

C O L O R A D O

2005

FORM 112 - EP

**Estimated Tax Vouchers
for Corporations**

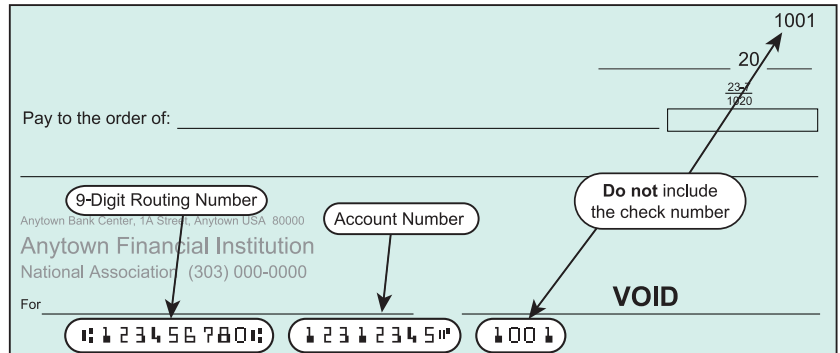
DO YOU WANT TO AVOID MAILING THESE FORMS?

If so, file and pay your estimated income taxes electronically using the ACH debit method. With one phone call, you can pay your estimated tax without writing a check, or mailing anything. When it is time to pay estimated tax, you dial a toll-free number; enter your EFT authorization number, a password, tax type codes, filing period, and dollar amount. The next day, the money will be transferred to the Department of Revenue and credited to your account. If you currently use ACH credits for payments you may make estimated income tax payment to the Department of Revenue that way as well.

To sign up, fill out the information below and send it to

Colorado Department of Revenue
Denver, CO 80261-0005

Sample Check:



DR 5778 (08/13/04)
COLORADO DEPARTMENT OF REVENUE
DENVER CO 80261-0005
(303) 205-8333

EFT AUTHORIZATION CORPORATE ESTIMATED INCOME TAX ACH DEBIT

EFT Number
3 7 1 0
To be assigned by Department of Revenue

Taxpayer Name		Colorado Account Number	
Mailing Address		Federal Employer Identification Number (FEIN) 01212	
City	State	ZIP	
Contact Person		Phone ()	
I authorize the Colorado Department of Revenue, pursuant to my instructions, to initiate entries to my account number _____ at _____ bank.			
Name of Bank Account		Type of Account <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
Bank Transit/Routing Number			
Signature			

ATTACH A VOIDED CHECK FOR THE BANK ACCOUNT INDICATED ABOVE

DR 5778A (08/13/04)
COLORADO DEPARTMENT OF REVENUE
DENVER CO 80261-0005
(303) 205-8333

EFT AUTHORIZATION CORPORATE ESTIMATED INCOME TAX ACH CREDIT

EFT Number
3 7 1 0
To be assigned by Department of Revenue

Taxpayer Name		Colorado Account Number	
Mailing Address		Federal Employer Identification Number (FEIN) 01212	
City	State	ZIP	
Contact Person		Phone ()	
I hereby request the Colorado Department of Revenue (DOR) grant authority for the taxpayer to initiate Automated Clearing House credit transactions to DOR's bank account. I understand these must be in the NACHA CCD+ format using the TXP addendum record format.			
Signature		Date	

**INSTRUCTIONS FOR
2005 CORPORATION ESTIMATED INCOME TAX, FORM 112-EP**

- 1. Corporations that must pay estimated tax.** Corporations are required to pay Colorado estimated income tax during the taxable year if it can reasonably be anticipated that the corporation's Colorado tax liability for the tax year will exceed \$5,000. See FYI Income 51 for more information.
 - 2. Short taxable year.** Estimated tax must be filed for a short taxable year if the tax is expected to exceed \$5,000 plus estimated credits. If the short taxable year results from a change in the accounting period, the income must be placed on an annual basis, in which case the requirement for paying will be the same as instruction 1.
 - 3. Due date for filing.** Estimated tax payments are due in four equal installments on April 15, 2005, June 15, 2005, September 15, 2005 and December 15, 2005. The payments will be due for a fiscal year filer on the 15th day of 4th, 6th, 9th and 12th month of the tax year. The payments will be due for a short tax year on the 15th day of 4th, 6th, and 9th months, whichever apply, plus a final payment on the 15th day of the last month of the tax year. Payments will be credited against the earliest quarterly installment that is due for the tax year regardless of when the payment is received. If the due date is a Saturday, Sunday, or legal holiday, payment on the next business day will be accepted as having been made on the due date.
 - 4. Required annual payment.** The required annual payment is the lesser of:
 - 1.) 70% of actual Colorado tax liability, or
 - 2.) 100% of preceding years Colorado tax liability.
This only applies if
 - The preceding year was 12 month tax year, and
 - The corporation filed a Colorado return, and
 - The corporation is not defined under section 6655 of the federal IRS code as a large corporation*.
- * Large corporations can base their first quarter estimated tax payment on 25% of the previous year's tax liability. However, future payments must be based on the actual tax liability for the current tax year and any underpayment occurring in the first quarter as a result of this estimation must be repaid with the second quarterly payment.
- 5. Payments.** Estimated tax payments must be submitted in the same manner (separate, consolidated, combined) and using the same account number that the corporation expects to use when filing the income tax return. If payments are made on an account number other than the number used to file the income tax return, the Department of Revenue must be notified of this discrepancy in writing prior to the filing of the tax return.
Send the information to:
Taxpayer Services
Income Tax Section
Denver CO 80261-0005
 - 6. Tax rate.** The Colorado Corporation income tax rate is 4.63% of Colorado taxable income.
 - 7. Application of overpayment credit.** An estimated tax credit resulting from an overpayment of tax on the corporation's income tax return for the immediately preceding taxable year must be applied in its entirety against the first estimated tax payments due during the year.
 - 8. Penalty for failure to pay estimated tax.** The estimated tax penalty will be assessed if the required estimated tax payments are not paid in a timely manner. The penalty will be the appropriate Colorado income tax interest rate times the underpayment for each quarter times the underpayment period. This penalty is computed on Form 205.

No penalty is due if the net tax plus the recapture of prior year credits, minus the *estimated tax credits and payments*, is less than \$5,000.
 - 9. Where to file.** Estimated tax payments should be filed with the Colorado Department of Revenue, Denver, Colorado 80261-0008. Make checks or money orders payable to the Colorado Department of Revenue.
 - 10. Additional information.** All forms, FYIs, and other information are available at www.taxcolorado.com or you can call for information at (303) 238-SERV (7378).