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See the Department's website for additional information regarding 2022 taxes: tax.iowa.gov

Who needs to file and pay estimates: Every individual or married couple filing a joint Iowa return that expects to have a tax liability of \$200 or more from income not subject to withholding.

Each individual required to make estimated payments must file an estimated payment under his/her name and Social Security Number.

Due dates: If any due date falls on a weekend, federal holiday, or legal holiday as defined in Iowa Code section 4.1(34), substitute the next regular business day.

For fiscal year filers, the dates for paying the estimated tax are the last day of the fourth, sixth, and ninth months of the fiscal year, and the last day of the first month of the next fiscal year.

How to compute estimated taxes: Compute estimated tax by using one of the following methods:

- Pay 5% of the anticipated Iowa gross income; or
- Pay 100% of the prior year's Iowa tax liability from IA 1040, line 53, less applicable credits; or
- Pay 110% of the prior year's Iowa tax liability from IA 1040, line 53, less applicable credits, if prior year's federal adjusted gross income plus any bonus depreciation adjustment/section 179 from IA 1040, line 14 and all other Iowa net income decoupling, exceeded \$150,000; or
- Complete the traditional worksheet provided on page 2.

Overpayment credit: If you had a refund on your 2021 Iowa income tax return and elected to apply it as a credit to your estimated tax, the amount is automatically posted as an estimated credit for 2022. Use the Estimated Tax Payment Schedule to record and apply the credit. If the credit equals or exceeds the first estimated payment, do not send an estimated voucher until a payment is due.

Amending estimated tax: If your income changes during the year, adjust the estimated tax for the remaining quarters accordingly.

Underpayment of estimated tax: A penalty for underpayment of estimated tax may apply if sufficient estimated payments are not submitted, regardless of the computation method used in calculating the estimated tax liability. Please see form IA 2210 for penalty exceptions.

EXCEPTIONS

Nonresidents:

Income from pass-through entities: If a nonresident partner, shareholder, or beneficiary ("member") is included on a pass-through entity's (partnership, S corporation, estate, or trust) composite return under Iowa Code section 422.16B, the nonresident member is not required to pay estimated tax on their distributive share of income from that

pass-through entity. If a nonresident member is exempt from inclusion on the composite return or is excluded from the composite return pursuant to a 2022 Nonresident Member Composite Agreement (41-175) signed by the member and the entity, the nonresident member must include their distributive share of pass-through income in the calculation of their estimated tax. To obtain the 2022 Nonresident Member Composite Agreement form, visit the Department's website.

Other non-wage income: For Iowa-source income other than income from wages or a pass-through entity, Iowa law provides that nonresidents have the option of having Iowa income tax withheld or paying estimated income tax. If paying estimated tax is preferred, a release from withholding must be obtained prior to receipt of income. Complete the Nonresident Request for Release from Withholding form (44-017). To obtain this form, see the Department's website. Submit the form with the tax payment and installment voucher to the Department at the address on the voucher. A release may then be furnished to the payer from the Department, based on the information provided.

Farmers and Fishers: If 2/3 or more of estimated gross income is from farming or commercial fishing, two additional options are available:

- Pay the estimated tax in one payment on or before January 17, 2023, and file the Iowa income tax return by May 1, 2023; or
- File the Iowa income tax return and pay the tax due in full on or before March 1, 2023.

Those qualifying to make fewer than four estimated payments should use the installment voucher for the quarter from which the Iowa-source income was generated.

Low income exemption from tax:

Taxpayers 65 years of age or older: You are exempt if: (1) You are single and your net income is \$24,000 or less, or (2) Your filing status is other than single and your combined net income is \$32,000 or less. Only one spouse must be 65 or older to qualify for the exemption.

Taxpayers under 65 years of age: You are exempt if: (1) Your net income is less than \$5,000 and you are claimed as a dependent on another person's Iowa return, or (2) You are single and your net income is \$9,000 or less and you are not claimed as a dependent on another person's Iowa return, or (3) Your filing status is other than single and your combined net income is \$13,500 or less.

Note: The amount of any pension exclusion (except military retirement pay), reportable Social Security benefits, and lump-sum tax distributions of taxable income must be added back to net income for purposes of determining the low income exemption regardless of age.

If opting to use one of the methods other than the traditional worksheet, proceed to number 21 of the traditional worksheet under "Quarterly Estimated Tax Computation."

Traditional Worksheet - for taxpayer records ONLY

1. Net income. Gross income minus adjustments.
Report income for both spouses if filing a joint Iowa return 1. _____
2. Federal income tax paid less federal income tax refund 2. _____
3. Balance. Subtract line 2 from line 1 3. _____
4. Estimated deductions. Enter (a) total estimated itemized deductions or (b) standard deduction. Enter \$2,210 single or \$5,450 joint. 4. _____
5. Taxable income. Subtract line 4 from line 3. If less than zero, you do not owe estimated income tax 5. _____
6. Compute income tax using 2022 Tax Rate Schedule below. 6. _____
7. Iowa lump-sum tax 7. _____
8. Iowa alternative minimum tax 8. _____
9. Total estimated tax liability. Add lines 6 through 8 9. _____
10. Total credits. Personal and dependent exemptions, tuition and textbook credit, firefighter/EMS/reserve peace officer credit 10. _____
11. Balance. Subtract line 10 from line 9. If you are a resident, please skip line 12 11. _____
12. Nonresidents. Enter amount of Iowa-source net income 12. _____
13. Percentage of Iowa income vs. total income. Nonresidents divide line 12 by line 1, round to the nearest tenth of a percent. Iowa residents enter 100% 13. _____ %
14. Estimated Iowa tax. Multiply line 11 by line 13 14. _____
15. Out-of-state tax credit and any other nonrefundable Iowa credits 15. _____
16. Balance. Subtract line 15 from line 14 16. _____
17. Iowa residents' school district or emergency medical services surtax 17. _____
18. Balance. Add lines 16 and 17 18. _____
19. Total Iowa credits: withholding, composite, child and dependent care or early childhood development, fuel tax, Iowa earned income tax credit, and any other refundable Iowa credits 19. _____
20. Estimated tax. Subtract line 19 from line 18, rounded to the nearest dollar. Do not file estimated taxes if line 20 is less than \$200. If line 20 exceeds \$200, continue to line 21 directly below 20. _____

Quarterly Estimated Tax Computation

21. If the estimated tax exceeds \$200, enter 100% (110% if high income taxpayer) of the prior year's tax liability, or 5% of this year's anticipated Iowa gross income, or the amount from line 20 on the above worksheet 21. _____
22. Multiply line 21 by 0.25. This is your quarterly estimated payment amount. Enter this amount into column A, lines 1 through 4, on the Estimated Tax Payment Schedule below 22. _____

2022 Tax Rate Schedule

Taxable income:

Over	But Not Over	Tax Rate			Of Excess Over
0	1,743	0.00	plus	0.33%	0
1,743	3,486	5.75	plus	0.67%	1,743
3,486	6,972	17.43	plus	2.25%	3,486
6,972	15,687	95.87	plus	4.14%	6,972
15,687	26,145	456.67	plus	5.63%	15,687
26,145	34,860	1,045.46	plus	5.96%	26,145
34,860	52,290	1,564.87	plus	6.25%	34,860
52,290	78,435	2,654.25	plus	7.44%	52,290
78,435		4,599.44	plus	8.53%	78,435

Estimated Tax Payment Schedule

Date	A Computed Installment	B	C
		Refund Carryforward/ Prior Period Overpayment	Amount to be Paid (column A less column B)
Installment 1 05/02/2022			
Installment 2 06/30/2022			
Installment 3 09/30/2022			
Installment 4 01/31/2023			

Example on how to compute estimated tax: The taxable income is \$24,000.

The calculation = \$456.67 + [5.63% x (\$24,000 - \$15,687)].

The result = \$456.67 + \$468.02 = \$924.69. Round to the nearest dollar = \$925.00