



STATE OF ARKANSAS

Estimated Tax Declaration Vouchers and Instructions for Tax Year 2016

WHO MUST FILE A DECLARATION OF ESTIMATED TAX (Voucher 1)

Every taxpayer subject to the Income Tax Act of 1987, as amended, must file with the Department of Finance and Administration a Declaration of Estimated Tax (Voucher 1) for the income year if the taxpayer can reasonably expect their estimated tax to be more than one thousand dollars (\$1,000).

Exception: Individuals whose income from farming for the income year can reasonably be expected to amount to at least two thirds (2/3) of the total gross income from all sources for the income year may file a declaration and pay the estimated tax on or before the fifteenth (15th) day of the second (2nd) month after the close of the income year. Instead of filing a declaration, you may file an income tax return and pay the full amount of tax on or before the fifteenth (15th) day of the third (3rd) month after the close of the income year.

WHEN TO FILE YOUR DECLARATION OF ESTIMATED TAX (Voucher 1)

1. Calendar year 2016 filers must file their Declaration of Estimated Tax on or before April 15 of the income year.
2. Fiscal year filers must file their Declaration of Estimated Tax on or before the fifteenth (15th) day of the fourth (4th) month of the income year with the subsequent payments being made on a quarterly installment basis.

IMPORTANT NOTICE

If the due date of a voucher falls on a Saturday, Sunday, or legal holiday, the payment will be considered timely filed if it is postmarked on the next succeeding business day.

WHERE TO FILE YOUR DECLARATION OF ESTIMATED TAX (Voucher 1)

Mail your Declaration of Estimated Tax (Voucher 1) and subsequent payments (**with vouchers**) to the following address:

Department of Finance and Administration
Income Tax Section
P.O. Box 9941
Little Rock, AR 72203-9941

Make checks or money orders payable to Department of Finance and Administration. **Write your Social Security Number on check or money order.**

UNDERESTIMATE OF TAX

A taxpayer who makes a Declaration of Estimated Tax for the income year must estimate an amount not less than ninety percent (90%) of the amount actually due. If a taxpayer fails to make a Declaration of Estimated Tax and pay on the quarterly due date the equivalent of at least ninety percent (90%) of the amount actually due, a penalty of ten percent (10%) per annum shall be added to the amount of the underestimate. The ten percent (10%) per annum penalty will be assessed on a quarterly basis. A taxpayer who has uneven income may compute the ten percent (10%) penalty on an annualized basis. The Underestimate Penalty is computed on the lesser of the current year's tax liability or the previous year's tax liability.

EXTENSION PAYMENT – Due April 15th, 2017

Included with Vouchers 1 through 4 is Voucher 5 for making your payment with an extension (if needed) for tax year 2016. A payment made with Voucher 5 will not be included as an estimated payment for calculating Underestimate Penalty. Voucher 5 and payment must be attached to a copy of a *Federal Extension Form 4868* or *Arkansas Extension Form 1055*.

HOW TO COMPLETE DECLARATION AND VOUCHERS

1. Fill out the Estimated Tax Worksheet to figure your estimated tax for 2016. You must make an actual estimate of your income, deductions, and credits for 2016. Consider all available facts that will affect items during the year. It may be helpful to use last year's income and deductions as a starting point, making adjustments for 2016.
2. Enter one-fourth (1/4) of Line 8 of the worksheet on "Amount of This Payment" space of voucher. Round payment to nearest whole dollar. (Example: payment of \$793.74 should be entered on voucher as \$794.00.)
3. If previously requested on AR1000F/AR1000NR, the overpayment from will be credited to your estimated tax for 2016. The overpayment will be credited to the primary Social Security Number on Form AR1000F/AR1000NR.
4. Attach to the voucher your check or money order payable to the Department of Finance and Administration.

Be sure to write your Social Security Number on your check or money order.

If further instructions are needed, you may:

1. Call us at (501) 682-1100, or
2. Come by our office, Room 2300, Joel Y. Ledbetter Building, 7th and Wolfe, Little Rock, AR, or
3. Write us at P.O. Box 3628, Little Rock, AR 72203-3628.