

2016 Individual Estimated Income Tax Payment

Arizona Form 140ES

For information or help, call one of the numbers listed:

Phoenix (602) 255-3381
From area codes 520 and 928, toll-free (800) 352-4090

Tax forms, instructions, and other tax information

If you need tax forms, instructions, and other tax information, go to the department's website at www.azdor.gov.

Income Tax Procedures and Rulings

These instructions may refer to the department's income tax procedures and rulings for more information. To view or print these, go to our website and click on *Legal Research* then click on *Procedures* or *Rulings* and select a tax type from the drop down menu.

Publications and Brochures

To view or print the department's publications and brochures, go to our website and click on *Publications*.

Who Should Use Form 140ES

All of the following taxpayers should use Form 140ES:

- an individual making a voluntary or mandatory estimated payment,
- a partnership making a voluntary estimated payment on behalf of its nonresident individual partners participating in the filing of a composite return, and
- an S corporation making a voluntary estimated payment on behalf of its nonresident individual shareholders participating in the filing of a composite return.

General Information

- Please type or print your name, social security number (SSN), and current address. If you are married making a joint estimated payment, enter your SSNs in the same order as your first names and in the same order as they will be shown on your joint Arizona income tax return.
- If you have a **foreign address**, enter the information in the following order: city, province or state, and country. Follow the country's practice for entering the postal code. Do not abbreviate the country name.
- A partnership or S corporation making a voluntary estimated income tax payment for its nonresident partners or shareholders participating in the filing of a composite income tax return, should enter its employer identification number (EIN) in the area designated for an individual's SSN.
- Complete Form 140ES using black ink.
- Once you make an estimated payment, you must file a tax return for that year in order to claim the estimated payment.
- You must round each estimated payment to whole dollars (no cents).

- Check only **one** box for the quarter for which this payment is made. Do not select more than one quarter. You must submit a separate form for each quarter for which a payment is made.
- Use Tax Table X or Y (in the 2015 tax instruction booklet) to help estimate this year's tax liability. Figure this tax on your total annual income.

Required Payments

Arizona requires certain individuals to make estimated income tax payments.

You must make Arizona estimated income tax payments during 2016 if:		
Your filing status is:	AND Your Arizona gross income for 2015 was greater than:	AND Your Arizona gross income for 2016 exceeds:
Married Filing Joint	\$150,000	\$150,000
Single	\$75,000	\$75,000
Head of Household	\$75,000	\$75,000
Married Filing Separate	\$75,000	\$75,000

If you met the income threshold for 2015, you must make estimated payments during 2016 unless you are sure you will not meet the threshold for 2016.

For more information on making estimated payments, see the department's brochure (012), *Arizona Individual Estimated Income Tax Payments*.

The department will charge you a penalty if you fail to make any required estimated payment. Use Arizona Form 221, *Underpayment of Estimated Tax by Individuals*, to figure the amount of this penalty.

The penalty is equal to the interest that would accrue on the underpayment. The penalty cannot be more than 10% of the underpayment.

What is Arizona Gross Income for the Purpose of Estimated Income Tax Payments?

If you are a **full-year resident**, your Arizona gross income is your federal adjusted gross income.

If you are a **part-year resident**, your Arizona gross income is that part of your federal adjusted gross income that you must report to Arizona.

If you are a **nonresident**, your Arizona gross income is that part of your federal adjusted gross income derived from Arizona sources.

How Much Should My Estimated Payments Total?

If you have to make estimated payments, your payments, when added to your Arizona withholding, must total either 90% of the tax due for 2016, or 100% of the tax due for 2015.

You can use your 2015 tax to figure the amount of payments that you must make during 2016 only if you were required to file and did file a 2015 Arizona income tax return.

Worksheet for Computing Estimated Payments for Individuals

Use the worksheet on page 2 of the form to calculate your required estimated tax payments.

Follow the instructions on the worksheet to complete Steps 1 through 5.

NOTE: Deductions (Line 14) - If you plan to itemize deductions for tax year 2016 enter the estimated total of your itemized deductions on line 14 of the worksheet. If you do not plan to itemize deductions, enter your allowable 2015 standard deduction on line 14. To determine the allowable standard deduction amount for your filing status, see the instructions for the 2015 form.

Exemptions (Line 15) - Enter the allowable 2015 exemption amount. To determine the allowable exemption amount for your filing status, see the instructions for the 2015 form.

When Should I Make My Estimated Payments?

For the most part, you must make your payments in four equal installments.

Estimated payments for calendar year filers are due as follows:	
Payment 1	April 18, 2016. Because Emancipation Day (legal holiday) is on Saturday, April 16, 2016, and will be observed on April 15, 2016, you have until Monday, April 18, 2016, to make this payment.
Payment 2	June 15, 2016
Payment 3	September 15, 2016
Payment 4	January 17, 2017. Because January 15 th falls on a Sunday, and January 16 th is Martin Luther King Day, you have until January 17, 2017, to make this payment.

If you are a fiscal year filer, the payments are due on the 15th day of the fourth, sixth and ninth months of the current fiscal year, and the first month of the next fiscal year.

NOTE: If the due date falls on a Saturday, Sunday or legal holiday, you may pay by midnight on the next business day following that day.

If any of the following applies (1 through 3), you do not have to make your payments in four equal installments.

1. **File and pay by January 31, 2017.** If you file your Arizona return by January 31, 2017, and pay in full the amount stated on the return as payable, you do not have to make the **fourth** estimated tax payment.

Fiscal year filers must file and pay by the last day of the month following the close of the fiscal year.

2. **Farmer or fisherman.** If you report as a farmer or fisherman for federal purposes, you only have to make one installment for a taxable year. The due date for this installment for a calendar year filer is January 17, 2017.

The due date for a fiscal year filer is the 15th day of the first month after the end of a fiscal year.

There is no requirement to make this payment if you file your Arizona return on or before March 1, 2017, and pay in full the amount stated on the return as payable.

Fiscal year filers must file and pay on or before the first day of the third month after the end of the fiscal year.

3. **Nonresident alien.** If you are an individual who elects to be treated as a nonresident alien on the federal income tax return, you may make three estimated payments.

The due dates for these installments are June 15, 2016, September 15, 2016, and January 17, 2017. The first installment must equal 50% of your total required payments.

Voluntary Payments

An individual who does not have to make Arizona estimated income tax payments may choose to make them. Taxpayers who make such an election may choose one of the following methods to make their payments.

Method 1: If you file federal estimated tax, you can file Form 140ES at the same time.

The amount that you remit with Form 140ES should be 10%, 15%, or 20% of the amount that you paid on the federal **Form 1040-ES**.

Method 2: You may file installments using Form 140ES.

Voluntary estimated payments for calendar year filers are due as follows:	
Payment 1	April 18, 2016 Because Emancipation Day (legal holiday) is on Saturday, April 16, 2016, and will be observed on April 15, 2016, you have until Monday, April 18, 2016, to make this payment.
Payment 2	June 15, 2016
Payment 3	September 15, 2016
Payment 4	January 17, 2017. Because January 15 th falls on a Sunday, and January 16 th is Martin Luther King Day, you have until January 17, 2017, to make this payment.

If you are a fiscal year filer, the payments are due on the 15th day of the fourth, sixth and ninth months of the current fiscal year, and the first month of the next fiscal year.

The sum of the amounts remitted should equal your estimated end-of-tax-year liability.

Method 3: You may file an *Individual Estimated Income Tax Payment*, Form 140ES, with a single, lump-sum payment before January 17, 2017.

The payment should reflect your estimated end-of-tax-year liability.

Completing Lines 1 and 2

Line 1

Enter the amount of your payment. Round your payment to the nearest whole dollar (no cents). Your payment is the amount you figured using the worksheet for computing estimated payments.

Line 2

Check the box for the quarter(s) for which this payment is made.

Sending Your Payment

Individuals may make estimated payments by check, electronic check, money order, or credit card.

Partnerships or S corporations making estimated payments on behalf of nonresidents participating in the filing of a composite return **must** make those payments by check or money order.

Check or money order

Make your check payable to Arizona Department of Revenue and include your SSN (or EIN) and tax year on the check. Include your check with with the completed Form 140ES and mail to:

Arizona Department of Revenue
PO Box 29085
Phoenix, AZ 85038-9085

The department cannot accept checks or money orders in foreign currency. You must make payment in U.S. dollars.

Electronic payment from your checking or savings account

NOTE: *You may not make an electronic payment from your checking or savings account if the payment will ultimately be coming from a foreign account. In this case, you must pay by check or money order.*

You can pay your 2016 estimated tax with an electronic payment from your checking or savings account. There is no fee to use this method. To make an electronic payment, go to www.AZTaxes.gov and click on the “Make a Payment” link.

The “E-Check” option in the “Payment Method” drop-down box will debit the amount from the checking or savings account that you specify. If you make an electronic payment

from your checking or savings account, you will receive a confirmation number. **Please keep this confirmation number as proof of payment.**

NOTE: *If you are paying by electronic check, do not use Form 140ES. We will apply your estimated tax payment to your account. You must claim the estimated payment on your original return when you file.*

Credit card payment

You can pay your 2016 estimated tax through a third-party service provider using your Visa, MasterCard, Discover, or American Express credit card. Go to www.AZTaxes.gov, click on the “Make a Payment” link and choose the credit card option.

This will take you to a third party vendor site (provider). The provider will charge you a convenience fee based on the amount of your tax payment. If you complete the credit card transaction, you will receive a confirmation number. **Please keep this confirmation number as proof of payment.**

Record of Estimated Income Tax Payments		
	Date Made	Amount
Amount of 2015 overpayment applied to 2016 estimated tax		.00
Payment 1		.00
Payment 2		.00
Payment 3		.00
Payment 4		.00
Total:		.00

NOTE: *If you are paying by credit card, do not use Form 140ES. We will apply your estimated tax payment to your account. You must claim the estimated payment on your original return when you file.*