

**2025 Form EST, Additional Charge for Underpayment of Estimated Tax**  
 For Trusts (Form M2), Partnerships (Form M3) and S Corporations (Form M8)

Name of Trust, Partnership or S corporation \_\_\_\_\_ FEIN \_\_\_\_\_ Minnesota Tax ID Number \_\_\_\_\_

**Required Annual Payment**

- 1 Minnesota tax for **2025** (from line 26 of Form M2; line 13 of Form M3; or line 14 of Form M8) ..... 1 \_\_\_\_\_
- 2 Minnesota withholding and credits for **2025** (see instructions) ..... 2 \_\_\_\_\_
- 3 Subtract line 2 from line 1 (if result is less than \$500, stop here; you do not owe an additional charge) ..... 3 \_\_\_\_\_
- 4 Multiply line 1 by 90% (0.90) ..... 4 \_\_\_\_\_
- 5 Minnesota income tax for **2024** (from line 26 of Form M2, line 13 of Form M3 or line 14 of Form M8).  
 If you did not file a 2024 return or filed a 2024 return for less than a full 12-month period, skip line 5  
 and enter the amount from line 4 on line 6 ..... 5 \_\_\_\_\_
- 6 Required annual payment. Enter amount from line 4 or line 5, whichever is less ..... 6 \_\_\_\_\_
  - If line 6 is less than or equal to line 2, stop here; you do not owe an additional charge.
  - If line 6 is more than line 2, continue with line 7 or line 13, depending on which method you use.

**Optional Short Method** (see instructions to determine which method to use)

- 7 Estimated tax payments you made for 2025 ..... 7 \_\_\_\_\_
- 8 Add line 2 and line 7 ..... 8 \_\_\_\_\_
- 9 Total underpayment for the year. Subtract line 8 from line 6  
 (if result is zero or less, stop here; you do not owe an additional charge) ..... 9 \_\_\_\_\_
- 10 Multiply line 9 by 2% (0.02) ..... 10 \_\_\_\_\_
- 11 • If the amount on line 9 will be paid on or after the regular due date for filing your return, enter 0.  
 • If the amount was paid before the regular due date, use the following computation and  
 enter the result on line 11: amount on line 9 X number of days paid before the regular due date X .000192 ..... 11 \_\_\_\_\_
- 12 **Additional Charge.** Subtract line 11 from line 10.  
 Enter result here and on line 38 of Form M2, line 20 of Form M3 or line 23 of Form M8 ..... 12 \_\_\_\_\_

	A	B	C	D
<b>Regular Method</b>	April 15, 2025	June 16, 2025	Sept. 15, 2025	Jan. 15, 2026
13 Enter 25% (0.25) of line 6 in each column ..... 13	_____	_____	_____	_____
14 <b>Credits.</b> See instructions ..... 14	_____	_____	_____	_____
15 <b>Overpayment.</b> If line 14 is more than line 13, subtract line 13 from line 14. Enter the result here and add it to line 14 in the next column ..... 15	_____	_____	_____	_____
16 <b>Underpayment.</b> If line 14 is less than line 13, subtract line 14 from line 13..... 16	_____	_____	_____	_____
17 Enter the date of payment or the regular due date for filing your return, whichever is earlier (see instructions) ..... 17	_____	_____	_____	_____
18 Number of days between the payment due date and the date on line 17 ..... 18	_____	_____	_____	_____
19 Divide line 18 by 365. The result is a decimal ..... 19	_____	_____	_____	_____
20 Multiply line 19 by 7% (0.07). Enter as a decimal ..... 20	_____	_____	_____	_____
21 Multiply line 20 by line 16 ..... 21	_____	_____	_____	_____
22 <b>Additional Charge.</b> Add line 21, columns A-D. Enter result here and on line 38 of Form M2, line 20 of Form M3 or line 23 of Form M8 ..... 22	_____	_____	_____	_____

You must include this schedule with your Form M2, M3 or M8.

# 2025 Worksheet ESTa, Annualized Income Installment

For Trusts (Form M2), Partnerships (Form M3) and S Corporations (Form M8)

Name of Trust, Partnership or S corporation	FEIN		Minnesota Tax ID Number	
	A 1/1/2025 – 3/31/2025	B 1/1/2025 – 5/31/2025	C 1/1/2025 – 8/31/2025	D 1/1/2025 – 12/31/2025
<b>Step 1</b> Enter your adjusted gross income for each period. (see instructions) (Trust, enter your taxable income without your exemption for each period.) . . . . . 1				
<b>Step 2</b> Annualization Amounts (Trusts, see instructions) . . . . . 2	4	2.4	1.5	1
<b>Step 3</b> Multiply step 1 by step 2 . . . . . 3				
<b>Step 4</b> Minnesota Additions . . . . . 4				
<b>Step 5</b> Add step 4 and step 3 . . . . . 5				
<b>Step 6</b> Minnesota Subtractions . . . . . 6				
<b>Step 7</b> Subtract step 6 from step 5 . . . . . 7				
<b>Step 8</b> Figure tax for amount shown in step 7. Deduct appropriate nonrefundable credits. . . . . 8				
<b>Step 9</b> Percentage for each period. . . . . 9	22.50%	45%	67.50%	90%
<b>Step 10</b> Multiply step 8 by step 9 . . . . . 10				
<b>Complete steps 11-17, one column at time before moving to next column.</b>				
<b>Step 11</b> Add the amounts from step 17 from all preceding payment periods . . . . . 11				
<b>Step 12</b> Subtract step 11 from step 10 (if result is zero or less, enter 0) . . . . . 12				
<b>Step 13</b> Enter 25% (0.25) of line 6 of Schedule EST in each column . . . . . 13				
<b>Step 14</b> Enter step 16 of the preceding column . . . . . 14				
<b>Step 15</b> Add step 13 and step 14 . . . . . 15				
<b>Step 16</b> Subtract step 12 from step 15 (if result is zero or less, enter 0) . . . . . 16				
<b>Step 17</b> Amount from step 12 or step 15, whichever is less. Also enter this amount on line 13 of Schedule EST . . . . . 17				

## Worksheet Instructions

**Step 1**  
Calculate your total income for each period (column). Calculate your total income minus your adjustments to income.

**Step 2**  
Trusts do not use the amounts shown in columns (a) – (d). Use the following amounts instead: 6, 3, 1.71429, and 1.09091, respectively as the annualization amounts.

**Step 4**  
Determine your Minnesota Additions for each quarter. Enter the amounts in step 4.

**Step 6**  
Determine your Minnesota Subtractions for each quarter. Enter the amounts in step 6.

**Step 8**  
Minnesota tax rate for composite tax and nonresident withholding tax is 9.85%. Take the amount from step 7 and multiply it by 9.85%. Add any minimum fee amount and/or any other S corporation taxes and enter the result in the line for step 8.

# 2025 Schedule EST Instructions

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Additional Charge for Underpayment of Estimated Tax for Trusts (Form M2), Partnerships (Form M3) and S Corporations (Form M8)

*This schedule is not required if you are filing your first Minnesota tax return.*

## Who Must File

If you are a trust, partnership or S corporation, use this schedule to determine if you owe an additional charge for underpaying estimated tax. (Decedent estates are not subject to the additional charge.)

You may owe an additional charge if one of the following is true:

- you did not pay the correct amount of estimated tax by the due dates, even if you expect to receive a refund
- your Minnesota tax liability for the current year, less any credits, is \$500 or more

**Exception.** You are not subject to an additional charge for underpayment of estimated tax if this is the first year you are filing a Minnesota tax return.

## Avoiding the Additional Charge

To avoid an additional charge for underpayment of estimated tax, you must make the required estimated tax payments on time and pay the lesser of:

- 90% of your current year's original tax liability, less any credits
- 100% of your prior year's total tax liability, less any credit. However, if your Minnesota assignable gross income on your 2024 Form M2 is more than \$150,000, you must use 110% of your previous year's tax liability instead of 100%

## Fiscal Year Taxpayers

If you file your Minnesota return on a fiscal year basis, change the payment due dates to the 15th day of the fourth, sixth and ninth months of your fiscal year, and the first month of your next fiscal year.

## Short Taxable Year

If you have a short taxable year, the installments are due on the 15th day of the third, sixth, ninth and final months. No installment is required for a short taxable year of fewer than four months.

## Line Instructions

*These instructions refer to your original return. However, an amended return is considered the original return if it is filed by the regular due date of the original return.*

### Line 2 — 2024 Withholding and Credits

*Trusts:* Add lines 27, 28, 30, 31, 32, and 33 of your 2025 Form M2.

*Partnerships:* Enter the amount from line 14 of your 2025 Form M3.

*S corporations:* Enter the amount from line 17 of your 2025 Form M8.

## Optional Short Method or Regular Method

You may use the optional short method *only* if one of the following is true:

- you did not make any estimated tax payments
- you paid your 2025 estimated tax in four equal amounts on or before the due date of each installment

*Note:* If any payment was made *before* the installment due date, it is best to use the regular method. Using the short method will cause you to pay a larger additional charge than the regular method. If the payment was only a few days early, the difference is likely to be small.

Continue with line 7 to use the optional short method, and skip lines 13-22.

If you are not eligible or you choose not to use the optional short method, use the regular method to determine your additional charge. Skip lines 7-12 and continue with line 13.

## Optional Short Method

### Line 7

Enter the total amount of 2025 estimated tax payments you made in 2025 and 2026. Do not include any other amounts on line 7.

## Regular Method

*Complete column A, lines 13-16. Then, depending on whether you have an underpayment or an overpayment, either continue with line 17 of column A (underpayment) or line 13 of column B (overpayment).*

### Line 13

Enter 25% (0.25) of line 6 in each of the four columns on line 13.

You may benefit from using the annualized income installment method if your income varied throughout the year or if you had a late capital gain or higher 4th quarter income. If you use this method for one payment due date, you must use it for all. Complete the worksheet on Form ESTa.

# 2025 Schedule EST Instructions (Continued)

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## Line 14

For each payment period, enter the total amount of:

- estimated payments you paid for each payment period
- Minnesota income tax withheld in 2025
- your 2024 income tax refund, if you elected on your 2024 Minnesota return to apply all or a portion of your refund to your 2025 estimated tax
- any refundable credits you claim for 2025

You are considered to have received any refundable credits evenly during the year unless you show otherwise. Your 2024 refund, if any, is considered a credit to your first payment period.

## Lines 15 and 16

Compare line 13 of each column to line 14 of the same column.

**If line 14 is more than line 13, you have an overpayment** for the payment period. Subtract line 13 from line 14 and enter the result on line 15.

Add line 15 to the credit on line 14 of the next column. Overpayments in any quarter following an underpayment must first be applied to making up previous underpayments.

**If line 14 is less than line 13, you have an underpayment** for that payment period. Subtract line 14 from line 13 and enter the result on line 16. Continue with line 17.

## Line 17

If you have an underpayment in all four quarters, in each column enter the date you filed your return or the regular due date for filing your return, whichever is earlier.

Otherwise, enter the date when the underpayment on line 16 was paid in full.

*Example:* You made your first quarter estimated tax payment on April 20, but you show an underpayment on line 16. On June 14, you paid your second quarter payment in full and included the underpayment from the first quarter. On line 17, you would enter June 14 in the first and second quarter columns.