

been payable as such installment if the new estimate had been the original estimate, adjusted as provided in this subdivision. The adjustment is for the difference between (a) the amount of estimated tax required to be paid before the date of the filing of the amendment and (b) the amount of estimated tax which would have been required to have been paid before such date if the new estimate had been the original estimate. The difference is divided by the number of remaining installments (including the installment due on the date of the filing of the amendment where the amendment is filed on an installment date), and the resulting amount is added to (if the amended declaration increases the amount of estimated tax) or subtracted from (if the amended declaration decreases the amount of the estimated tax) the amount which would have been payable on each remaining installment date if the new estimate had been the original estimate.

(ii) *Examples.* The application of the provisions of this subparagraph may be illustrated by the following examples:

Example (1). X, a calendar year corporation, determines that its estimated tax liability for the year 1967 is \$100,000 and files a declaration of estimated tax by April 15, 1967, with an installment payment of \$14,000. On June 15, 1967, the second installment payment of \$14,000 is made. On July 1, 1967, X discovers that its 1967 estimated tax may reasonably be expected to be \$150,000 and on September 15, 1967, files an amended declaration in that amount. The amounts to be paid on September 15, 1967, and December 15, 1967, are computed as follows:

Installment payments required to be made under the original declaration before date of filing of amendment (14% of \$100,000 is \$14,000×2)	\$28,000
Installment payments which would have been required to be made before date of filing of amendment if the original declaration were in the amount of the amended declaration (14% of \$150,000 is \$21,000×2)	42,000
Difference	14,000
Amount of each installment payment due on September 15, 1967, and December 15, 1967, computed as if the original declaration were in the amount of the amended declaration (25% of \$150,000)	\$37,500
Add: Amount of difference divided by number of remaining installments (\$14,000÷2)	7,000
Amount of each remaining installment (September 15, 1967, and December 15, 1967)	44,500

Example (2). Assume the same facts as in example (1), except that instead of filing the

amended declaration on September 15, 1967, X files an amended declaration on June 15, 1967, disclosing an estimated tax of \$70,000. The installment payments for June 15, 1967, September 15, 1967, and December 15, 1967, are computed as follows:

Installment payment required to be made under the original declaration before the date of filing of amendment (14% of \$100,000)	\$14,000
Installment payment which would have been required to be made before date of filing of amendment if the original declaration were in the amount of the amended declaration (14% of \$70,000)	9,800
Difference	4,200

June 15, 1967, installment computation:

Installment payment due on June 15, 1967, computed as if the original declaration were in the amount of the amended declaration (14% of \$70,000)	9,800
Less: Amount of difference divided by number of remaining installments (\$4,200÷3)	1,400
Amount to be paid as an installment on June 15, 1967	8,400

September 15, 1967, and December 15, 1967, installments computation:

Amount of each installment payment due on September 15, 1967, and December 15, 1967, computed as if the original declaration were in the amount of the amended declaration (25% of \$70,000)	17,500
Less: Amount of difference divided by number of remaining installments (\$4,200÷3)	1,400
Amount of each remaining installment (September 15, 1967, and December 15, 1967)	16,100

(c) *Installments paid in advance.* A corporation may, at its election, pay any installment of its estimated tax in advance of the due date.

(d) *Considered payment of income tax.* Payments of estimated tax shall be considered payments on account of the income tax liability for the taxable year. Hence the amount of estimated tax paid shall be entered on the income tax return and applied in payment of the tax liability shown thereon.

[T.D. 6768, 29 FR 14924, Nov. 4, 1964]

§ 1.6154-2 Short taxable years.

(a) *Taxable years beginning on or before December 31, 1963—(1) In general.* In the case of a corporation filing a declaration for a short taxable year beginning on or before December 31, 1963, the amount of the estimated tax required to be paid shall be paid as follows:

(i) If the short taxable year is a period of more than 9 months and the declaration is required to be filed on or

before the 15th day of the 9th month, the amount of the estimated tax required to be paid shall be paid in 2 installments; the 1st on or before the 15th day of the 9th month and the 2d on or before the 15th day of the last month of the short taxable year.

(ii) If the short taxable year is a period of 9 or more months and the declaration is not required to be filed until the 15th day of the last month of the short taxable year, the amount of the estimated tax required to be paid shall be paid in full on or before the 15th day of the last month of the short taxable year.

(2) *Examples.* The application of the provisions of subparagraph (1) of this paragraph may be illustrated by the following examples:

Example (1). If a corporation changes from a calendar year to a fiscal year beginning November 1, 1956, and ending October 31, 1957, a declaration is required on or before September 15, 1956, for the short taxable year January 1, 1956, to October 31, 1956, if such corporation otherwise meets the requirements of section 6016(a) on or before August 31, 1956. In such case the first installment of the estimated tax must be paid with the declaration filed on September 15, 1956. The second installment must be paid on or before October 15, 1956, the 15th day of the last month of the short taxable year.

Example (2). If, in the first example, the corporation did not meet the requirements of section 6016(a) until after August 31, 1956, but before October 1, 1956, the declaration would have been due on October 15, 1956. In such case the amount of the estimated tax required to be paid must be paid in full with the declaration filed on October 15, 1956.

(b) *Taxable years beginning after December 31, 1963—(1) In general.* In the case of a short taxable year which begins after December 31, 1963, and in respect of which a declaration of estimated tax is required to be filed (see paragraph (b) of § 1.6074-2), the amount of, and time for payment of, each installment of estimated tax shall be determined by paragraphs (1) to (4), inclusive, of section 6154(a), except that in the case of a short taxable year ending after November 30, 1964, any estimated tax payable in installments which is not paid before the 15th day of the last month of the short taxable year (whether or not the date otherwise specified in section 6154(a) for payment has arrived) shall be paid on such

15th day of the last month of the short taxable year.

(2) *Examples.* The application of the provisions of subparagraph (1) of this paragraph may be illustrated by the following examples:

Example (1). X, a corporation filing on a calendar year basis, changes to a fiscal year beginning September 1, 1965, and ending August 31, 1966, and is required to file a declaration on or before April 15, 1965, for the short taxable year January 1, 1965, to August 31, 1965. X must make two 4 percent installment payments of the estimated tax, the first on or before April 15, 1965, and the second on or before June 15, 1965, and must pay 50 percent (25 percent for the 3d installment plus 25 percent for the 4th installment) of the estimated tax on or before August 15, 1965 (the 15th day of the last month of the short taxable year), as the last installment.

Example (2). If, in the first example, X does not meet the requirements of section 6016(a) until June 15, 1965, the declaration is due on or before August 15, 1965. X is required to pay 58 percent of the estimated tax on or before August 15, 1965 (the 15th day of the last month of the short taxable year).

(3) *Late filing of declaration of estimated tax.* In the case of a declaration of estimated tax for a short taxable year beginning after December 31, 1963, filed after the date prescribed by section 6074(a) (determined without regard to any extension of time for filing the declaration under section 6081), the provisions of paragraph (b)(1)(iii) of § 1.6154-1 shall be applied in determining the amount of and time for payment of each installment. However, in the case of short taxable years beginning after December 31, 1963, and ending after November 30, 1964, where, under the provisions of paragraph (b)(1)(iii) of § 1.6154-1, installments are to be paid after the close of the short taxable year, such installments shall be paid on or before the 15th day of the last month of the short taxable year.

(4) *Amended declarations.* In the case of an amended declaration of estimated tax for a short taxable year beginning after December 31, 1963, filed in accordance with section 6074(b), the provisions of paragraph (b)(2) of § 1.6154-1 shall apply to determine the amount of each remaining installment. However, where, under the provisions of such paragraph (b)(2), installments are to be paid after the close of the short taxable year, such installments shall be paid

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on or before the 15th day of the last month of the short taxable year.

[T.D. 6768, 29 FR 14925, Nov. 4, 1964]

§ 1.6154-3 Extension of time for paying estimated tax.

An extension of time granted a corporation under section 6081 for filing the declaration of estimated tax automatically extends the time for paying the estimated tax (without interest) for the same period. See § 1.6074-3 for rules relating to extensions of time for filing declarations of estimated tax by corporations. Except as provided in paragraph (b) of § 301.6091-1 (relating to hand-carried documents), an application for an extension of time for paying an installment of the estimated tax shall be addressed to the internal revenue officer with whom the taxpayer files its declaration. Each application must contain a full recital of the causes for the delay. Any such extension will not relieve the taxpayer from the addition to the tax imposed by section 6655, and the period of the underpayment will be determined under section 6655(c) without regard to such extension.

[T.D. 6950, 33 FR 5357, Apr. 4, 1968]

§ 1.6154-4 Use of Government depositaries.

For provisions relating to the use of Federal Reserve banks and authorized financial institutions in depositing the taxes see § 1.6302-1.

(Approved by the Office of Management and Budget under control number 1545-0257)

[T.D. 6914, 32 FR 3819, Mar. 8, 1967, as amended by T.D. 7953, 49 FR 19644, May 9, 1984]

§ 1.6154-5 Definition of estimated tax.

For taxable years beginning after December 31, 1976, the term *estimated tax* means the excess of—

(a) The amount which the corporation estimates as its income tax liability for the taxable year under section 11 or 1201(a), or subchapter L of chapter 1 of the Code, whichever is applicable, over

(b) The sum of—

(1) Any estimated credits against tax provided by part IV of subchapter A of chapter 1 of the Code, plus

(2) For taxable years ending after February 29, 1980, the amount which the corporation estimates will be the amount of such corporation's overpayment of windfall profit tax imposed by section 4986 of the Code for the taxable year. For this purpose, the amount of such overpayment is the amount by which such corporation's aggregate windfall profit tax liability for the taxable year as a producer of crude oil is reasonably expected to be exceeded by withholding of windfall profit tax for the taxable year.

(Secs. 6015, 6154, 6654, 6655, and 7805, Internal Revenue Code of 1954 (96 Stat. 2395 and 2396, 68A Stat. 917; 26 U.S.C. 6015, 6154, 6654, 6655, and 7805))

[T.D. 8016, 50 FR 11855, Mar. 26, 1985]

EXTENSIONS OF TIME FOR PAYMENT

SOURCE: Sections 1.6161-1 to 1.6165-1 contained in T.D. 6500, 25 FR 12140, Nov. 26, 1960, unless otherwise noted.

§ 1.6161-1 Extension of time for paying tax or deficiency.

(a) *In general*—(1) *Tax shown or required to be shown on return.* A reasonable extension of the time for payment of the amount of any tax imposed by subtitle A of the Code and shown or required to be shown on any return, or for payment of the amount of any installment of such tax, may be granted by the district directors (including the Director of International Operations) at the request of the taxpayer. The period of such extension shall not be in excess of six months from the date fixed for payment of such tax or installment, except that if the taxpayer is abroad the period of the extension may be in excess of six months.

(2) *Deficiency.* The time for payment of any amount determined as a deficiency in respect of tax imposed by chapter 1 of the Code, or for the payment of any part thereof, may, at the request of the taxpayer, be extended by the internal revenue officer to whom the tax is required to be paid for a period not to exceed 18 months from the date fixed for payment of the deficiency, as shown on the notice and demand, and, in exceptional cases, for a further period not in excess of 12 months. No extension of the time for