

**NJ-2210  
2020**

**Underpayment of Estimated Tax  
by Individuals, Estates, or Trusts**

Fill in the oval at line 52, Form NJ-1040, and enclose this form with your return.

Name(s) as shown on Form NJ-1040	Social Security Number
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**PART I FIGURING YOUR UNDERPAYMENT**

1. 2020 Tax (line 50, Form NJ-1040).....	1.	
2. Enter the total of lines <b>55, 56, 58, 59, 60, 61, 62, and 63, Form NJ-1040</b> .....	2.	
3. Subtract line 2 from line 1 (If less than \$400, do <b>not</b> complete the rest of this form).....	3.	
4a. Multiply the amount on line 1 by .80 (80%) (Two-thirds for qualified farmers) .....	4a.	
4b. Enter 2019 tax ( <b>From Form NJ-1040, line 49</b> ) .....	4b.	

	PAYMENT DUE DATES			
	(A) JUNE 15, 2020	(B) JULY 15, 2020 <small>(originally due April 15, 2020)</small>	(C) SEPT 15, 2020	(D) JAN 15, 2021
5. Use the lesser amount from either line 4a or 4b and divide by four. Enter the result in each column .....				
6. Estimated tax paid and tax withheld per period (see instr.). If each column on line 6 is greater than the corresponding column on line 5, do not complete the rest of this form .....				
7. Enter the overpayment (line 13) from the previous column. (Complete lines 7 through 13 for one column before completing the next column.) .....				
8. Add line 6 and line 7 .....				
9. Enter the total underpayment (add line 11 and line 12) from the previous column .....				
10. Subtract line 9 from line 8. If zero or less, enter zero .....				
11. Remaining underpayment from previous period. If line 10 is zero, subtract line 8 from line 9. Otherwise enter zero .....				
12. UNDERPAYMENT (If line 5 is greater than line 10, subtract line 10 from line 5).....				
13. OVERPAYMENT (If line 10 is greater than line 5, subtract line 5 from line 10).....				

**PART II EXCEPTIONS**

(See instructions. Complete worksheets for exceptions 2, 3, and 4 and enclose calculations for each exception claimed.)

**If you meet exception 1 at line 15, do not file this form.** These amounts will be verified by the Division of Taxation.

		JUNE 15, 2020	JULY 15, 2020	SEPT 15, 2020	JAN 15, 2021
14. Total amount paid and withheld from January 1 through payment due date shown. (Do not include withholdings after December 31, 2020.) (See instructions).....	14.				
15. Exception 1 – Enter 2019 tax (line 49) .....	15.	\$	50% of 2019 Tax	25% of 2019 Tax	75% of 2019 Tax
16. Exception 2 – Tax on 2019 gross income using 2020 exemptions and tax rates .....	16.		50% of Tax	25% of Tax	75% of Tax
17. Exception 3 – Tax on annualized 2020 income .....	17.		40% of Tax	20% of Tax	60% of Tax
18. Exception 4 – Tax on 2020 income over 3, 5, and 8-month periods .....	18.		90% of Tax	90% of Tax	90% of Tax

If the amount of any exception is equal to or less than the corresponding amount at line 14, interest will not be charged for that period

19. TOTAL INTEREST (Include this amount on line 52, Form NJ-1040).....		\$
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WORKSHEETS

**EXCEPTION II Tax on 2019 gross income using 2020 exemptions and tax rates**

1. Enter 2019 NJ Gross Income (line 29, 2019 NJ-1040).....	1.	
2. Enter 2020 Total Exemptions (line 30, 2020 NJ-1040).....	2.	
3. Subtract line 2 from line 1.....	3.	
4. Calculate Tax on line 3 (2020 tax rates).....	4.	
5. Enter Credit for Income Taxes Paid to Other Jurisdictions (line 43, 2020 NJ-1040).....	5.	
6. Subtract line 5 from line 4. Enter the applicable percentage of this amount on line 16, Part II of this form.....	6.	

**EXCEPTION III Tax on 2020 Annualized Income (attach calculations)**

Estates and trusts, **do not** use the period ending dates shown, instead use the following ending dates: 2/29/20, 4/30/20, and 7/31/20. Also, estates and trusts cannot use the annualization amounts shown on line 2 and must use 6, 3, and 1.7143, respectively.

		1/1/20 – 3/31/20	1/1/20 – 5/31/20	1/1/20 – 8/31/20
1. Enter the portion of NJ Gross Income (line 29, NJ-1040) that is applicable to each period shown.....	1.			
2. Annualization amounts.....	2.	4	2.4	1.5
3. Annualized Income (Multiply line 1 by line 2).....	3.			
4. Enter Total Exemptions (line 30, NJ-1040).....	4.			
5. Subtract line 4 from line 3.....	5.			
6. Calculate tax on line 5.....	6.			
7. Enter the portion of the Credit for Income Taxes Paid to Other Jurisdictions (line 43, NJ-1040) that is applicable to each period.....	7.			
8. Subtract line 7 from line 6. Enter the applicable percentage of this amount on line 17, Part II of this form.....	8.			

**EXCEPTION IV Tax on Actual 2020 Taxable Income over 3, 5, and 8-month periods (attach calculations)**

		1/1/20 – 3/31/20	1/1/20 – 5/31/20	1/1/20 – 8/31/20
1. Enter the actual amount of NJ Taxable Income (line 41, NJ-1040) that is applicable to each period shown.....	1.			
2. Calculate tax on line 1.....	2.			
3. Enter the portion of the Credit for Income Taxes Paid to Other Jurisdictions (line 43, NJ-1040) that is applicable to each period shown.....	3.			
4. Subtract line 3 from line 2. Enter 90% of this amount on line 18, Part II of this form.....	4.			

# New Jersey Gross Income Tax Instructions for Form NJ-2210 Underpayment of Estimated Tax by Individuals, Estates, or Trusts 2020

Use Form NJ-2210 to determine if you are subject to interest on the underpayment of estimated tax. Estates and trusts are subject to interest on underpayment of estimated tax and may need to complete Form NJ-2210, except estates and trusts that meet the two-year limitation and other criteria of federal Internal Revenue Code section 6654(1)(2). Complete Part I, Figuring your Underpayment, to determine if you have not paid enough estimated tax during any of the payment periods. If you have not, complete Part II, Exceptions, to determine if an exception applies to any of the payment periods. If no exception applies, use the worksheet on the next page to calculate the interest for that period.

## COVID-19 Relief

As a result of relief provided due to COVID-19, the due date for first quarter estimated tax payments, originally due April 15, 2020, was extended to July 15, 2020. These payments are not subject to underpayment interest if paid by July 15. This form has been updated accordingly.

**Note:** The due date for second quarter estimated tax payments, June 15, 2020, was **not** extended.

## In General

You may owe interest if you did not make estimated payments, including withholdings (see line 6), equal to at least 80% of your 2020 tax liability (line 50, Form NJ-1040) or 100% of your 2019 tax liability, provided your 2019 New Jersey Income Tax return covered a full 12-month period. If an underpayment does exist for any column in Part I, you should complete Part II, Exceptions, and the appropriate worksheet on page 2, NJ-2210 to determine if any of the exceptions on Part II may apply. You **must** complete the appropriate worksheet for exceptions 2, 3, and 4 and attach all calculations for each of the exceptions claimed.

## Specific Instructions

### Part I

**Line 3** – If line 3 is \$400 or more, complete lines 4 through 13.

**Line 6** – For the purpose of determining your underpayment of estimated tax, tax withheld includes the amount of New Jersey Tax Withheld (line 55, Form NJ-1040), Property Tax Credit (line 56, Form NJ-1040), New Jersey Earned Income Tax Credit (line 58, Form NJ-1040), Excess NJ UI/WF/SWF Withheld (line 59, Form NJ-1040), Excess NJ Disability Insurance Withheld (line 60, NJ-1040), Excess NJ Family Leave Insurance Withheld (line 61, NJ-1040), Wounded Warrior Caregivers Credit (line 62, NJ-1040), and Pass-Through Business Alternative Income Tax Credit (line 63, NJ-1040). The total amount of tax withheld is considered to have been paid evenly (one-fourth of total amount) on each payment due date, unless you can show otherwise. Include this amount with the amount of any estimated tax payments on each of the columns on Part I. The total amount of credit, if any, from your prior year tax return should be included in the amount of your payment in column B. If each column on line 6 is greater than the corresponding column on line 5, do not complete the rest of this form.

**Line 7** – Complete lines 7 through 13 for one column before completing the next column.

**Line 12** – If line 12 is zero for all payment periods, you are not subject to the interest and therefore do not have to file Form NJ-2210. If you have an underpayment in any column on line 12, complete Part II.

### Part II

You will not have to pay interest if (1) you have paid your 2020 tax payments (line 14) on time; and (2) the amount on line 14 is equal to or more than the tax calculated under any of the four exceptions for the same payment period.

**Line 14** – Based on the amounts indicated on line 6, Part I, enter the **total** amount of all estimated tax payments and taxes withheld by each of the due dates indicated on Part II.

**Exceptions 1, 2, 3, and 4** – You must complete the appropriate worksheet for exemptions 2, 3, and 4 and attach all calculations for each of the exceptions claimed. If you meet exception 1 at line 15 do not file this form. These amounts will be automatically verified by the Division of Taxation.

**Exception 1** – Enter your prior year tax liability in the space provided at line 15. Exception 1 only applies if your prior year tax return covered a full 12-month period and your current tax year payments (line 14) are at least equal to your prior year tax liability. Your prior year tax liability is zero if a return was not required to be filed. Enter the applicable percentage of your prior year tax liability in each column at line 15, as indicated.

**Exception 2** – Exception 2 is calculated by subtracting the total amount of your current tax year exemptions from your prior year gross income. Tax is calculated using the current year tax rates. Subtract your Credit for Income Taxes Paid to Other Jurisdictions, if any. Enter the applicable percentage of line 6 of the worksheet in each column at line 16, as indicated. Exception 2 only applies if your current year tax payments (line 14) are at least equal to the amounts indicated at line 16.

**Exception 3** – Exception 3 is calculated by multiplying the actual portion of NJ Gross Income that is applicable to each period shown, by the annualization amounts at line 2 of the worksheet. Subtract the total amount of exemptions from your Annualized Income on line 3. Calculate tax on this amount. Subtract your Credit for Income Taxes Paid to Other Jurisdictions, if any. Enter the applicable percentage of each amount from line 8 of the worksheet in the corresponding column at line 17 as indicated. Exception 3 only applies if your current year tax payments (line 14) are at least equal to the amounts indicated at line 17.

**Exception 4** – Exception 4 is calculated using the tax on the actual amount of NJ Taxable Income that is applicable to each period shown. Subtract your Credit for Income Taxes Paid to Other Jurisdictions, if any. Enter 90% of each amount from line 4 of the worksheet in the corresponding column at line 18. Exception 4 only applies if your current year tax payments (line 14) are at least equal to the amounts indicated at line 18.

## Calculating the Interest

Use the table in Option 1 to calculate interest on the amount of the underpayment from page 1, NJ-2210. If your estimated tax payments for Tax Year 2020 were not paid timely, interest must be calculated based on the Interest Rate Schedule in Option 2.

### OPTION 1

QUARTER	PERIOD	A	B	C	D	E	F	G
		Amount Due (Line 5, NJ-2210)	Balance Due Previous Qtr. (Col. E)	Total Due (Col. A + B)	Total Paid (Line 6, NJ-2210)	Balance (Col. C - D)	Multiplier	Interest (Col. E x F)
1.	6/16 – 7/15						.005	
2.	7/16 – 9/15						.010	
3.	9/16 – 1/15						.021	
4.	1/16 – 4/15						.016	
<b>Total Interest</b>								

- Column A      Enter the amount due per quarter (line 5, NJ-2210).
- Column B      Enter the balance due (column E) from the previous quarter.
- Column C      Enter the total of column A plus column B.  
If column B is negative, subtract column B from column A.
- Column D      Enter the total estimated tax paid and withheld (line 6, NJ-2210).
- Column E      Subtract column D from column C.
- Column F      The multiplier is based on the interest rates in effect during each quarter.
- Column G      Multiply column E by the multiplier in column F. If column E is negative, enter zero in column G.
- TOTAL INTEREST**      Add the interest for each quarter and enter this amount in the block marked Total Interest on line 19, NJ-2210 and on line 52, NJ-1040.

### OPTION 2

Calculate the interest on the amount of the underpayment on line 12 from the date the underpayment was incurred to the date the underpayment was satisfied or the original due date of the final tax return (Form NJ-1040), whichever is earlier. Interest is assessed at the annual rate of 3% above the average predominant prime rate and is imposed each month or fraction thereof the underpayment exists. The interest rate will be reviewed quarterly and will only change if there has been a cumulative change of more than 1% since it was last set.

INTEREST RATE SCHEDULE	
PERIOD	INTEREST RATE
4/16/20 – 4/15/21	6.25%