

INSTRUCTIONS

General Information: Estimated income tax is the amount of Vermont tax you expect to owe for the year on income that is not subject to withholding (for example: earnings from self-employment, interest, dividends, rental income, alimony, etc.), or exceeding withholdings, plus any additions. Additions to VT tax may include:

- Qualified Retirement Plans (including IRA, HSA & MSA)
- Recapture of Federal Investment Tax Credit
- VT Tax Credit Recapture

Who Must Make Estimated Income Tax Payments? Generally, you must pay estimated income tax if you expect to owe an income tax liability or have income not subject to withholding such as self-employment earnings. Individuals receiving two-thirds of his or her income from farming or fishing, as defined by the IRS, are not required to make estimated income tax payments.

How Do I Determine My Estimated Tax Liability? Please use your 2013 tax liability or use the worksheet included with this form to estimate your 2014 tax liability. In order to avoid underpayment of estimated tax, which may result in penalty and interest charges, estimated tax payments must either be: **1)** equal to 100% of last year's tax liability **OR 2)** 90% of this year's tax liability. If the tax liability due is less than \$500, you will not be subject to penalty or interest charges.

When Are Estimated Income Tax Payments Due? Estimated income tax payments are made in four equal amounts by the due dates shown below:

1st payment April 15, 2014

2nd payment June 15, 2014

3rd payment September 15, 2014

4th payment January 15, 2015

Can I File Annualized Estimated Payments for Vermont? Individuals who make annualized estimated tax payments with the IRS may also make annualized estimated payments in Vermont. If you make annualized payments, please attach a completed copy of Federal Form 2210 and VT Form IN-152A when you file your Vermont income tax return.

Taxpayer's Worksheet - Keep for your records

	100% of 2013 Tax Liability divided by 4 \$ _____
	OR
	90% of 2014 Tax Liability (calculated below)
Line 1	Estimated 2014 Vermont Taxable Income 1. \$ _____
Line 2	Estimated 2014 Vermont Tax: Use 2014 preliminary tax schedules 2. \$ _____
Line 3	Estimated 2014 Vermont Tax with Additions. See instructions for Form IN-111, Line 18. 3. \$ _____
Line 4	Estimated Income Adjustment. See instructions for Form IN-111, Line 21. 4. \$ _____ %
Line 5	Adjusted Vermont Tax (Multiply Line 3 by Line 4). 5. \$ _____
Line 5a	Expected 2014 Vermont Tax Withholding 5a. \$ _____
Line 6	Subtract Line 5a from Line 5 6. \$ _____
Line 7	2014 ESTIMATED TAX LIABILITY 7. \$ _____

RECORD of 2014 ESTIMATED PAYMENTS

Due Date	Date Paid	Check #	Amount Paid
April 15, 2014			
June 15, 2014			
Sept. 15, 2014			
Jan. 15, 2015			

2014 Preliminary VT Tax Rates

Schedule X
Use if your filing status is:
Single

If your Taxable Income is Over	But Not Over	VT Base Tax is	Plus	of the Amount Over
0	36,900	0.00	3.55%	0
36,900	89,350	1,310.00	6.80%	36,900
89,350	186,350	4,877.00	7.80%	89,350
186,350	405,100	12,443.00	8.80%	186,350
405,100	-	31,693.00	8.95%	405,100

Schedule Y-1
Use if your filing status is:
Married Filing Jointly; Qualifying Widow(er) or
Civil Union Filing Jointly

If your Taxable Income is Over	But Not Over	VT Base Tax is	Plus	of the Amount Over
0	61,600	0.00	3.55%	0
61,600	148,850	2,187.00	6.80%	61,600
148,850	226,850	8,120.00	7.80%	148,850
226,850	405,100	14,204.00	8.80%	226,850
405,100	-	29,890.00	8.95%	405,100

2014 Preliminary VT Tax Rates

Schedule Y-2
Use if your filing status is:
Married Filing Separately or
Civil Union Filing Separately

If your Taxable Income is Over	But Not Over	VT Base Tax is	Plus	of the Amount Over
0	30,800	0.00	3.55%	0
30,800	74,425	1,093.00	6.80%	30,800
74,425	113,425	4,060.00	7.80%	74,425
113,425	202,550	7,102.00	8.80%	113,425
202,550	-	14,945.00	8.95%	202,550

Schedule Z
Use if your filing status is:
Head of Household

If your Taxable Income is Over	But Not Over	VT Base Tax is	Plus	of the Amount Over
0	49,400	0.00	3.55%	0
49,400	127,550	1,754.00	6.80%	49,400
127,550	206,600	7,068.00	7.80%	127,550
206,600	405,100	13,234.00	8.80%	206,600
405,100	-	30,702.00	8.95%	405,100