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1392, Supplemental Form W-4 Instructions for Nonresident Aliens (Rev. January 2020), which provides nonresident aliens who are not exempt from withholding instructions for completing

• You no longer reasonably expect to claim exemption from withholding.

Change of status resulting in withholding that will cover your tax liability. If you have a change of status listed in the previous section, you don't have to furnish a new Form W-4 for 2022 if after the change you will have enough tax withheld for the remainder of 2022 to cover your income tax liability. However, if you will have enough tax withheld for 2022 to cover your income tax liability after a change or changes in status, but your filing status changes from Married Filing Jointly (or Qualifying Widow(er)) to Head of Household or to Single (or Married Filing Separately) or from Head of Household to Single (or Married Filing Separately) during 2022, you are required to furnish your employer a new Form W-4 for 2023 by December 1, 2022, or, if later, 10 days after the date of the change in filing status, to take effect in 2023.

Otherwise, if you want to change your withholding for any other reason, you can generally do that whenever you wish. See (\$4,459 \div 49 remaining paydays) on his Form W-4 in S tep 4(c).

How Do You Decrease Your Withholding?

If your completed Worksheets 1-3 and 1-5 show that you may have more tax withheld than your projected tax liability for 2022, you may be able

support the claims made on the Form W-4 and send them directly to the IRS address shown on the lock-in letter. Your employer must continue to figure your withholding on the basis previously determined by the IRS until the IRS advises your employer otherwise.

At any time, either before or after the lock-in letter becomes effective, you may give your employer a new Form W-4 that does not claim complete exemption from withholding and results in more income tax withheld than specified in the lock-in letter. Your employer must then withhold tax based on this new Form W-4.

Additional information is available at IRS.gov. Enter <u>``withholding compliance</u> <u>questions''</u> in the search box.

Exemption From Withholding

If you claim exemption from withholding, your employer won't withhold federal income tax from your wages. The exemption applies only to income tax, not to social security or Medicare tax.

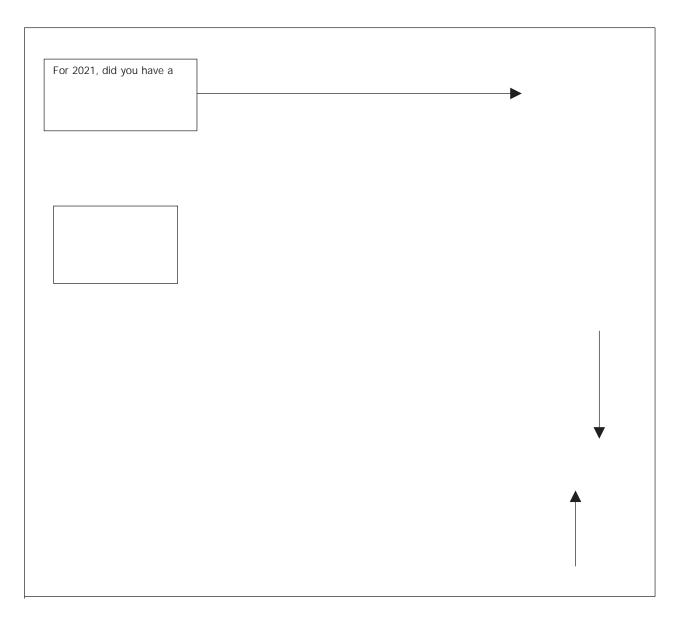
You can claim exemption from withholding for 2022 only if both of the following situations apply.

- For 2021, you had a right to a refund of all federal income tax withheld because you had no tax liability.
- For 2022, you expect a refund of all federal for the c 1/2 quE quE

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Figure 1-A. E. W. F. W. F. W-4



withholding of taxes. A simple error or an honest mistake won't result in one of these penalties.

Tips

The tips you receive while working on your job are considered part of your pay. You must include your tips on your tax return on the same line as your regular pay. However, tax isn't withheld directly from tip income, as it is from your regular pay. Nevertheless, your employer will take into account the tips you report when figuring how much to withhold from your regular pay. Reporting tips to your employer. If you receive tips of \$20 or more in a month while working for any one employer, you must report to your employer the total amount of tips you receive on the job during the month. The report is due by the 10th day of the following month.

If you have more than one job, make a separate report to each employer. Report only the tips you received while working for that employer, and only if they total \$20 or more for the month.

How employer figures amount to withhold. The tips you report to your employer are counted as part of your income for the month you report them. Your employer can figure your withholding in either of two ways.

- By withholding at the regular rate on the sum of your pay plus your reported tips.
- By withholding at the regular rate on your pay plus a percentage of your reported tips.

Not enough pay to cover taxes. If your regular pay isn't enough for your employer to withhold all the tax (including income tax and social security and Medicare taxes (or the equivalent railroad retirement tax)) due on your pay plus your tips, you can give your employer money to cover the shortage.

If you don't give your employer money to cover the shortage, your employer first withholds as much Medicare tax and social security or railroad retirement tax as possible, up to the proper amount, and then withholds income tax up to the full amount of your pay. If not enough tax is withheld, you may have to pay estimated tax. When you file your return, you may also have to pay any Medicare and social security tax or railroad retirement tax your employer could not withhold.

Tips not reported to your employer. On your tax return, you must report all the tips you receive during the year, even tips you don't report to your employer (this includes the value of any noncash tips you received, such as tickets, passes, or other items of value). Make sure you are having enough tax withheld, or are paying enough estimated tax (see <u>chapter 2</u>), to cover all your tip income.

Allocated tips. proyungi who kk in Ta large food or beverage

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If you don't pay enough tax, either through withholding or estimated tax, or a combination of both, you may have to pay a penalty.

Form W-2G. If a payer withholds income tax from your gambling winnings, you should receive a Form W-2G, Certain Gambling Winnings, showing the amount you won and the amount withheld.

Report the tax withheld on your 2022 Form 1040 or 1040-SR, along with all other federal income tax withheld, as shown on Forms W-2 and 1099.

Information to give payer. If the payer asks, you must give the payer all the following information.

- Your name, address, and SSN.
- Whether you made identical wagers (explained below).
- Whether someone else is entitled to any part of the winnings subject to withholding. If so, you must complete Form 5754, Statement by Person(s) Receiving Gambling Winnings, and return it to the payer. The payer will use it to prepare a Form W-2G for each of the winners.

Identical wagers. You may have to give the payer a statement of the amount of your winnings, if any, from identical wagers. If this statement is required, the payer will ask you for it You provide this statement by signing Form W-2G or, if required, Form 5754.

Identical wagers include two bets placed in a pari-mutuel pool on one horse to win a particular race. However, the bets are not identical if one bet is "to win" and one bet is "to place." In addition, they are not identical if the bets were placed in different pari-mutuel pools. For example, a bet in a pool conducted by the racetrack and a bet in a separate pool conducted by an offtrack betting establishment in which the bets are not pooled with those placed at the track are not identical wagers.

Backup withholding on gambling winnings. If you have any kind of gambling winnings and don't give the payer your SSN, the payer v which W

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- You are required, but fail, to certify that you are not subject to backup withholding.
 The IRS notifies the payer to start withholding ing on interest or dividends because you have underreported interest or dividends on your income tax return. The IRS will do this only after it has mailed you four notices over at least a 210-day period.

Taxpayer identification number (TIN). Your TIN is one of the following three numbers. • An SSN.

- An employer identification number (EIN).An IRS individual taxpayer identification number (ITIN). Aliens who don't have an SSN and are not eligible to get one should getan ITIN. Use Form W-7, Application for

Exemption From Withholding for Persons Age 65 or Older or Blind

Use this worksheet only if, for 2021, you had a right to a refund of all federal income tax withheld because you had no tax liability.

Caution. This worksheet does not apply if you can be claimed as a dependent See Worksheet 1-2 instead.

1. Check the boxes below that apply to you.		
65 or older	Blind	
2. Check the boxes below that apply to your spouse's	standard deduction.*	
65 or older	Blind	
3. Add the number of boxes you checked in 1 and 2 above. Enter the result		······
You can claim exemption from withholding if:		
Your filing status is:	and the number on line 3 above is:	and your 2022 total income will be no more than:
		1
Single	2	\$14,700 16,450
Head of	1	\$21,150
household	2	22,900
Married filing	1	\$14,350
separately for	2	15,750
both 2021 and	3	17,150
2022	4	18,550
O ther married	1	\$27,300**
status	2	28,700**
	3	30,100**
	4	31,500**
** Include both spouses' income whether you will file separa		
Qualifying	1	\$27,300
widow(er)	2	28,700
You can't claim exemption from withholding if your to	tal income will be more than the amount shown for your filing sta	atus.
	ur filing status is married filing jointly. You can check the appropriate bo ncome, isn't filing a return, and can't be claimed as a dependent on anot	, , , ,

Use t	Use this worksheet to figure your projected tax for 2022. Note. Enter combined amounts if married filing jointly.				
1.	Enter amount of adjusted gross income (AGI) you expect in 2022. (To determine this, you may want to start with the AGI on your last year's return, and add or subtract your expected changes. Also, take into account items listed under <i>What's New for 2022</i> , earlier.)				
	Note. If self-employed, first complete Worksheet 2-3 to figure your expected deduction for self-employment tax. Subtract the amount from Worksheet 2-3, line 11, to figure the line 1 entry	1.			
2.	lfyou:				
	 Don't plan to itemize deductions on Schedule A (Form 1040), use Worksheet 2-4 to figure your expected standard deduction. 				
	Plan to itemize deductions, enter the amount of your estimated itemized deductions.				
	• Qualify for the deduction for qualified business income, enter the estimated amount of the deduction you are allowed on your qualified business income from a qualified trade or business. Add this amount to your expected standard deduction or estimated itemized deductions and enter the total here	2.			
3.	Expected taxable income. Subtract line 2 from line 1. (If zero or less, enter -0- here and on line 4, then go to line 5.)	3.			
4.	If the amount on line 1:				
	 Doesn't include a net capital gain or qualified dividends and you didn't exclude foreign earned income or exclude or deduct foreign housing in arriving at the amount on line 1, use Worksheet 1-4 to figure the tax to enter here. 				
	• Includes a net capital gain or qualified dividends, use Worksheet 2-5 to figure the tax to enter here.				
	Was figured by excluding foreign earned income or excluding or deducting foreign housing, use Worksheet 2-6 to figure the tax to enter here	4.			
5.	Enter any expected additional taxes from an election to report your child's interest and dividends, lump-sum distributions (Form 4972), and alternative minimum tax	5.			
6.	Add lines 4 and 5	6.			
7.	Enter the amount of any expected tax credits. See <u>Table 1-2</u>	7.			
8.	Subtract line 7 from line 6 (if zero or less, enter -0-)	8.			
9.	Self-employment tax. Enter the amount from Worksheet 2-3, line 10. (If you expect to file jointly and both of you are self-employed, figure the self-employment tax for each of you separately and enter the total on line 9.)	9.			
10.	Enter the total of any other expected taxes*	10.			
11.	Projected tax for 2022. Add lines 8 through 10. Enter the total here and on Worksheet 1-5, line 1	11.			

Tax Computation Worksheet for 2022 (Continued)

c. Married Filing Jointly or Qualifying Widow(er). Use this worksheet to figure the amount to enter on Worksheet 1-3, line 4, if you expect your filing status for 2022 to be Married Filing Jointly or Qualifying Widow(er).

Expected Inco		(a) Enter amount	(b) Multiplication	(c) (d) Multiply Subtraction	(e) Subtract (d) from (c). Enter the result
If Worksheet 1-3, line 3* is —		from Worksheet 1-3,	amount	(a) by (b) amount	here and on Worksheet 1-3, line 4*
Over	Butnot over	line 3*			
\$O	\$20,550		× 10% (0.10)	\$O	
20,550	83,550		× 12% (0.12)	411.00	
83,550	178,150		× 22% (0.22)	8,766.00	
178,150			× 10% (0.10)	× 10% (′ – tl lt—h—— r hereE Enterml rf	rt t

Use this worksheet to figure any extra amount to enter in Step 3 of Form W-4 or Form W-4P. For more information on these credits, see <u>*Tax*</u> <u>*Credits*</u>, *earlier*.

Caution. The child tax credit and the credit for other dependents are already figured in Step 3 of Form W-4 or Form W-4P.

	r the projected amount for each credit you expect to take (other t <u>han the child tax credit or credit</u> for other endents).	
1.	Credit for the elderly or the disabled	1.
2.	Credit for child and dependent care expenses	2.
З.	Education credits	З.
4.	Adoption credit	4.
5.	Foreign tax credit	5.
6.	Retirement savings contributions credit	6.
7.	Earned income credit	7.
8.	Premium tax credit	8.
9.	O ther credits (see Table 1-2)	9.
10.	Add lines 1 through 9. This is your total estimated tax credits. Include this amount in the total entered on Form W-4, Step 3	10.

Topics This chapter discusses:

- Who must pay estimated tax,
- . How to figure estimated tax (including illustrated examples).
- When to pay estimated tax,
- How to figure each payment, and •
- How to pay estimated tax.

Useful Items You may want to see:

Form (and Instructions)

Introduction

Estimated tax is the method used to pay tax on income that isn't subject to withholding. This includes income from self-employment, interest, dividends, rent, gains from the sale of assets, prizes, and awards. You may also have to pay estimated tax if the amount of income tax being withheld from your salary, pension, or other income isn't enough.

Estimated tax is used to pay both income tax and self-employment tax, as well as other taxes and amounts reported on your tax return. If you don't pay enough tax, either through withholding or estimated tax, or a combination of both, you may have to pay a penalty. If you don't pay enough by the due date of each payment period (see When To Pay Estimated Tax, later), you may be charged a penalty even if you are due a refund when you file your tax return. For information on when the penalty applies, see the Instructions for Form 2210.



It would be helpful for you to have a copy of your 2021 tax return and an estimate of your 2022 income nearby while reading this chapter. Also, keep in mind the items under What's New for 2022, earlier.

or higher income taxpayer. See <u>Special Rules</u>, later.

If the result from using the general rule above suggests that you won't have enough withholding, complete the 2022 Estimated Tax Worksheet for a more accurate calculation.

<u>Figure 2-A</u> takes you through the general rule. You may find this helpful in determining if you must pay estimated tax.



If all your income will be subject to income tax withholding, you probably don't need to pay estimated tax.

Example 1. Jane Smart uses Figure 2-A and the following information to figure whether she should pay estimated tax for 2022. She files Form 1040 as head of household, takes the standard deduction, and expects no refundable credits for 2022.

Expected adjusted gross income (AGI) for 2022 AGI for 2021	\$74,550 \$60,000
Total tax on 2021 return (Form 1040,	
line 24)	\$ 7,502
Total 2022 estimated tax (line 11c of	
the 2021 Estimated Tax	
Worksheet)	\$11,015
Tax expected to be withheld in	
2022	\$10,000

Jane's answer to Figure 2-A, box 1, is YES; she expects to owe at least \$1,000 for 2022 after subtracting her withholding from her expected total tax (\$11,015 - \$10,000 = \$1,015). Her answer to box 2a is YES; she expects her income tax withholding (\$10,000) to be at least 90% of the tax to be shown on her 2022 return ($$11,015 \times 90\%$ (0.90) = \$9,913.50). Jane does not need to pay estimated tax.

Example 2. The facts are the same as in *Example 1*, except that Jane expects only \$7,000 tax to be withheld in 2022. Because that is less than \$9,913.50, her answer to box 2a is NO.

Jane's answer to box 2b is also NO; she does not expect her income tax withholding (\$7,000) to be at least 100% of the total tax shown on her 2021 return (\$7,502). Jane must increase her withholding or pay estimated tax for 2022.

Example 3. The facts are the same as in *Example 2,* except that the total tax shown on Jane's 2021 return was \$6,400. Because she expects to have more than \$6,400 withheld in 2022 (\$7,000), her answer to box 2b is YES. Jane does not need to pay estimated tax for 2022.

Married Taxpayers

If you qualify to make joint estimated tax payments, apply the rules discussed here to your joint estimated income.

You and your spouse can make joint estimated tax payments even if you are not living together. However, you and your spouse can't make joint estimated tax payments if:

- You are legally separated under a decree of divorce or separate maintenance,
- You and your spouse have different tax years, or
- Either spouse is a nonresident alien (unless that spouse elected to be treated as a resident alien for tax purposes). See *Choosing Resident Alien Status* in Pub. 519.

Note. Individuals who are in registered domestic partnerships, civil unions, or other similar formal relationships that are not marriages under state law can't make joint estimated tax payments. These individuals can take credit only for the estimated tax payments that he or she made.

If you and your spouse can't make joint estimated tax payments, apply these rules to your separate estimated income.

Making joint or separate estimated tax payments won't affect your choice of filing a joint tax return or separate returns for 2022.

2021 separate returns and 2022 joint return. If you plan to file a joint return with your spouse for 2022, but you filed separate returns for 2021, your 2021 tax is the total of the tax shown on your separate returns. You filed a separate return if you filed as single, head of household, or married filing separately.

2021 joint return and 2022 separate returns. If you plan to file a separate return for 2022, but you filed a joint return for 2021, your 2021 tax is your share of the tax on the joint return. You file a separate return if you file as single, head of household, or married filing separately.

To figure your share of the tax on a joint return, first figure the tax both you and your spouse would have paid had you filed separate returns for 2021 using the same filing status for 2022. Then, multiply the tax on the joint return by the following fraction.

> The tax you would have paid had you filed a separate return The total tax you and your

spouse would have paid had you filed separate returns

Example. Joe and Heather filed a joint return for 2021 showing taxable income of \$48,500 and a tax of \$5,425. Of the \$48,500 taxable income, \$40,100 was Joe's and the rest was Heather's. For 2022, they plan to file married filing separately. Joe figures his share of the tax on the 2021 joint return as follows. Tax on \$40,100 based on separate

Tax on \$40, 100 based on separate	
return	\$4,616
Tax on \$8,400 based on separate	
return	843
Total	\$5,459
Joe's percentage of total (\$4,616 ÷	
\$5,459)	85%
Joe's share of tax on joint return	
(\$5,425 × 85% (0.85))	\$4,611

Special Rules

There are special rules for farmers, fishermen, and certain higher income taxpayers.

Farmers and Fishermen

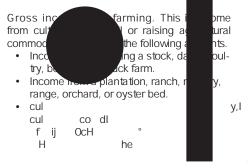
If at least two-thirds of your gross income for 2021 or 2022 is from farming or fishing, substitute $66^2/3\%$ for 90% in (2a) under <u>General Rule</u>, earlier.

Gross income. Your gross income is all income you receive in the form of money, goods, property, and services that isn't exempt from tax. To determine whether two-thirds of your gross income for 2021 was from farming or fishing, use as your gross income the total of the in come (not loss) amounts.

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Joint returns. On a joint return, you your spouse's gross income to your come to determine if at least two thirs total gross income is from farming



Gross income from fishing includes the following amounts.

- Schedule C (Form 1040), Profitor Loss From Business, line 7.
- Income for services as an officer or crew member of a vessel while the vessel is engaged in fishing.
- Your share of the gross fishing income from a partnership, S corporation, estate or trust from Schedule K-1 (Form 1065), Schedule K-1 (Form 1120S), or Schedule K-1 (Form 1041).
- Certain taxable interest and punitive damage awards received in connection with the Exxon Valdez litigation.
- Income for services normally performed in connection with fishing

Services normally performed in connection with fishing include:

- Shore service as an officer or crew member of a vessel engaged in fishing; and
- Services that are necessary for the immediate preservation of the catch, such as cleaning, icing, and packing the catch.

Higher Income Taxpayers

If your AGI for 2021 was more than \$150,000 (\$75,000 if your filing status for 2022 is married filing a separate return), substitute 110% for 100% in (2b) under General Rule, earlier.

For 2021, AGI is the amount shown on Form 1040 or 1040-SR, line 11.

Note. This rule does not apply to farmers and fishermen.

Aliens

Ai

Resident and nonresident aliens may also have to pay estimated tax. Resident aliens should follow the rules in this publication, unless noted otherwise. Nonresident aliens should get Form 1040-ES (NR), U.S. Estimated Tax for NonresidentAlien Individuals.

You are an alien if you are not a citizen or national of the United States. You are a resident alien if you either have a green card or meet the substantial presence test.

For more information about withholding, the substantial presence test, and Form 1040-ES (NR), see Pub. 519.

Estates and Trusts

Estates and trusts must also pay estimated tax. However, estates (and certain grantor trusts that receive the residue of the decedent's estate under the decedent's will) are exempt from paying estimated tax for the first 2 years after the decedent's death.

Estates and trusts must use Form 1041-ES, Estimated Income Tax for Estates and Trusts, to figure and pay estimated tax.

How To Figure Estimated Tax

To figure your estimated tax, you must figure your expected AGI, taxable income, taxes, deductions, and credits for the year.

When figuring your 2022 estimated tax, it may be helpful to use your income, deductions, and credits for 2021 as a starting point. Use your 2021 federal tax return as a guide. You can use Form 1040-ES to figure your estimated tax. Nonresident aliens use Form 1040-ES (NR) to figure estimated tax.

You must make adjustments both for changes in your own situation and for recent changes in the tax law. Some of these changes are discussed earlier under What's New for 2022. For information about these and other changes in the law, visit the IRS website at IRS.gov.

The instructions for Form 1040-ES include a worksheet to help you figure your estimated tax. Keep the worksheet for your records.

2022 Estimated Tax Worksheet

Use Worksheet 2-1 to help guide you through the information about completing the 2022 Estimated Tax Worksheet. You can also find a copy of the worksheet in the instructions for Form 1040-ES.

Expected AGI—Line 1

Your expected AGI for 2022 (line 1) is your expected total income minus your expected adjustments to income.

Total income. Include in your total income all the income you expect to receive during the year, even income that is subject to withholding. However, don't include income that is tax exempt

Total income includes all income and loss for 2022 that, if you had received it in 2021, would have been included on your 2021 tax return in the total on line 9 of Form 1040 or 1040-SR.



Social security and railroad retirement benefits. If you expect to receive social security or tier 1 railroad retirement benefits during 2022, use Worksheet 2-2 to figure the amount of expected taxable benefits you should include on line 1.

Adjustments to income. Be sure to subtract from your expected total income all of the adjustments you expect to take on your 2022 tax return.

Self-employed. If you expect to have income from self-employment, use Worksheet 2-3 to figure your expected self-employment tax and your allowable deduction for self-employment tax. Include the amount from Worksheet 2-3 in your expected adjustments to income. If you file a joint return

and both you and your spouse have net earnings from self-employment, each of you must complete a separate worksheet

Expected Taxable Income— Line 2

Reduce your expected AGI for 2022 (line 1) by either your expected itemized deductions or your standard deduction.

Itemized deductions-line 2a. If you expectly v)

net capital gain. Instead, your net capital gain is taxed at a lower maximum rate.

The term "net capital gain" means the amount by which your net long-term capital gain for the year is more than your net short-term capital loss.

Tax on capital gain and qualified dividends. If the amount on line 1 includes a net capital gain or qualified dividends, use <u>Worksheet 2-5</u> to figure your tax.

Note. The tax rate on your capital gains and dividends will depend on your income.

Tax if excluding foreign earned income or excluding or deducting foreign housing. If you expect to claim the foreign earned income exclusion or the housing exclusion or deduction on Form 2555, use

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excl n

- 3. The following amounts from Schedule 2 (Form 1040).
 - a. Excise tax on excess golden parachute payments (Schedule 2,

Fiscal year farmers and fishermen. If you are a farmer or fisherman, but your tax year does not start on January 1, you can either:

- Pay all your estimated tax by the 15th day after the end of your tax year, or
- File your return and pay all the tax you owe by the 1st day of the 3rd month after the end of your tax year.

How To Figure Each Payment

After you have figured your total estimated tax, figure how much you must pay by the due date of each payment period. You should pay enough by each due date to avoid a penalty for that period. If you don't pay enough during any payment period, you may be charged a penalty even if you are due a refund when you file your tax return. The penalty is discussed in the Instructions for Form 2210.

Regular Installment Method

If your first estimated tax payment is due April 18, 2022, you can figure your required payment for each period by dividing your annual estimated tax due (line 14a of the 2022 Estimated Tax Worksheet (Worksheet 2-1)) by 4. Enter this amount on line 15. However, use this method only if your income is basically the same throughout the year.

Change in estimated tax. After you make an estimated tax payment, changes in your in-

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Worksheet 2-10. Amended Estimated Tax Worksheet—Illustrated

Keep for Your Records

1. Amended total estimated tax due	1	\$4,100
2. Multiply line 1 by: 50% (0.50) if next payment is due June 15, 2022 75% (0.75) if next payment is due September 15, 2022 2. 100% (1.00) if next payment is due January 17, 2023 2.		
3. Estimated tax payments for all previous periods 3. 900		
4. Next required payment: Subtract line 3 from line 2 and enter the result (but not less than zero) here and on your payment voucher for your next required payment 4. \$2,175		
Note. If the payment on line 4 is due January 17, 2023, stop here. Otherwise, go to line 5.		
5. Add lines 3 and 4	5	3,075
6. Subtract line 5 from line 1 and enter the result (but not less than zero)	6	1,025
7. Each following required payment: If the payment on line 4 is due June 15, 2022, enter one-half of the amount on line 6 here and on the payment vouchers for your payments due September 15, 2022, and January 17, 2023. If the amount on line 4 is due September 15, 2022, enter the amount from line 6 here and on the payment voucher for your payment due January 17, 2023.	7	\$1,025

Worksheet 2-10. Amended Estimated Tax Worksheet—Blank

orksheet 2-10. Amended Estimated Tax Worksheet—Blank	Keep for Your Records
1. Amended total estimated tax due	····· 1
2. Multiply line 1 by: 50% (0.50) if next payment is due June 15, 2022 75% (0.75) if next payment is due September 15, 2022 100% (1.00) if next payment is due January 17, 2023	
3. Estimated tax payments for all previous periods	
4. Next required payment: Subtract line 3 from line 2 and enter the result (but not less than zero) here and on your payment voucher for your next required payment 9.	
Note. If the payment on line 4 is due January 17, 2023, stop here. O therwise, go to line 5.	
5. Add lines 3 and 4	5
6. Subtract line 5 from line 1 and enter the result (but not less than zero)	6
 Each following required payment: If the payment on line 4 is due June 15, 2022, enter one-half of the amount on line 6 here and on the payment vouchers for your payments due September 15, 2022, and Janu 17, 2023. If the amount on line 4 is due September 15, 2022, enter the amount from line 6 here and on the payment voucher for your payment due January 17, 2023 	-

Annualized Income Installment Method

If you don't receive your income evenly throughout the year (for example, your income from a MAGI over a specified threshold amount Threshold amounts:

Filing Status	Threshold Amount
Married filing jointly	\$250,000
Married filing separately	\$125,000
Single	\$200,000
Head of household	\$200,000
Qualifying widow(er)	\$250,000

Line 20. Include all the refundable credits (other than withholding credits) you can claim because of events that occurred during the period. These include the earned income credit, additional child tax credit, fuel tax credit, net premium tax credit, any refundable credit from Form 8885, refundable American opportunity credit, and section 1341 credit

Note. When figuring your refundable credits for each period, annualize any item of income or deduction used to figure each credit

Line 29. If line 28 is smaller than line 25 and you are not certain of the estimate of your 2022 tax, you can avoid a penalty by entering the amount from line 25 on line 29.

Line 31. For each period, include estimated tax payments made and any excess social security and railroad retirement tax.

Also, include estimated federal income tax withholding. One-fourth of your estimated withholding is considered withheld on the due date of each payment period. To figure the amount to include on line 31 for each period, multiply your total expected withholding for 2022 by:

- 25% (0.25) for the first period,
- 50% (0.50) for the second period,
- 75% (0.75) for the third period, and
- 100% (1.00) for the fourth period.

However, you may choose to include your withholding according to the actual dates on which the amounts will be withheld. For each period, include withholding made from the beginning of the period up to and including the payment due date. You can make this choice separately for the taxes withheld from your wages and all other withholding. For an explanation of what to include in withholding, see <u>Total</u> ЧH

Link2GOV Corporation 888-PAY-1040TM (888-729-1040) *www.PAY1040.com*

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EFTPS. To use EFTPS, you must be enrolled either online or have an enrollment form mailed to you. To make a payment using EFTPS, call 800-555-4477 (English) or 800-244-4829 (Español). People who are deaf, hard of hearing, or have a speech disability and who have access to TTY/TDD equipment can call 800-733-4829. For more information about EFTPS, go to IRS.gov/Payments or EFTPS.gov.

Pay by Mobile Device

To pay through your mobile device, download the IRS2Go application.

Pay by Cash

Cash is an in-person payment option for individuals provided through retail partners with a maximum of \$1,000 per day per transaction. To make a cash payment, you must first be registered online with ACI Payments, Inc. at fed.acipayonline.com.

Pay by Check or Money Order Using the Estimated Tax Payment Voucher

Before submitting a payment through the mail, please consider alternative methods. One of our safe, quick, and easy electronic payment options might be right for you. Each payment of estimated tax by check or money order must be accompanied by a payment voucher from Form 1040-ES. If you use your own envelopes (and not the window envelope that comes with the 1040-ES package), make sure you mail your payment vouchers to the address shown in the Form 1040-ES instructions for the place where you live.



Don't use the address shown in the Instructions for Form 1040.

If you didn't pay estimated tax last year, get a copy of Form 1040-ES from the IRS (see <u>How</u> <u>To Get Tax Help</u>, later). Follow the instructions to make sure you use the vouchers correctly.

Notice to taxpayers presenting checks. When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day we receive your payment, and you will not receive your check back from your financial institution.

No checks of \$100 million or more accepted. The IRS can't accept a single check (including a cashier's check) for amounts of \$100,000,000 (\$100 million) or more. If you are sending \$100 million or more by check, you'll need to spread the payment over two or more checks with each check made out for an amount less than \$100 million. This limit doesn't apply to other methods of payment (such as electronic payments). Please consider a method of payment other than check if the amount of the payment is over \$100 million.

Joint estimated tax payments. If you file a joint return and are making joint estimated tax payments, enter the names and social security numbers on the payment voucher in the same order as they will appear on the joint return.

Change of address. You must notify the IRS if you are making estimated tax payments and you changed your address during the year. Complete Form 8822, Change of Address, and mail it to the address shown in the instructions for that form.

Worksheets for Chapter 2

Use the following worksheets and tables to figure your correct estimated tax.

IF you need...

2022 Tax Rate Schedules

THEN use...

2022 Tax Rate Schedules



Don't use these Tax Rate Schedules to figure your 2021 taxes. Use them only to figure your 2022 estimated



When this worksheet refers you to instructions, you can find those instructions in the 2022 Form 1040-ES.

1.	Adjusted gross income you expect in 2022 (see instructions)	1.
2a.	 Deductions If you plan to itemize deductions, enter the estimated total of your itemized deductions. If you don't plan to itemize deductions, enter your standard deduction (see instructions) 	2a.
b.	If you can take the qualified business income deduction, enter the estimated amount of the deduction	2b.
C.	Add lines 2a and 2b	2c.
	Subtract line 2c from line 1	3.
4.	Tax. Figure your tax on the amount on line 3 by using the 2022 Tax Rate Schedules. Caution: If you will have qualified dividends or a net capital gain, or expect to exclude or deduct foreign earned income or housing, see Worksheets 2-5 and 2-6 to figure the tax	4.
5.	Alternative minimum tax from Form 6251	5.
	Add lines 4 and 5. Add to this amount any other taxes you expect to include in the total on Form 1040 or 1040-SR, line 16	6.
7.	Credits (see instructions). Don't include any income tax withholding on this line	7.
8.	Subtract line 7 from line 6. If zero or less, enter -0-	8.
9.	Self-employment tax (see instructions)	9.
10.	Other taxes including, if applicable, Additional Medicare Tax and/or NIIT (see instructions)	10.
	Add lines 8 through 10	11a.
b.	Earned income credit, refundable child tax credit* or additional child tax credit, fuel tax credit, net premium tax credit, refundable American opportunity credit, section 1341 credit, and refundable credit from Form 8885*	11b.
C.	Total 2022 estimated tax. Subtract line 11b from line 11a. If zero or less, enter -0-	11c.
12a.	Multiply line 11c by 90% (0.90) (66 ² / ₃ % (0.6667) for farmers and fishermen)	110.
b.	Required annual payment based on prior year's tax (see instructions) 12b.	
C.	Required annual payment to avoid a penalty. Enter the smaller of line 12a or 12b	12c.
	Caution: Generally, if you don't prepay (through income tax withholding and estimated tax payments) at least the amount on line 12c, you may owe a penalty for not paying enough estimated tax. To avoid a penalty, make sure your estimate on line 11c is as accurate as possible. Even if you pay the required annual payment, you may still owe tax when you file your return. If you prefer, you can pay the amount shown on line 11c.	1201
13.	Income tax withheld and estimated to be withheld during 2022 (including income tax withholding on pensions, annuities, certain deferred income, etc.)	13.
14a.	Subtract line 13 from line 12c 14a.	
b.	Is the result zero or less? Yes. Stop here. You are not required to make estimated tax payments. No. Go to line 14b. Subtract line 13 from line 11c	
15.	Is the result less than \$1,000? Yes. Stop here. You are not required to make estimated tax payments. No. Go to line 15 to figure your required payment. If the first payment you are required to make is due April 18, 2022, enter ¼ of line 14a (minus any 2021 overpayment that you are applying to this installment) here, and on your estimated tax payment voucher(s) if you are paying by check or money order	
* Ifa	are paying by check or money order	15.



Note.

Worksheet 2-3. 2022 Estimated Tax Worksheet—Lines 1 and 9 Estimated Self-Employment Tax and Deduction Worksheet	Keep for Your Records
1 a. Enter your expected income and profits subject to self-employment tax* 1a.	

Worksheet 2-4. 2022 Estimated Tax Worksheet—Line 2 Standard Deduction Worksheet



Caution. Don't complete this worksheet if you expect your spouse to itemize on a separate return or you expect to be a dual-status alien. In either case, your standard deduction will be zero.

- 1. Enter the amount shown below for your filing status.
 - Single or married filing separately—\$12,950

•



1.



36.

Worksheet 2-7. 2022 Annualized Estimated Tax Worksheet

Note. For instructions, see Annualized Income Installment Method, earlier.

Before you begin: Complete the 2022 Estimated Tax Worksheet—Worksheet 2-1. Section A (For Figuring Your Annualized Estimated Tax Payments —Complete each column after end of period shown.

Estates and trusts: See Form 1041-ES and Form 2210 for more information.			(a) 1/1/22-3/31/22	(b) 1/1/22-5/31/22	(1/1/22-	(c) -8/31/2	(d) 2 1/1/2 12/31			
1.	Adjusted gross income (AGI) for each period (see instructions). Complete Section B first	1.								
2.	Annualization amounts	2.	4	2.4	1	.5	1			
3.	Annualized income. Multiply line 1 by line 2	З.								
4.	If you itemize, enter itemized deductions for period shown in the column headings (see instructions). If you take the deduction for qualified business income, add it to your itemized deductions. All others, enter -O- and skip to line 7	4.								
5.	Annualization amounts	5.	4	2.4	1	.5	1			
6.	Multiply line 4 by line 5	6.								
7.	Standard deduction from Worksheet 2-4 (see instructions)	7.								
8.	Enter the larger of line 6 or line 7	8.								
9.	Deduction for qualified business income	9.								
10.	Add lines 8 and 9	10.								
11.	Subtract line 10 from line 3. If zero or less, enter -0-	11.								
12.	Figure your tax on the amount on line 11 (see instructions)	12.								
13.	For each period, enter any tax from Forms 8814, 4972, and 6251. Also, include any recapture of education credits (see instructions)	13.								
14.	Add lines 12 and 13	14.								
15.	Enter nonrefundable credits for each period (see instructions)	15.		Ì	0	h p	enter	anye	10	e o



Worksheet 2-7. 2022 Annualized Estimated Tax Worksheet (Continued)

Keep for Your Records

Section B (For Figuring Your Annualized Estimated Self-Employment Tax)—Complete each column after end of period shown.						
(Form 1040 or 1040-SR filers only)			(a) 1/1/22-3/31/22	(b) 1 <i>/</i> 1 <i>/</i> 22–5/31/22	(c) 1 <i>/</i> 1 <i>/</i> 22–8/31/22	(d) 1/1/22-12/31/22
33.	Netearnings from self-employment for the period	33.				
34.	Prorated social security tax limit	34.	\$36,750	\$61,250	\$98,000	\$147,000
35.	Enter actual wages for the period subject to social security tax or the 6.2% portion of the tier 1 railroad retirement tax. Exception: If you file Form 4137 or Form 8919, see instructions	35.				
36.	Subtract line 35 from line 34. If zero or less, enter -0-	36.				
37.	Annualization amounts	37.	0.496	0.2976	0.186	0.124
38.	Multiply line 37 by the smaller of line 33 or line 36 \ldots	38.				
39.	Annualization amounts	39.	0.116	0.0696	0.0435	0.029
40.	Multiply line 33 by line 39	40.				
41.	Add lines 38 and 40. Enter the result here and on line 17 of Section A	41.				
42.	Annualization amounts	42.	8	4.8	3	2
43.	Deduction for self-employment tax. Divide line 41 by line 42. Enter the result here. Use this result to figure your AGI on line 1	43.				

2022 Annualized Estimated Tax Worksheet—Line 10

Worksheet 2-8. 2022 Annua Qualified Di <i>(Continued)</i>	Keep for Your Records	
36. Multiply line 35 by 28% (0.28)		

How To Get Tax Help

If you have questions about a tax issue; need help preparing your tax return; or want to download free publications, forms, or instructions, go to *IRS.gov* to find resources that can help you rightaway.

Preparing and filing your tax return. After receiving all your wage and earnings state-

Note. IRS eBooks have been tested using Apple's iBooks for iPad. Our eBooks haven't been tested on other dedicated eBook readers, and eBook functionality may not operate as intended.

Access your online account (individual taxpayers only). Go to <u>IRS.gov/Account</u> to securely access information about your federal tax account

- View the amount you owe and a breakdown by tax year.
- See payment plan details or apply for a new payment plan.
- Make a payment or view 5 years of payment history and any pending or scheduled payments.
- Access your tax records, including key data from your most recent tax return, your EIP amounts, and transcripts.
- View digital copies of select notices from the IRS.
- Approve or reject authorization requests from tax professionals.
- View your address on file or manage your commj

you and how they apply. These are *your* rights. Know them. Use them.

What Can TAS Do for You?

TAS can help you resolve problems that you can't

Royalties: Backup withholding <u>11</u>

S

Salaries <u>3</u> Saturday, Sunday, holiday rule <u>23</u> Self-employment tax <u>26</u> Sick pay <u>9</u> Social security benefits: Choosing to withhold <u>11</u> Social security taxes: Taxpayer identification numbers (TINs) <u>12</u> Withholding obligation <u>2</u> Standard deduction <u>21</u>, <u>26</u> Students <u>7</u> Supplemental wages <u>7</u>

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Tables and figures: Do you have to pay estimated tax? (Figure 2-A) <u>19</u> Due dates, estimated tax (Table 2-1) <u>23</u> Exemption from withholding on Form W-4 (Figure 1-A) <u>8</u> Worksheets, where to find <u>29</u> Tax help <u>41</u> Taxpayer identification numbers (TINs) <u>12</u> Tax Rate Schedules <u>30</u> Tax withholding estimator <u>6</u> Tips <u>8</u>, <u>9</u> Total income <u>21</u>

U Underpayment penalty:

Amended estimated tax 24 Unemployment compensation 11

W

Wages and salaries $\underline{3}$ Withholding: