

RI-2210 Underpayment of Estimated tax by Individuals

2001

Name(s) shown on Form RI-1040/RI-1040NR	Your social security number
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PART 1 - REQUIRED ANNUAL PAYMENT

1. 2001 RI income tax - RI-1040, line 13 or RI-1040NR, line 13.....	1.		
2. Enter 80% of the amount shown on line 1.....	2.		
3. RI withheld taxes paid for 2001 - RI-1040 or RI-1040NR, line 18A.....	3.		
4. Subtract line 3 from line 1 - if the result is \$250.00 or less do not complete the rest of this form.....	4.		
5. Enter your 2000 RI tax - RI-1040, line 2 less lines 3D and 3E or RI-1040NR, line 2 less line 3D.....	5.		
6. Enter the smaller of line 2 or line 5.....	6.		

PART 2 - SHORTCUT METHOD

You can use this method if you meet the following conditions:

- A. You made no estimated payments **or** all 4 estimated payments were equal and paid by the appropriate due date;
- B. **and** you did not complete part 5 (Annualized Income Installment Worksheet) of this form.

7. Enter amount from line 6.....	7.		
8. Enter the total amount of withholding tax and estimated tax you paid - RI-1040 or RI-1040NR, line 18A and 18B.....	8.		
9. Underpayment - subtract line 8 from line 7.....	9.		
10. Multiply line 9 X 0.079808.....	10.		
11. If amount on line 9 was paid on or after 4/15/02 enter \$0 If amount on line 9 was paid before 4/15/02, then make the following calculation: the amount on line 9 (times) number of days paid before 4/15/02 (times) .00022 and enter result here.....	11.		
12. Penalty - subtract line 11 from line 10 - enter here and in the space provided on RI-1040 or RI-1040NR, line 19.....	12.		

PART 3 - FIGURE YOUR UNDERPAYMENT

PAYMENTS DUE DATES

		column A 4/15/2001	column B 6/15/2001	column C 9/15/2001	column D 1/15/2002
13.	Divide the amount on line 6 by four (4) and enter the results in each column.....				
14.	Annualized income installments - part 5, line 32..... Note: Complete lines 15-17 for one column before completing the next column				
15.	Enter the amount from line 13 or line 14 if applicable.....				
16.	RI tax withheld and estimated tax paid..... (If line 16 is equal to or more than line 15 for all installment periods, do not complete or file this form unless you report annualized income installment on line 14)				
17.	Underpayment (subtract line 16 from line 15) OR, Overpayment (subtract line 15 from line 16).....				

PART 4 - HOW TO FIGURE THE CHARGES

18.	Date of payment or April 15, 2002, whichever is earlier.....	/ /	/ /	/ /	/ /
19A.	A. Number of days from the installment date to the date of payment or December 31, 2001, whichever is earlier.....	days	days	days	
19B.	B. Number of days from the installment date to the date of payment or April 15, 2002, whichever is earlier.....				days
19C.	C. Number of days from January 1, 2002 to the date of payment or April 15, 2002, whichever is earlier.....	days	days	days	
20A.	A. $\frac{\text{Number of days on line 19A}}{365}$ X 12% X underpayment on line 17				
20B.	B. $\frac{\text{Number of days on line 19B}}{365}$ X 12% X underpayment on line 17				
20C.	C. $\frac{\text{Number of days on line 19C}}{365}$ X 12% X underpayment on line 17				
21.	Total amount from all columns on lines 20A, 20B and 20C enter here and in the space provided on RI-1040 or RI-1040NR, line 19.....				

PURPOSE OF THIS FORM

Individuals (except qualified farmers and fishermen) should use this form to determine if their income tax was sufficiently prepaid throughout the year by having RI tax withheld or by paying RI estimated tax; if not, a charge may be imposed on the underpayment of the taxes. Complete Part 1 of this form to determine if the payment of the charge may be avoided.

FARMER AND FISHERMAN

If you meet **both** of the following tests, you may be exempt from the charge for underpayment of estimated tax: ① Gross income from farming or fishing is at least two thirds of your annual gross income; and, ② Filed form RI-1040 or RI-1040NR and paid the tax due on or before March 1, 2002. If you meet both of the tests, write on line 1 "EXEMPT, FARMER/FISHERMAN" and do not complete the rest of this form. Attach this form to your return or mail to RI Division of Taxation if the return has been previously filed.

PART 1 – REQUIRED ANNUAL PAYMENT

Line 1 – Enter your 2001 RI tax from RI-1040, line 13 or RI-1040NR, line 13.

Line 2 – Enter 80% of the amount shown on line 1

Line 3 – Enter amount shown on your RI-1040 or RI-1040NR, line 18A.

Line 4 – Subtract line 3 from line 1. If the result is \$250.00 or less you do not owe any amount and need not complete the rest of this form.

Line 5 – Enter your 2000 RI tax – RI-1040, line 2 less lines 3D and 3E, or RI-1040NR, line 2 less line 3D. If you had no federal tax liability for 2000 and you were a Rhode Island resident during all of 2000, and your 2000 federal tax return was (or would have been had you been required to file) for a full 12 months, then enter zero (0).

Line 6 – Enter the smaller of line 2 or line 5 (including zero). If line 6 is zero, you do not owe any amount and need not complete the rest of this form. However, you must attach this form to your RI return.

PART 2 – SHORTCUT METHOD

Line 7 – Enter the amount from line 6.

Line 8 – Enter the total amount of estimated tax and withholding you paid for 2001 (RI-1040 or RI-1040NR, lines 18A and 18B).

Line 9 – Subtract line 8 from line 7.

Line 10 – Multiply line 9 by 0.079808

Line 11 – If you paid the tax balance due before 4/15/02, multiply the number of days paid before 4/15/02 by the amount on line 9 and by .00022 and enter the result on line 11.

Line 12 – Subtract line 11 from line 10 – enter here and in the space provided on RI-1040 or RI-1040NR, line 19.

PART 3 – FIGURE YOUR UNDERPAYMENT

Line 13 – Divide the amount shown on line 6 by four (4) and enter the result in each column.

Line 14 – If your income varies during the year you may complete the annualized income installment worksheet. However, if you complete and use line 14 for any installment you must complete it and use it for all installments. **NOTE: COMPLETE LINES 15-17 FOR ONE COLUMN BEFORE COMPLETING THE NEXT COLUMN.**

Line 15 – Enter the amount from line 13 (or from line 14 if line 14 was completed).

Line 16 – You are considered to have paid Rhode Island withholding tax evenly during the year unless you can show otherwise. Therefore, you are considered to have paid one-fourth of your Rhode Island withholding on each installment due date. Divide the total amount withheld by 4 and enter the results in each column. Enter the estimated taxes paid that were for 2001 tax year plus any portion of your overpayment from 2000 which you elected to be applied to 2001. Enter in column A those payments made on or before April 15, 2001 in column B those payments made between April 16, 2001 and June 15, 2001, in column C those payments made between June 16, 2001 and September 15, 2001, and in column D those payments made between September 16, 2001 and January 15, 2002.

If you filed your return on or before February 15, 2002 and paid the tax balance in full, then enter that amount in column D. This only applies to those taxpayers who either were not required to make a Rhode Island estimated tax payment prior to the January 15, 2002 installment date or included their January 15, 2002 installment payment with the tax balance paid on or before February 15, 2002.

Line 17 – Subtract line 16 from line 15 for any underpayments. Subtract line 15 from line 16 for any overpayments. Any overpayments on line 17 should be used to increase the amount entered on line 16 for the next installment period. Any underpayment on line 17 should be used to decrease the amount on line 16 for the next installment period. However, if you entered amounts on line 14, annualized income installments, and the amounts on line 17 are zero (0) or less for all installment periods, then enter zero (0) on line 21 and file this form with your return.

PART 4 – HOW TO FIGURE THE CHARGE

Line 18 – Enter the date you paid the tax balance due on your RI return or April 15, 2002 whichever is earlier.

Line 19A – Enter the number of days from the installment due date to the date of payment or December 31, 2001, whichever is earlier. If December 31, 2001 is used, then enter 260, 199 and 107 respectively in each column.

Line 19B – Enter the number of days from the installment due date to the date of payment or April 15, 2002, whichever is earlier. If April 15, 2002 is used, then enter 90 in the last column.

Line 19C – Enter the number of days from January 1, 2002 to the date of payment or April 15, 2002, whichever is earlier. If April 15, 2002 is used then enter 105 in each column. **Interest rates to be used are 12% per annum from January 1, 2001 to December 31, 2001 and 12 % per annum from January 1, 2002 to December 31, 2002.**

Line 20 – Compute the charge using the applicable interest rates and number of days times underpayment entered on line 17 for each installment period. Divide the number of days from line 19 by the total number of days in the year times the applicable interest rate times the amount of the underpayment on line 17 for each installment.

Line 21 – Add the amounts from lines 20A, B and C in all columns and enter the total here. Include this amount with your tax balance payment and attach this form to your return. If your RI tax return has previously been filed, then attach your check to this form and mail it to the RI Division of Taxation, One Capitol Hill, Providence, RI 02908.

PART 5 - ANNUALIZED INCOME INSTALLMENT WORKSHEET

IMPORTANT: Complete one column lines 22 -32 before completing the next column.

	01/01/01 03/31/01	01/01/01 05/31/01	01/01/01 08/31/01	01/01/01 12/31/01
22. Figure your actual taxable income.....				
23. Annualization amounts.....	4	2.4	1.5	1
24. Multiply the amount on line 22 by the indicator on line 23.....				
25. Figure your Rhode Island tax on the amount on line 24.....				
26. Applicable percentage.....	20%	40%	60%	80%
27. Multiply the amount on line 25 by the applicable percentages on line 26.....				
28. Enter the combined amount from line 31 for all preceding periods.....				
29. Subtract line 28 from line 27 - (not less than zero).....				
30. Enter the amount from Form RI-2210, line 13 for the period plus the amount from line 31 of this worksheet for the preceding period.....				
31. If line 30 is more than line 29, subtract line 29 from line 30, otherwise enter zero.....				
32. Enter the smaller of line 29 or line 30 here and on line 14.....				