

CD-429 Corporate Estimated Income Tax

GENERAL INSTRUCTIONS

Estimated income tax is the amount of income tax a corporation expects to owe for the tax year after subtracting the amount of any tax credits taken during the tax year. A corporation that expects to incur an income tax liability to North Carolina of \$500 or more during the taxable year must submit a declaration of estimated tax. Complete the worksheet below to determine if estimated income tax is due.

Generally, a corporation must make its first estimated income tax payment by the fifteenth day of the fourth month of its taxable year. A schedule for determining when a corporation must pay its estimated income tax is located on page 2.

To pay estimated income tax, a taxpayer must file Form CD-429 by the date determined. A taxpayer can use the Department's website or mail the completed form to the address provided. The Department's website offers two electronic options,

(1) an online filing and payment system, and (2) an eFile program. For more information, visit www.dornc.com and search for online file and pay.

Attention! ALL Business Corporation Annual Reports Now Going Directly to NC Secretary of State's Office

North Carolina state law changed this year to streamline the business corporation annual report filing process.

- The new law requires that ALL corporate annual reports now be filed directly with the Secretary of State's office.
- This change begins on January 1, 2018 for tax year 2017.
- No 2017 corporate annual reports can be filed with your state tax return at NC Department of Revenue.
- Go to www.sosnc.gov/annualreports to access the Secretary of State's easy-to-use filing tool to maintain your "good standing" status without delays or breaks.

SPECIFIC INSTRUCTIONS

Fill in the applicable circle if the corporation is determined to be tax exempt for State income tax purposes but required to report unrelated business income, a non U.S./foreign corporation whose federal statutory due date is the fifteenth day of the seventh month, a cooperative, or mutual association.

Worksheet for Computation of Estimated North Carolina Income Tax *(Complete worksheet to determine if estimated income tax is due.)*

1. Estimated Federal Taxable Income	1. _____
2. Estimated Additions to Federal Taxable Income	2. _____
3. Estimated Deductions from Federal Taxable Income	3. _____
4. Estimated North Carolina Taxable Income <i>(Line 1 plus Line 2 minus Line 3)</i>	4. _____
5. Estimated Nonapportionable Income	5. _____
6. Estimated Apportionable Income <i>(Line 4 minus Line 5)</i>	6. _____
7. Amount of Line 6 Estimated to be Apportioned to North Carolina	7. _____
8. Amount of Line 5 Estimated to be Directly Allocated to North Carolina	8. _____
9. Estimated Net Taxable Income <i>(Line 7 plus Line 8)</i>	9. _____
10. Estimated North Carolina Net Income Tax <i>(Multiply Line 9 by 3.0%)</i>	10. _____
11. Estimated Tax Credits	11. _____
12. Estimated North Carolina Net Tax Due <i>(Line 10 minus Line 11)</i> If \$500 or more, see the schedule on Page 2 to determine the amount and due date of each installment. If \$500 or less, no payment is required at this time.	12. _____

Submit this form in its entirety. Do not separate the coupon from the rest of the form.

Corporate Estimated Income Tax

North Carolina Department of Revenue

Beginning Tax Year (MM-DD-YY)

Ending Tax Year (MM-DD-YY)

Federal Employer ID Number

N.C. Secretary of State ID Number

Legal Name (First 35 Characters) USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS

Address

City State Zip Code

Fill in circle if: *(See specific instructions above)*

- Tax Exempt
- Non U.S./Foreign
- Cooperative or Mutual Association

AMOUNT OF THIS PAYMENT

\$ _____ .00

If your address has changed since the filing of your last tax return, report the correct address on Form NC-AC, Address Correction Notification.

Mail this form with your check or money order in U.S. currency from a domestic bank to:
N.C. Department of Revenue, P.O. Box 25000, Raleigh, N.C. 27640-0650.
Do not fold, tape, or staple the return or check. Do not send cash.

Schedule of When to Pay Estimated Income Tax

Determine the amount and the due date of each installment to be paid in accordance with the following table:

If a corporation's estimated tax reduced by tax credits is \$500 or more, it meets the requirement for making payments. If this requirement is first met:	The number of installments to be paid is:	The following percentage of the estimated tax must be paid on or before the 15th day of the:			
		4th month	6th month	9th month	12th month
Before the 1st day of the 4th month of the taxable year	4	25	25	25	25
After the last day of the 3rd month and before the 1st day of the 6th month of the taxable year	3		33 1/3	33 1/3	33 1/3
After the last day of the 5th month and before the 1st day of the 9th month of the taxable year	2			50	50
After the last day of the 8th month and before the 1st day of the 12th month of the taxable year	1				100

Failure to Pay Estimated Tax

Failure to pay the required amount of estimated income tax will subject the corporation to interest on the underpayment of estimated income tax provided in Article 4C of Chapter 105 of the General Statutes. It is important to estimate the corporation's income tax carefully to avoid interest on the underpayment of estimated income tax.