

To ensure proper application of this payment, this form must be completed in its entirety.

For the  calendar year 2024 or  fiscal year beginning MM,DD,2024 and ending MM,DD,20YY.

<b>1</b> Name of Firm – exactly as it will appear on the return	Employer Identification Number (EIN)
<b>2</b> Address – number and street or PO Box	Business Phone Number (with area code)
<b>2</b> Address – continued	<b>REVENUE USE ONLY. DO NOT MARK IN THIS AREA</b> <b>88</b>
<b>3</b> City State ZIP Code	
<b>a</b> <input type="checkbox"/> Check if this is the first tax return filed under this name and EIN.	
<b>b</b> <input type="checkbox"/> Check if name and/or address has changed.	<b>81</b> PM
<b>c</b> <input type="checkbox"/> Check if EIN has changed. Enter prior EIN: _____	<b>80</b> RCVD

1 Payment is for quarter number:       Qtr 1.....  Qtr 2 .....  Qtr 3.....  Qtr 4

2 Payment: Round estimated payment to a whole dollar (no cents).

Enter the amount of payment enclosed ..... \$    00

- Make check payable to Arizona Department of Revenue.
- Include EIN on payment.
- Mail to Arizona Department of Revenue, PO Box 29085, Phoenix, AZ 85038-9085.

**General Instructions**

Obtain additional information or assistance by calling one of the numbers listed below:

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

Obtain tax rulings, tax procedures, tax forms and instructions, and other tax information by accessing the department's website at [www.azdor.gov](http://www.azdor.gov).

**Who is Required to Make Estimated Tax Payments**

C corporations, S Corporations subject to tax at the federal level and exempt organizations with unrelated business taxable income that anticipate an Arizona tax liability for the year of at least \$1,000 are required to make Arizona estimated payments.

- A unitary group of corporations filing a combined return on Form 120 must make Arizona estimated tax payments on a combined basis. Therefore, a unitary group, as a single taxpayer, must make estimated tax payments if its Arizona tax liability for the taxable year is at least \$1,000.
- An Arizona affiliated group filing an Arizona consolidated return pursuant to A.R.S. § 43-947 on Form 120 must make Arizona estimated tax payments on a consolidated basis. Therefore, an Arizona affiliated group, as a single taxpayer, must make estimated tax payments if its Arizona tax liability for the taxable year is at least \$1,000.

**Pass-Through Entity (PTE) Election**

Partnerships and S Corporations making the PTE election whose taxable income for the previous year exceeds \$150,000 are required to make Arizona estimated tax payments.

**S Corporations subject to tax at the federal level and making the PTE election for the same taxable year must:**

- Make Arizona estimated tax payments if their total taxable income for the previous year exceeds \$150,000.
- Total their separately calculated estimated payments for the corporate tax liability and the PTE tax liability to compute their total required estimated payments.
- Make the required estimated payments on or before the 15th day of April, June, and September of the taxable year, and January 15th of the following year.

**Composite Returns**

**Partnerships and S corporations** must use Form 140ES to make voluntary estimated tax payments on a composite basis on behalf of nonresident individual shareholders or nonresident individual partners participating in the filing of a composite return on Arizona Form 140NR Refer to the department's ruling, ITR 16-2, *Composite Individual Income Tax Returns*, for additional information regarding composite returns. For additional information, see Form 140NR instructions for completing a composite return.

## Who Should Use Arizona Form 120/165ES

Taxpayers for whom the Director has granted a waiver from the electronic payment requirement.

Taxpayers whose anticipated tax liability for the year is less than \$500 that wish to make Arizona estimated payments may complete this form and mail the form and payment to the address above.

## When to Make Estimated Tax Payments

Calendar year and fiscal year basis corporate taxpayers are required to make their Arizona corporate estimated tax payments by the 15th day of the 4th, 6th, 9th, and 12th months of the taxable year. If the payment due date falls on a weekend or legal holiday, the payment is considered timely if made on the next business day.

Partnerships and S Corporations making the PTE election are required to make their estimated payments by the 15th day of the 4th, 6th, and 9th months of the taxable year. The final payment is due by the 15th day of the 1st month following the close of the taxable year. If the payment due date falls on a weekend or legal holiday, the payment is considered timely if made on the next business day.

S Corporations having a tax liability at the federal level and that are making the Arizona PTE election must make their estimated payments by the 15th day of the 4th, 6th, and 9th months of the taxable year. The final estimated payment is due by the 15th day of the 1st month following the close of the taxable year. If the payment due date falls on a weekend or legal holiday, the payment is considered timely if made on the next business day.

## Computation of Required Installments of Estimated Tax on Arizona Form 120/PTE-W

Taxpayers should use Form 120/PTE-W, *Estimated Tax Worksheet for Corporations*, to compute the amount of the required installments of estimated tax.

## Underpayment of Required Installments of Estimated Tax

If the taxpayer is required to make Arizona corporate estimated tax payments, a penalty will be imposed on any required installment that is late or underpaid. **See A.R.S. § 42-1125(Q).**

## Recomputing Required Installments of Estimated Tax

If the taxpayer, after paying one or more required installments of Arizona estimated tax, finds that its tax liability for the taxable year will be more or less than originally estimated, the taxpayer should recompute its required installments. If earlier installments were underpaid, the taxpayer may be subject to a penalty for underpayment of estimated tax.

If a new estimate is made, the required installments payable on or after the date of the new estimate should be adjusted. An immediate "catch-up" payment should be made to reduce the amount of any penalty resulting from the underpayment of any earlier installments, whether caused by a change in estimate, failure to make a payment, or a mistake.

## Estimated Tax Payments by Electronic Funds Transfer (EFT)

Refer to Arizona Revised Statutes § 42-1129 and the related Arizona Administrative Code R15-10-301 through R15-10-307 for detailed information regarding EFT.

Taxpayers anticipating a tax liability for the current year of at least \$1,000 must make Arizona estimated tax payments by EFT.

Taxpayers that anticipate a tax liability for the current year of more than \$500 but less than \$1,000 are not required to make Arizona estimated tax payments. If the taxpayer elects to make Arizona estimated tax payments, it is required to make those payments by EFT.

**NOTE: Taxpayers required to make Arizona estimated tax payments via EFT that fail to do so will be subject to a penalty of 5% of the amount of the payment not made by EFT. See A.R.S. § 42-1125(O).**

Taxpayers required to make Arizona estimated tax payments via EFT must complete the department's EFT authorization agreement at least 30 days prior to initiation of the first applicable transaction.

Taxpayers who anticipate their Arizona income tax liability for the 2024 taxable year to be less than \$500 may elect voluntary participation in the EFT program. Voluntary participants in the program must complete the department's EFT authorization agreement at least 30 days prior to the first applicable transaction.

**DO NOT submit Form 120/165ES to the department if the taxpayer makes its Arizona estimated tax payments by EFT.**

## Estimated Tax Payments via the Internet

Taxpayers wishing to make EFT payments via the Internet are no longer required to register with the department before their EFT payments may be accepted. Visit AZTaxes.gov, go to "Make a Corporation/S-Corporation/Partnership Payment" and follow the prompts to choose a payment type and make a payment.

**DO NOT submit Form 120/165ES to the department if the taxpayer makes its Arizona estimated tax payments over the Internet.**

### Electronic payment from checking or savings account

Arizona estimated tax payments can be made electronically from a checking or savings account. Visit [www.AZTaxes.gov](http://www.AZTaxes.gov), click "Make a Corporation/S-Corporation/Partnership Payment", follow the prompts and choose the e-check option. There is no fee to use this method. This payment method will debit the amount from the specified checking or savings account on the date specified.

**When an electronic payment is made from a checking or savings account, a confirmation number will be generated. Please keep this confirmation number as proof of payment.**

### Credit card payment

Arizona estimated tax payments can be made by American Express, Discover, MasterCard or Visa credit cards. Visit [www.AZTaxes.gov](http://www.AZTaxes.gov), click "Make a Corporation/S-Corporation/Partnership Payment", follow the prompts and choose the credit card option. This will take you to the web site of the credit card payment service provider. The service provider will charge a convenience fee based on the amount of the tax payment. The service provider will disclose the amount of the convenience fee during the transaction and the option to continue or cancel the transaction will be presented. **If you accept the convenience fee and complete the credit card transaction, a confirmation number will be generated. Please keep this confirmation number as proof of payment.**

## Completing Arizona Form 120/165ES

Complete Form 120/165ES in its entirety to ensure the proper application of the estimated tax payment.

Enter the following information on Form 120/165ES:

- The period covered by the taxable year;
- Taxpayer name, address and employer identification number (EIN) as it will appear on the tax return. If the taxpayer has 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's name.**
- Check the box on line 1 indicating the quarter for which the payment is to be applied;
- Enter the amount of the estimated tax payment (in whole dollars) on line 2.

Check the appropriate box:

- If the taxpayer will file an initial return under the name and EIN listed, check box "A".
- If the taxpayer's name or address has changed, check box "B".
- If the taxpayer's EIN has changed, check box "C". Indicate the previous EIN in the space provided.

## Rounding Dollar Amounts

Taxpayers must round amounts to the nearest whole dollar. If 50 cents or more, round up to the next dollar. If less than 50 cents, round down.