

Include with the corporation's return.Partnerships and S Corporations that made the Pass-Through Entity (PTE) election, check here: See instructions.For the calendar year 2025 or fiscal year beginning MMDD 2025 and ending MMDD 20YY.

Name as shown on Form 99T, 120, 120A, 120S, 165 (for partnerships making the PTE election)

Employer Identification Number (EIN)

In most cases, the taxpayer DOES NOT HAVE TO FILE Form 220/PTE. (See Part A below for exceptions.) The department will compute any penalty due and bill the taxpayer. (If the taxpayer does not have to file Form 220/PTE, the form may still be used to compute the penalty. Enter the amount of the penalty on the estimated tax underpayment penalty line of the taxpayer's return. Do not check the box on that line of the return or include Form 220/PTE with the return.)

Part A Reasons for Filing Form 220/PTE

Check the boxes below that apply to the taxpayer. If any box is checked, the taxpayer must file Form 220/PTE with the taxpayer's tax return, even though no penalty is due. See page 2 of the instructions.

- 1 The taxpayer is using the annualized income installment method. (Available to partnerships or S Corporations that made the PTE election.)
- 2 The taxpayer is using the adjusted seasonal installment method. (Not available to partnerships or S Corporations that made the PTE election.)
- 3 **Forms 120 and 120A only:** The taxpayer is a "large corporation" computing its first required installment based on the prior taxable year's tax liability.
- 4 **Form 120S, S Corporations subject to tax at the federal level:** The taxpayer is computing its required annual payment based on an amount equal to the **sum of:**
 - (a) ninety percent of the portion of the current taxable year's liability attributable to built-in gains income or certain capital gains income; **plus**
 - (b) one hundred percent of the portion of the prior taxable year's tax liability attributable to excess net passive income.

Part B Calculation of Underpayment

5 Enter the 2025 Arizona tax liability from Form 99T, line 11 less line 12; or Form 120, line 21 less line 22; or Form 120A, line 13 less line 14; or Form 120S, line 19 less line 20, or Form 165, line 23. Taxpayers with a claim of right tax calculation see **instructions** **5** 00

6 REQUIRED ANNUAL PAYMENT:

- a Enter 90% of line 5
- b Forms 99T, 120, 120A, enter the tax as shown on the 2024 return: See **instructions**
- c S Corporations subject to tax at the federal level: See **instructions**
- d **Partnerships and S Corporations that made the PTE election:** See **instructions**
- e Forms 99T, 120, 120A: Enter the smaller of line 6a or line 6b. **Partnerships and S Corporations that made the PTE election, See **instructions****

S Corporations subject to tax at the federal level that **did not make the PTE election:** Enter the smaller of line 6a or line 6c **6e** 00

	(a)	(b)	(c)	(d)
7	7 <u>MMDDYY</u>	7 <u>MMDDYY</u>	7 <u>MMDDYY</u>	7 <u>MMDDYY</u>
8				
9				

7 Installment due dates: In columns (a) through (d), enter the 15th day of the 4th, 6th, 9th, and 12th months of the taxable year. **PTE's see instructions.**

8 Required installments: If the box on line 1 and/or line 2 above is checked, enter the amounts from Schedule A, Part 3, line 48. If the box on line 3 above is checked (but not the box on line 1 or line 2), see the instructions for line 8 to determine the amount to enter. If the box on line 4 above is checked, or if none of these boxes are checked, enter 25% of line 6e in each column.

9 Enter the estimated tax paid or credited for each period (see the instructions). **For column (a) only:** Skip lines 10 through 12. Enter the amount from line 9 on line 13.....

Complete lines 10 through 16 of each column before completing the next column.

10				
11				
12				
13				
14				
15				
16				

Name (as shown on page 1)	EIN
---------------------------	-----

Part C Penalty Calculation

17 Forms 120 and 120A: Enter the date of payment or the 15th day of the 4th month after the close of the taxable year, whichever is earlier.

Forms 120S: Use 3rd month instead of 4th month.

PTE's: Use 3rd month instead of 4th month.

Form 99T: Use 5th month instead of 4th month.....

18 Number of days from due date of installment on line 7 to the date shown on line 17

19 Number of days on line 18 after 4/15/2025 and before 7/1/2025

20 Underpayment on line 15 $\times \frac{\text{Number of days on line 19}}{365} \times 7\%$

21 Number of days on line 18 after 6/30/2025 and before 10/1/2025 ..

22 Underpayment on line 15 $\times \frac{\text{Number of days on line 21}}{365} \times 7\%$

23 Number of days on line 18 after 9/30/2025 and before 1/1/2026

24 Underpayment on line 15 $\times \frac{\text{Number of days on line 23}}{365} \times 7\%$

25 Number of days on line 18 after 12/31/2025 and before 4/1/2026 ..

26 Underpayment on line 15 $\times \frac{\text{Number of days on line 25}}{365} \times *%$
+ compounding, if applicable

27 Number of days on line 18 after 3/31/2026 and before 7/1/2026

28 Underpayment on line 15 $\times \frac{\text{Number of days on line 27}}{365} \times *%$
+ compounding, if applicable

29 Number of days on line 18 after 6/30/2026 and before 10/1/2026 ..

30 Underpayment on line 15 $\times \frac{\text{Number of days on line 29}}{365} \times *%$
+ compounding, if applicable

31 Number of days on line 18 after 9/30/2026 and before 1/1/2027

32 Underpayment on line 15 $\times \frac{\text{Number of days on line 31}}{365} \times *%$
+ compounding, if applicable

33 Number of days on line 18 after 12/31/2026 and before 3/15/2027

34 Underpayment on line 15 $\times \frac{\text{Number of days on line 33}}{365} \times *%$
+ compounding, if applicable

35 Add lines 20, 22, 24, 26, 28, 30, 32, and 34. Enter the total.

36 Penalty Limitation: In columns (a) through (d), enter the smaller of Part B, line 15 $\times 10\%$ OR the amount from Part C, line 35

37 Penalty: Add columns (a) through (d) of line 36. Enter the total here and on Form 99T, line 22; or Form 120, line 29; or Form 120A, line 21; or Form 120S, line 25

37 00

* Percentage rate to be announced

Continued on page 3 ➔

Name (as shown on page 1)	EIN
---------------------------	-----

SCHEDULE A		Annualized Income Installment Method and/or Adjusted Seasonal Installment Method Under IRC § 6655(e)				
Part 1		Annualized Income Installment Method (Available to partnerships or S Corporations making the PTE election.)				
		(a)	(b)	(c)	(d)	
1	Annualization periods: See instructions.....	1	First _____ Months	First _____ Months	First _____ Months	First _____ Months
2	Enter taxable income for each annualization period.....	2				
3	Annualization amounts: See instructions.....	3				
4	Annualized taxable income: Multiply line 2 by line 3. Enter the result.....	4				
5	Multiply the amount in each column on line 4 by 4.9%. (PTE's use 2.5% tax rate) Enter the result.	5				
6	Enter tax from recapture of tax credits for each payment period. See instructions.....	6				
7	Subtotal tax: Add lines 5 and 6. Enter the total.....	7				
8	For each period, enter the amount of nonrefundable tax credits. See instructions	8				
9	Arizona tax liability: Subtract line 8 from line 7. Enter the difference. If zero or less, enter "0".....	9				
10	Refundable tax credits: See instructions	10				
11	Claim of right adjustment: See instructions.....	11				
12	Net liability: Subtract the sum of line 10 and line 11 from line 9. Enter the difference. If zero or less, enter "0"	12				
13	Applicable percentage.....	13	22.5%	45%	67.5%	90%
14	Multiply line 12 by line 13. Enter the result.	14				
15	Add the amounts in all preceding columns from page 4, Part 3, line 48. See instructions.....	15				
16	Annualized income installments: Subtract line 15 from line 14. Enter the difference. If zero or less, enter "0"	16				

Part 2 Adjusted Seasonal Installment Method (Not available to partnerships or S Corporations making the PTE election.)

CAUTION: Use this method only if the base period percentage of any 6 consecutive months is at least 70%. See the instructions for more information.

	(a)	(b)	(c)	(d)
	First 3 Months	First 5 Months	First 8 Months	First 11 Months
17 Enter taxable income for the following periods:				
a Taxable year beginning in 2022.....	17a			
b Taxable year beginning in 2023.....	17b			
c Taxable year beginning in 2024.....	17c			
18 Enter taxable income for each period for taxable year beginning in 2025.....	18			

Continued on page 4 →

Name (as shown on page 1)			EIN			
Part 2 (continued)		(a)	(b)	(c)	(d)	
19	Enter taxable income for the following periods:		First 4 Months	First 6 Months	First 9 Months	Entire Year
19a	a Taxable year beginning in 2022.....					
19b	b Taxable year beginning in 2023.....					
19c	c Taxable year beginning in 2024.....					
20	Divide the amount in each column on line 17a by the amount in column (d) on line 17a. Enter the result.....					
21	Divide the amount in each column on line 17b by the amount in column (d) on line 17b. Enter the result.....					
22	Divide the amount in each column on line 17c by the amount in column (d) on line 17c. Enter the result.....					
23	Add lines 20 through 22. Enter the total.....					
24	Divide line 23 by three (3). Enter the result.....					
25	Divide line 18 by line 24. Enter the result.....					
26	Multiply the amount in each column on line 25 by 4.9%. PTEs use 2.5%. Enter the result.....					
27	Divide the amount in each column on line 19a by the amount in column (d) on line 19a. Enter the result.....					
28	Divide the amount in each column on line 19b by the amount in column (d) on line 19b. Enter the result.....					
29	Divide the amount in each column on line 19c by the amount in column (d) on line 19c. Enter the result.....					
30	Add columns (a) through (c) of lines 27 through 29. Enter the total.....					
31	Divide columns (a) through (c) of line 30 by three (3). Enter the result.....					
32	Multiply the amount in columns (a) through (c) of line 26 by the amount in the corresponding column of line 31. Enter the result. In column (d), enter the amount from line 26, column (d).....					
33	Enter tax from recapture of tax credits for each payment period. See instructions.....					
34	Subtotal tax: Add line 32 and line 33. Enter the total.....					
35	For each period, enter the amount of nonrefundable tax credits. See instructions.....					
36	Arizona tax liability: Subtract line 35 from line 34. Enter the difference. If zero or less, enter "0".....					
37	Refundable tax credits: See instructions.....					
38	Claim of right adjustment: See instructions.....					
39	Net liability: Subtract the sum of line 37 and line 38 from line 36. Enter the difference. If zero or less, enter "0".....					
40	Multiply line 39 by 90%. Enter the result.....					
41	Add the amounts in all preceding columns from Part 3, line 48. See instructions.....					
42	Adjusted seasonal installments: Subtract line 41 from line 40. Enter the difference. If zero or less, enter "0".....					
Part 3 Required Installments		(a)	(b)	(c)	(d)	
43	If only one of the above parts is completed, enter the amount in each column from line 16 or line 42. (If both parts are completed, enter the lesser of the amounts in each column from line 16 or line 42.).....	First Installment	Second Installment	Third Installment	Fourth Installment	
43						
44	Enter 25% of line 6e in each column. NOTE: "Large corporations", see the instructions to determine the amount to enter.....					
44						
45	Enter the amount from line 47 of this schedule for the preceding column.....					
45						
46	Add line 44 and line 45. Enter the total.....					
46						
47	If line 46 is more than line 43, subtract line 43 from line 46. Enter the difference. Otherwise, enter "0".....					
47						
48	Required Installments: Enter the lesser of line 43 or line 46 here and on page 1, Part B, line 8.....					
48						