FORM 2220ME

UNDERPAYMENT OF ESTIMATED TAX

2014

MAINE REVENUE SERVICES, P.O. BOX 1065, AUGUSTA, ME 04332-1065

This form is used for the computation of penalty for underpayment of estimated tax for the Maine corporate income tax and Maine franchise tax. Enclose with the appropriate Maine return.

For calendar year 2014, or fiscal year beginning _____, 2014 and ending _____ , 20 ____ .

NAME	FEDERAL IDENTIFICATION NUMBER

NUMBER AND STREET

CITY OR TOWN, STATE AND ZIP CODE

Part I - Calculating Your Underpayment

1 2014 tax (check the applicable space below) .... 1. _____

     ⊔ Form 1120ME, line 7c (Total Tax) minus lines 8c (Tax Credits), 8d (Income Tax Withheld) and 8e (Refundable Credits)

     ⊔ Form 1120B-ME, line 3c (Total Tax) minus line 4d (Net Operating Loss Credit) and line 4e (Other Credits)

2. Multiply line 1 by 90% .... 2. _____

3. 2013 tax (If 2013 is short-year, enter amount from line 2)(If this line or line 1 is less than $1,000, do not complete rest of form)........... 3. _____

4. Enter the smaller of line 2 or line 3 .... 4. _____

PAYMENT DUE DATES	**A**	**B**	**C**	**D**
Enter in columns A through D the installment dates that correspond to the 15th day of the 4th, 6th, 9th and 12th months of the taxable year.				
5. Enter 25% of line 4 in columns A through D, unless (a) or (b) below applies: ⊔ a. Actual liability: Check here and on line 9b, page 3, Form 1120ME. Enter amount from line 19 of the annualization worksheet. ⊔ b. If the corporation is a "large" corporation under IRC § 6655(g) (2)(A), enter the required estimated tax amount by statute and check this box ....5.				
6. a. Estimated tax paid and carryover of prior year overpayment............6a.				
b. Overpayment on line 8b from prior column ....6b.				
7. Line 6a plus line 6b ....7.				
8. a. Underpayment (line 5 minus line 7) or ....8a.				
b. Overpayment (line 7 minus line 5) ....8b.				

Part II - Calculating the Penalty

	A	**B**	**C**	**D**
9. Enter the due date of the return (or the date the underpayment on line 8a was paid to MRS, if earlier) ....9.				
10. Number of months or fraction thereof from the payment due date to the date shown on line 9 ....10.				
11. Enter the rate from the table on reverse side ....11.				
12. Underpayment penalty. Underpayment on line 8a multiplied by rate on line 11 ....12.				

13. Total of amounts shown on line 12. Enter result here and on Form 1120ME, line 9b or Form 1120B-ME, line 5b .... 13. _____

INSTRUCTIONS FOR FORM 2220ME

PURPOSE OF FORM:

Form 2220ME enables corporations and financial institutions to determine if sufficient estimated tax was paid by the proper due date. If the minimum amount was not paid timely, an underpayment penalty is imposed for the period of underpayment. This form helps determine whether or not you are subject to this penalty.

WHO MUST PAY THE UNDERPAYMENT PENALTY:

If you did not pay enough estimated tax by any due date for paying estimated tax, you may be charged a penalty.

In general, you may owe the penalty if, for 2014 you did not pay the lesser of 90% of your tax liability for 2014 or 100% of the tax liability for 2013 if the 2013 return covered 12 months. Large corporations, as defined by IRC § 6655(g)(2)(A), must also meet the test required by 36 M.R.S. § 5228(5)(C).

EXCEPTIONS TO THE PENALTY:

You will not have to pay the penalty or file this form if either of the following two situations applies:

1. Your tax liability for 2014, reduced by allowable credits, is less than $1,000.

2. Your 2013 tax liability was less than $1,000.

The penalty may be avoided if at least 90% of the 2014 tax was paid when due, even though you may be required to file this form.

ACTUAL LIABILITY FOR EACH QUARTER:

Taxpayers are required to make four equal installments of estimated tax unless the actual liability can be established, by adequate record, for each required installment payment of estimated tax. The Annualized Income Installment Worksheet for Underpayment of Estimated Tax is used to determine actual liability.

COMPUTATION OF UNDERPAYMENT PENALTY:

If no exception applies for an installment date, complete lines 9 through 13 to determine the amount of the penalty. The penalty is based on the amount of the underpayment of the required installment for the period of underpayment. It is computed at the stated rate for each month or fraction thereof in the period of underpayment. For calendar year 2014, the penalty rate is .5833% per month or fraction thereof, compounded monthly. For calendar year 2015, the penalty rate is .5833% per month or fraction thereof, compounded monthly. The effective penalty rate for the number of months shown on line 10 is listed below.

Fiscal year filers may not use the table below.

Number of Months shown on line 10	1	2	3	4	5	6	7	8	9	10	11
Enter this Rate on line 11, Column A	0.005833	0.011701	0.017602	0.023538	0.029509	0.035514	0.041555	0.047631	0.053742	0.059889	0.066071
Enter this Rate on line 11, Column B	0.005833	0.011701	0.017602	0.023538	0.029509	0.035514	0.041555	0.047631	0.053742		
Enter this Rate on line 11, Column C	0.005833	0.011701	0.017602	0.023538	0.029509	0.035514					
Enter this Rate on line 11, Column D	0.005833	0.011701	0.017602								