PA 19162-0300

Indiana, Kentucky, Michigan, Ohio, West Virginia P.O. Box 7422 Chicago, IL 60680-7422

Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee P.O. Box 371300M Pittsburgh, PA 15250-7300

Illinois, Iowa, Minnesota, Missouri, Wisconsin P.O. Box 6413 Chicago, IL 60680-6413

Kansas, New Mexico, Oklahoma, Texas P.O. Box 970001 St. Louis, MO 63197-0001

Alaska, Arizona, California (counties of Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba), Colorado, Idaho, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming P.O. Box 450001 San Francisco, CA 94145-4501

California (all other counties), Hawaii P.O. Box 54030 Los Angeles, CA 90054-0030

American Samoa P.O. Box 8318 Philadelphia, PA 19162-0825

Guam Commissioner of Revenue and Taxation 855 West Marine Drive Agana, GU 96910

The Commonwealth of the Northern Mariana Islands P.O. Box 8318 Philadelphia, PA 19162-0825

Puerto Rico (or if excluding income under section 933) P.O. Box 8318 Philadelphia, PA 19162-0825
Virgin Islands: Nonpermanent residents

Virgin Islands: Permanent residents V.I. Bureau of Internal Revenue Lockharts Garden No. 1A Charlotte Amalie St. Thomas, VI 00802

All A.P.O. or F.P.O. addresses P.O. Box 8318 Philadelphia, PA 19162-0825

Foreign country: U.S. citizens and those filing Form 2555 or Form 4563 P.O. Box 8318 Philadelphia, PA 19162-0825

Record of Estimated Tax Payments

Payment number	(a) Date	(b) Amount	(c) 1989 overpayment credit applied	(d) Total amount paid and credited (add (b) and (c))
1				
2				
3				
4				
Total ▶				

Note: If you are not required to make the estimated tax payment due April 16, 1990, at this time, you may have to make a payment by a later date. See **Other payment dates** on page 1.

Amended Estimated Tax Schedule (Use if your estimated tax changes during the year.)

1	Amended estimated tax			1		
2a	Amount of 1989 overpayment chosen for credit to 1990 estimated tax and applied to date					
2b						
b	Estimated tax payments to date					
c	Add lines 2a and 2b			2c		
3	Unpaid balance (subtract line 2c from line 1) (see instructions D.1 and E on pages 1 and 2)			3		

1990 Estimated Tax Worksheet (Keep for Your Records—Do Not Send to Internal Revenue Service)

1	Enter amount of adjusted gross income you expect in 1990			1		
2	If you plan to itemize deductions, enter the estimated total of your deductions. If you do not plan to itemize deductions, see Standard Deduction for 1990 on page 4. Enter your standard deduction here			2		
3	Subtract line 2 from line 1. Enter the result here			3		
4	Exemptions. Multiply \$2,050 by the number of personal exemptions. If you can be claimed as a dependent on another person's 1990 return, your personal exemption is not allowed			4		
5	Subtract line 4 from line 3			5		
6	Tax. Figure your tax on line 5 by using the 1990 Tax Rate Schedules on page 4. DO NOT use the Tax Table or the Tax Rate Schedules in the 1989 Form 1040 Instructions.			6		
7	Enter any additional taxes (see line 7 instructions)			7		
8	Add lines 6 and 7			8		
9	Credits (see line 9 instructions)			9		
10	Subtract line 9 from line 8. Enter the result, but not less than zero			10		
11	Self-employment tax. Estimate of 1990 net earnings from self-employment \$ _____; if \$51,300 or more, enter \$7,848.90; if less, multiply the amount by .153 (see line 11 instructions)			11		
12	Other taxes (see line 12 instructions)			12		
13a	Add lines 10 through 12			13a		
b	Earned income credit and credit from Form 4136			13b		
c	Total estimated tax. Subtract line 13b from line 13a. Enter the result, but not less than zero			13c		
14a	Enter 90% (66 $\frac{2}{3}$ % for farmers and fishermen) of line 13c	14a				
b		Enter 100% of the tax shown on your 1989 tax return	14b			
c	Enter the smaller of line 14a or 14b. This is your required annual payment			14c		
	Caution: Generally, if you do not prepay at least the amount on line 14c, you may be subject to a penalty for not paying enough estimated tax. To avoid a penalty, make sure your estimate on line 13c is as accurate as possible. If you are unsure of your estimate and line 14a is smaller than line 14b, you may want to pay up to the amount shown on line 14b. If you prefer, you may pay 100% of your estimated tax (line 13c). For more information, get Pub. 505.					
15	Income tax withheld and estimated to be withheld (including income tax withholding on pensions, annuities, certain deferred income, etc.) during 1990			15		
16	Subtract line 15 from line 14c. (Note: If line 13c minus line 15 is less than \$500, you are not required to make estimated tax payments.) If you are applying an overpayment from 1989 to 1990 estimated tax, see instruction C.2 on page 1			16		
17	If the first payment you are required to make is due April 16, 1990, enter $\frac{1}{4}$ of line 16 (minus any 1989 overpayment that you are applying to this installment) here and on line 1 of your payment-voucher(s). You may round off cents to the nearest whole dollar			17		

Tax Law Changes Effective for 1990

Use your 1989 tax return as a guide in figuring your estimated tax, but be sure to consider the tax law changes noted in this section. Also see **Pub. 553, Highlights of 1989 Tax Changes**, for details about late legislation that could affect your 1990 estimated tax, including extensions for certain expiring tax credits and deductions.

Itemized Deductions

Personal Interest.—For 1990, only 10% of personal interest (such as interest on car loans or credit card balances for personal expenditures) is deductible.

Standard Deduction for 1990

If you do not itemize your deductions, you may take the standard deduction instead. For 1990, the standard deduction amounts are:

Filing Status	Standard Deduction
Married filing joint return and Qualifying widow(er)	\$5,450*
Head of household	\$4,750*
Single	\$3,250*

Married filing separately \$2,725*

*To these amounts, add the additional amount below.

Additional Amount for the Elderly or Blind.—An additional standard deduction amount of \$650 is allowed for a married individual (whether filing jointly or separately) or a qualifying widow(er) who is 65 or older or blind (\$1,300 if the individual is both 65 or older and blind, \$2,600 if both spouses are 65 or older and blind). An additional standard deduction amount of \$800 is allowed for an unmarried individual (single or head of household) who is 65 or older or blind (\$1,600 if the individual is both 65 or older and blind).

Limited Standard Deduction for Dependents.—If you can be claimed as a dependent on another person's return, your standard deduction is the greater of (a) \$500 or (b) your earned income, up to the standard deduction amount. To this amount add any additional amount for the elderly or blind discussed on this page.

For more information about the standard deduction, see Pub. 505.

Exemption Amount

The personal exemption amount has increased to \$2,050 for each individual, the individual's spouse, and each dependent.

Deductions for People Subject to Self-Employment Tax

Deduction in Figuring Income Subject to Self-Employment Tax.—Beginning in 1990, you can take a new deduction in figuring the amount of your net earnings from self-employment that is subject to self-employment tax. See the instructions for line 11 on page 1 for details.

Deduction for One-Half of Self-Employment Tax.—Beginning in 1990, you can deduct one-half of your self-employment tax for the year. This deduction is treated as attributable to your trade or business and is allowed only in figuring your income tax.

Earned Income Credit

The maximum earned income credit is increased to \$953 and the income limitation amount is increased to \$20,264.

1990 Tax Rate Schedules

Caution: Do not use these Tax Rate Schedules to figure your 1989 taxes. Use only to figure your 1990 estimated taxes.

Schedule X—Single				Schedule Z—Head of household			
If line 5 is:		The tax is:	of the amount over—	If line 5 is:		The tax is:	of the amount over—
Over—	But not over—			Over—	But not over—		
\$0	\$19,450	15%	\$0	\$0	\$26,050	15%	\$0
19,450	47,050	\$2,917.50 + 28%	19,450	26,050	67,200	\$3,907.50 + 28%	26,050
47,050	97,620	10,645.50 + 33%	47,050	67,200	134,930	15,429.50 + 33%	67,200
97,620	-----	Use Worksheet below to figure your tax.		134,930	-----	Use Worksheet below to figure your tax.	
Schedule Y-1—Married filing jointly or Qualifying widow(er)				Schedule Y-2—Married filing separately			
If line 5 is:		The tax is:	of the amount over—	If line 5 is:		The tax is:	of the amount over—
Over—	But not over—			Over—	But not over—		
\$0	\$32,450	15%	\$0	\$0	\$16,225	15%	\$0
32,450	78,400	\$4,867.50 + 28%	32,450	16,225	39,200	\$2,433.75 + 28%	16,225
78,400	162,770	17,733.50 + 33%	78,400	39,200	123,570	8,866.75 + 33%	39,200
162,770	-----	Use Worksheet below to figure your tax.		123,570	-----	Use Worksheet below to figure your tax.	

Worksheet (Keep for your records)

1.	If your filing status is:	{ Single, enter \$27,333.60 Head of household, enter \$37,780.40 Married filing jointly or Qualifying widow(er), enter \$45,575.60 Married filing separately, enter \$36,708.85 }	1.
2.	Enter your taxable income from line 5 of the Form 1040-ES worksheet	2.	
3.	If your filing status is:	{ Single, enter \$97,620 Head of household, enter \$134,930 Married filing jointly or Qualifying widow(er), enter \$162,770 Married filing separately, enter \$123,570 }	3.
4.	Subtract line 3 from line 2. Enter the result. (If the result is zero or less, use the schedule above for your filing status to figure your tax. DO NOT use this worksheet.)	4.	
5.	Multiply the amount on line 4 by 28% (.28). Enter the result	5.	
6.	Multiply the amount on line 4 by 5% (.05). Enter the result	6.	
7.	Multiply \$574 by the number of exemptions claimed. (If married filing separately, see Note below.) Enter the result	7.	
8.	Compare the amounts on lines 6 and 7. Enter the smaller of the two amounts here	8.	
9.	Tax. Add lines 1, 5, and 8. Enter the total here and on line 6 of the Form 1040-ES worksheet	9.	

Note: If married filing separately and you did **not** claim an exemption for your spouse, multiply \$574 by the number of exemptions claimed. Add \$574 to the result and enter the total on line 7 above.

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Form **1040-ES**

1990
Payment-
Voucher

Department of the Treasury
Internal Revenue Service

OMB No. 1545-0087

Return this voucher with check or money order payable to the Internal Revenue Service. Please write your social security number and "1990 Form 1040-ES" on your check or money order. Please do not send cash. Enclose, but do not staple or attach, your payment with this voucher.

(Calendar year—Due Jan. 15, 1991)

File only if you are making a payment of estimated tax.

1 Amount of payment \$	Please type or print	Your first name and initial	Your last name	Your social security number
		(If joint payment, complete for spouse) Spouse's first name and initial	Spouse's last name if different from yours	If joint payment, spouse's social security number
2 Fiscal year filers enter year ending (month and year)		Address (number and street)		
		City, state, and ZIP code		

For Paperwork Reduction Act Notice, see instructions on page 1.

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Department of the Treasury
Internal Revenue Service

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File only if you are making a payment of estimated tax.

OMB No. 1545-0087

(Calendar year—Due Sept. 17, 1990)

1 Amount of payment \$ _____ 2 Fiscal year filers enter year ending _____ (month and year)	Please type or print	Your first name and initial	Your last name	Your social security number	
		(If joint payment, complete for spouse) Spouse's first name and initial	Spouse's last name if different from yours	If joint payment, spouse's social security number	
		Address (number and street)			
		City, state, and ZIP code			

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OMB No. 1545-0087

(Calendar year—Due June 15, 1990)

1 Amount of payment \$ _____ 2 Fiscal year filers enter year ending _____ (month and year)	Please type or print	Your first name and initial	Your last name	Your social security number	
		(If joint payment, complete for spouse) Spouse's first name and initial	Spouse's last name if different from yours	If joint payment, spouse's social security number	
		Address (number and street)			
		City, state, and ZIP code			

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File only if you are making a payment of estimated tax.

OMB No. 1545-0087

(Calendar year—Due April 16, 1990)

1 Amount of payment \$ _____ 2 Fiscal year filers enter year ending _____ (month and year)	Please type or print	Your first name and initial	Your last name	Your social security number	
		(If joint payment, complete for spouse) Spouse's first name and initial	Spouse's last name if different from yours	If joint payment, spouse's social security number	
		Address (number and street)			
		City, state, and ZIP code			

For Paperwork Reduction Act Notice, see instructions on page 1.