



Underpayment of Estimated Tax on Florida Corporate Income/Franchise Tax

DRAFT

XX/XX

For Tax Year: Beginning Ending Federal Employee Identification Number (FEIN): Name: Address: City/State/ZIP:

Table with 5 columns: Description, (1st), (2nd), (3rd), (4th). Rows include: 1. Total income/franchise tax due... 2. 90% of Line 1... 3. Enter 25% of Line 2... 4. (a) Amount paid... (b) Overpayment credit... (c) Overpayment... 5. Total of Lines 4(a), 4(b), and 4(c)... 6. Underpayment (Line 3 less Line 5) or overpayment (Line 5 less Line 3)...

Exception that avoids penalty and interest

Table with 5 columns: Description, 25% of tax, 50% of tax, 75% of tax, 100% of tax. Rows include: 7. Total credit... 8(a). Tax on prior year's income... 8(b). Credit earned for the taxable year... 8(c). Line 8(a) less Line 8(b)...

Check below if the or credit approval letter each underpaid installment [Line 7 must equal or exceed Line 8(c)]

Attach a schedule credits earned for the taxable year on does not apply, complete Lines 9 through 14 to determine the amount of the penalty and interest. Exception: 1st Installment 2nd Installment 3rd Installment 4th Installment

Table with 5 columns: Description, (1st), (2nd), (3rd), (4th). Rows include: 9. Amount of underpayment... 10. Enter the date of payment... 11. Number of days from due date... 12. Penalty on underpayment... 13. Interest on underpayments... 14. Total of amounts shown on Lines 12 and 13...

# Instructions for Florida Form F-2220

# DRAFT

• The Child Care Tax Credits Program under s. 220.19, F.S.; and

- The Live Local Program under s. 220.1878, F.S.; and
- The Credit for Manufacturing of Human Breast Milk Derived Human Milk Fat s. 220.1991, F.S.

**Each** If applicable, ~~each~~ certificate of contribution must be issued on or after the beginning of the tax year and on or before the due date of the return, or extended due date with a valid extension of time.

A taxpayer's noncompliance with the requirement to pay tentative taxes may result in the revocation and rescindment of a credit when the allocation for **220.19** is made after a request for an extension of time. See ss. 220.1875, 220.1876, 220.1877, 220.1878 and 220.1991 F.S. In addition, each credit is required to be reduced by the difference between the amount of federal corporate income tax taking into account the credit and the amount of federal corporate income tax without application of the credit.

A taxpayer may not use the prior year exception if the previous tax year was for a short tax year (not a full 12 months), except where the short period is due to a change in accounting period. You may not use the prior period exception in your first year of operation.

**Note: The Florida Income Tax Code does not allow annualizing taxable income to determine the requirement for making an individual installment.**

**Computation of Penalty and Interest** – Follow the instructions on the form to complete Lines 9 through 14. For purposes of determining the date of payment on Line 10, a payment of estimated tax on any installment date is considered a payment of any previous underpayment only to the extent the payment exceeds that amount of the installment as computed on Line 3. If you made more than one payment for a given installment, attach a separate computation for each payment.

**Line 13 — Interest on Underpayments** – The interest rate on each underpayment will vary depending on the date of the payment and the interest rate or rates in effect for the period. It may be necessary to attach a separate schedule showing the computation of interest on each underpayment. A floating rate of interest applies to underpayments and late payments of estimated tax. The rate is updated January 1 and July 1 of each year by using the formula established in s. 220.807, F.S. To obtain interest rates, visit [floridarevenue.com/taxes/rates](http://floridarevenue.com/taxes/rates).

**Installment Dates** – Generally, for tax years ending 6/30, the declaration or payment of estimated tax is due on or before the last day of the 4th month, the last day of the 6th month, the last day of the 9th month, and the last day of the tax year. For tax years not ending on 6/30, the declaration or payment of estimated tax is due on or before the last day of the 5th month, the last day of the 6th month, the last day of the 9th month, and the last day of the tax year. Installment due dates that fall on a Saturday, Sunday, or legal holiday extend to the next business day, with the exception of installments due on the last day of June, which must be paid on or before the last Friday of June.

**Estimated Tax** – Every domestic or foreign corporation or other entity subject to taxation under Chapter 220, Florida Statutes (F.S.), must report estimated tax for the taxable year if the amount of income tax liability for the year is expected to be more than \$2,500.

**Purpose of Form** – This form will enable taxpayers to determine if they paid the correct amount of each installment of estimated tax by the proper due date. If the minimum amount was not paid timely, we may impose penalty and interest.

**Computation of Underpayments** – Make entries on Lines 1 through 6 following the instructions for each line item. Enter on Line 4(c) the previous installment's overpayment (Line 6) but only if the overpayment exceeds all prior underpayments. If Line 6 shows an underpayment of any installment, complete Lines 7 and 8 and Lines 9 through 14, to the extent applicable. If the requirements for filing the declaration of estimated tax were met during the tax year and fewer than four installment payments were required, attach an explanatory statement including computations.

**Exception to Avoid Penalty and Interest** – You will not owe penalty or interest for an underpaid installment on Line 6 if the total amount of all payments made by the installment date equals or exceeds the amount that would have been required to be paid using the preceding year's tax (see section ~~220.34~~ 220.34, F.S.). Calculate the exception using Lines 7 and 8. The prior year exception calculation includes credit earned for the following:

- The Florida Tax Credit Scholarship Program under s. 220.1875, F.S.;
- The New Worlds Reading Initiative under s. 220.1876, F.S.;
- The Strong Families Tax Credit Program under s. 220.1877, F.S.;

## Reference

The following document was mentioned in this form and is incorporated by reference in the rule indicated below.  
The form is available online at [floridarevenue.com/forms](http://floridarevenue.com/forms).