

# 2014 Instructions for Form 541-ES

## Estimated Tax For Fiduciaries

### General Information

**Installment Payments.** Quarterly estimated tax payments shall be paid in the following percentages of the required annual payment:

- 1st Quarter – 30%
- 2nd Quarter – 40%
- 3rd Quarter – 0%
- 4th Quarter – 30%

Estates and trusts with a tax liability less than \$500 do not need to make estimated tax payments.

### A Purpose

Use Form 541-ES, Estimated Tax For Fiduciaries, to figure and pay estimated tax for an estate or trust. Estimated tax is the amount of tax the fiduciary of an estate or trust expects to owe for the year.

### B Who Must Make Estimated Tax Payments

Generally, a fiduciary of an estate or trust must make 2014 estimated tax payments if the estate or trust expects to owe at least \$500 in tax for 2014 (after subtracting withholding and credits).

A fiduciary of an estate or trust is **not** required to make 2014 estimated tax payments if one of the following applies:

- 100% of the tax shown on the 2013 tax return including alternative minimum tax (AMT) was paid by withholding.
- 90% of the tax shown on the 2014 tax return will be paid by withholding.
- It is a decedent's estate for any taxable year ending before the date that is two years after the decedent's death.
- It is a trust that was treated as owned by the decedent and if the trust will receive the residue of the decedent's estate under the will (or if no will is admitted to probate, the trust is primarily responsible for paying debts, taxes, and expenses of administration) for any taxable year ending before the date that is two years after the decedent's death.

### Required Annual Estimated Tax Payment

#### Adjusted Gross Income (AGI) \$150,000 or less.

Estates and trusts required to make estimated tax payments and whose 2013 AGI is \$150,000 or less, must figure their estimated tax based on the lesser of 100% of the tax for 2013 or 90% of the tax for 2014, including AMT. This rule does not apply to farmers or fishermen.

**AGI greater than \$150,000.** Estates and trusts required to make estimated tax payments and whose 2013 AGI is more than \$150,000 must figure their estimated tax based on the lesser of 110% of the tax for 2013 or 90% of the tax for 2014, including AMT. This rule does not apply to farmers or fishermen.

**AGI \$1,000,000 or more.** Estates and trusts with a 2014 AGI equal to or greater than \$1,000,000 must figure their estimated tax based on 90% of the tax for 2014. This rule does not apply to farmers or fishermen.

If the estate or trust must make estimated tax payments, use the Estimated Tax Worksheet on the next page to figure the amount owed.

Real Estate Mortgage Investment Conduit (REMIC) trusts are not required to make estimated payments.

Tax-exempt trusts and nonexempt charitable trusts described in IRC Section 4947(a)(1) should use Form 100-ES, Corporation Estimated Tax.

### C When to Make Estimated Tax Payments

For estimated tax purposes, the year is divided into four payment periods. Each period has a specific payment due date. If an estate or trust does not pay enough tax by the due date of each payment, it may be charged a penalty even if it is due a refund when it files its income tax return. Pay the estimated tax payment by the dates shown below:

1st Payment	April 15, 2014
2nd Payment	June 16, 2014
3rd Payment	September 15, 2014
4th Payment	January 15, 2015

**Filing an Early Tax Return in Place of the 4th Installment.** If an estate or trust files its 2014 tax return by January 31, 2015, and pays the entire balance due, it does not have to make its last estimated tax payment.

**Annualization Option.** If the estate or trust does not receive its taxable income evenly during the year, it may be to its advantage to annualize the income. This method allows matching estimated tax payments to the actual period when income was earned. Use the annualization schedule included with 2013 form FTB 5805, Underpayment of Estimated Tax by Individuals and Fiduciaries.

**Farmers and Fishermen.** If at least 2/3 of gross income for 2013 or 2014 is from farming or fishing, the estate or trust may apply one of the following:

- Pay the total estimated tax by January 15, 2015.
- File Form 541, California Fiduciary Income Tax Return, for 2014 on or before March 2, 2015, and pay the total tax due. In this case, estimated tax payments are not due for 2014. Enclose form FTB 5805F, Underpayment of Estimated Tax by Farmers and Fishermen, with Form 541.

**Fiscal Year Filers.** If the estate or trust files on a fiscal year basis, the due dates will be the 15th day of the 4th, 6th, and 9th months of the fiscal year and the first month of the following fiscal year. When the due date falls on a weekend or holiday, the deadline to file and pay without penalty is extended to the next business day.

**Mental Health Services Tax.** If the estate's or trust's taxable income is more than \$1,000,000, compute the Mental Health Services Tax. Income from an Electing Small Business Trust (ESBT) is also subject to the Mental Health Services Tax.

### Mental Health Services Tax Worksheet

Use whole dollars only.

A. Taxable income from Form 541 line 20a	_____
B. ESBT taxable income from Form 541 line 20b	_____
C. Add line A and line B	_____
D. Less	\$(1,000,000)
E. Subtotal	_____
F. Multiply line E by 1%	_____ x .01
G. <b>Mental Health Services Tax</b> – Enter this amount on line 10 of the 2014 Estimated Tax Worksheet on the next page	_____

### D How to Use Form 541-ES

Use the Estimated Tax Worksheet on the next page and the 2013 Form 541 tax return as a guide for figuring the 2014 estimated tax payment.

There is a separate payment form for each due date. Use the form with the correct due date.

Fill in Form 541-ES:

1. Using black or blue ink, print the estate's or trust's name, the fiduciary's name and title, mailing address, and the estate's or trust's federal employer identification number (FEIN) in the space provided on Form 541-ES. Print all names and words in CAPITAL LETTERS. If the estate's or trust's name or address is too long to fit in the provided spaces, **do not** shorten the name or address. Instead, ignore the combed lines and fit the information in the space provided.

Include the Private Mail Box (PMB) in the address field. Write "PMB" first, then the box number. Example: 111 Main Street PMB 123.

2. Enter on the payment line of the form only the amount of the current payment. When making payments of estimated tax, be sure to take into account any previous year's overpayment to be credited against the current year's tax, but **do not** include the overpayment amount in the payment amount.
3. If part of the estimated tax is to be allocated to the beneficiaries per IRC Section 643(g), enclose a copy of Form 541-T, California Allocation of Estimated Tax Payments for Beneficiaries, to Form 541-ES.
4. Using black or blue ink, make a check or money order payable to the "Franchise Tax Board." Write the FEIN and "2014 Form 541-ES" on the check or money order. Enclose, but **do not** staple the payment with Form 541-ES and mail to:

FRANCHISE TAX BOARD  
PO BOX 942867  
SACRAMENTO CA 94267-0008

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

5. Keep a record of the payment.
6. **Fiscal year filers:** Fill in the month and year-end information at the top of the form.

**E Failure to Make Estimated Tax Payments**

If the estate or trust is required to make estimated tax payments and does not, or if it underpays any installment, a penalty will be assessed for that portion of estimated tax that was underpaid from the due date of the installment to the date of payment or the due date of the tax return, whichever is earlier. For more information, get 2013 form FTB 5805.

**F Other Information**

**Filing 541-ES on Magnetic Media.** Fiduciaries that make estimated tax payments for more than 200 taxable trusts may submit the estimated tax information on magnetic media or composite listing. For additional information, our general toll-free service is available from within the United States 800.852.5711 or from outside the United States 916.845.6500.

Telephone assistance is available year-round from 7 a.m. until 5 p.m. Monday through Friday. We may modify these hours without notice to meet operational needs.

**Access by Internet.** You can download, view, and print California tax forms and publications at [ftb.ca.gov](http://ftb.ca.gov).

Access other California agency websites at [ca.gov](http://ca.gov).

**2014 Estimated Tax Worksheet.** Do not file. Keep this worksheet for your records.

1	Enter the estimated amount of adjusted total income you expect in 2014	1	00
2	Enter income distribution deduction	2	00
3	Taxable income of fiduciary. Subtract line 2 from line 1	3	00
4	Tax. Figure the amount by using the 2013 tax rate schedule	4	00
5	Additional taxes from: form FTB 5870A, Tax on Accumulation Distribution of Trusts; IRC Section 453A tax, relating to certain dispositions under the installment method; and, IRC Section 641(d) tax on income attributable to S corporation stock held by an Electing Small Business Trust (ESBT)	5	00
6	Total. Add line 4 and line 5	6	00
7	Credits. See the instructions for Form 541 for more information about credits you may claim	7	00
8	Total. Subtract line 7 from line 6	8	00
9	Enter the alternative minimum tax from Schedule P (541)	9	00
10	Mental Health Services Tax Worksheet, line G	10	00
11	Enter the total of line 8, line 9, and line 10	11	00
12	a Enter 90% (.90) of line 11. Farmers and fishermen use 66 2/3% (.6667) of line 11	12a	00
	b Enter 100% of the tax shown on your 2013 Form 541, line 28, or 110% (1.10) of that amount if the estate's or trust's AGI on the 2013 Form 541 is more than \$150,000, and if less than 2/3 of gross income for 2013 or 2014 is from farming or fishing	12b	00
	c Enter the smaller of line 12a or line 12b. If the 2014 AGI is \$1,000,000 or more, enter the amount from line 12a	12c	00
13	California income tax withheld and estimated to be withheld during 2014	13	00
14	Estimated tax. Subtract line 13 from line 12c. If less than \$500, no payment is required	14	00
15	Multiply line 14 by 30% (.30). Enter the amount on the 1st and 4th installment of your Form 541-ES. Multiply the amount on line 14 by 40% (.40). Enter the result on the 2nd installment of your Form 541-ES. See the instructions if income will be earned at an uneven rate during the year. <b>If the amount is zero, do not mail this form.</b>		

✂ DETACH HERE \_\_\_\_\_ IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM \_\_\_\_\_ DETACH HERE ✂

TAXABLE YEAR

CALIFORNIA FORM

**2014 Estimated Tax for Fiduciaries** File and Pay by Jan. 15, 2015 **541-ES**

Fiscal year filers, enter year ending: month \_\_\_\_\_ year \_\_\_\_\_

Name of estate or trust \_\_\_\_\_ FEIN \_\_\_\_\_

Name and title of fiduciary \_\_\_\_\_

Address (number and street, suite, PO Box, or PMB no.) \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP Code \_\_\_\_\_

**Payment Form 4**

If no amount is due, do not mail this form. Amount of payment \_\_\_\_\_ 00

Using black or blue ink, make a check or money order payable to the "Franchise Tax Board." Write the FEIN and "2014 Form 541-ES" on it. **Do not combine this payment with payment of your tax due for 2013.** Mail this form and your check or money order to: **FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0008**

# 2014 Estimated Tax for Fiduciaries

File and Pay by April 15, 2014

## 541-ES

Fiscal year filers, enter year ending: month \_\_\_\_\_ year \_\_\_\_\_

Name of estate or trust	FEIN
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Name and title of fiduciary

Address (number and street, suite, PO Box, or PMB no.)

City	State	ZIP Code	<b>Payment Form 1</b>
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**If no amount is due, do not mail this form.** Amount of payment

Using black or blue ink, make a check or money order payable to the "Franchise Tax Board." Write the FEIN and "2014 Form 541-ES" on it. **Do not combine this payment with payment of your tax due for 2013.** Mail this form and your check or money order to: **FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0008**

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For Privacy Notice, get FTB 1131 ENG/SP. 1211143 Form 541-ES 2013

✂ DETACH HERE \_\_\_\_\_ IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM \_\_\_\_\_ DETACH HERE ✂

# 2014 Estimated Tax for Fiduciaries

File and Pay by June 16, 2014

## 541-ES

Fiscal year filers, enter year ending: month \_\_\_\_\_ year \_\_\_\_\_

Name of estate or trust	FEIN
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Name and title of fiduciary

Address (number and street, suite, PO Box, or PMB no.)

City	State	ZIP Code	<b>Payment Form 2</b>
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**If no amount is due, do not mail this form.** Amount of payment

Using black or blue ink, make a check or money order payable to the "Franchise Tax Board." Write the FEIN and "2014 Form 541-ES" on it. **Do not combine this payment with payment of your tax due for 2013.** Mail this form and your check or money order to: **FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0008**

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For Privacy Notice, get FTB 1131 ENG/SP. 1211143 Form 541-ES 2013

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# 2014 Estimated Tax for Fiduciaries

File and Pay by Sept. 15, 2014

## 541-ES

Fiscal year filers, enter year ending: month \_\_\_\_\_ year \_\_\_\_\_

Name of estate or trust	FEIN
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Name and title of fiduciary

Address (number and street, suite, PO Box, or PMB no.)

City	State	ZIP Code	<b>Payment Form 3</b>
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**If no amount is due, do not mail this form.** Amount of payment

Using black or blue ink, make a check or money order payable to the "Franchise Tax Board." Write the FEIN and "2014 Form 541-ES" on it. **Do not combine this payment with payment of your tax due for 2013.** Mail this form and your check or money order to: **FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0008**

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