



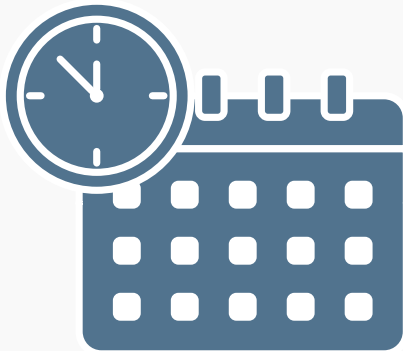
What Taxpayers Need To Know About Making Estimated Tax Payments

Who needs to make estimated tax payments?

Individuals who don't have taxes withheld from their income must make estimated tax payments. These individuals include business owners, self-employed individuals, sole proprietors, partners, S corporation shareholders, "gig" workers, and those receiving passive income such as retirement income, dividends, and interest.

Taxpayers should make estimated tax payments if, after adjusting for any withholding, they expect to owe \$1,000 or more when they file their 2022 tax return.

Estimated tax payments are due four times over 12 months of the following year:



- April 15
- June 15
- September 15
- January 15



Note: Corporations should make estimated tax payments if they expect to owe \$500 or more on their 2022 tax return.

To avoid an estimated tax penalty, taxpayers must pay at least 90% of their taxes throughout the year through withholding, estimated, or additional tax payments, or a combination of these. In addition to a penalty for not paying enough taxes through withholding or estimated payments, the IRS can impose an additional penalty if the taxpayer pays their estimated penalty late, even if the taxpayer is due a refund.

Figuring estimated tax payments

The IRS has resources to help taxpayers figure how much their estimated tax payments should be, including:



- The instructions to [Form 1040-ES, Estimated Tax for Individuals](#)
- The instructions to [Form 1120-W, Estimated Tax for Corporations](#)
- Individuals who have taxes withheld from income but still owe the IRS when they file their return should use the **IRS Tax Withholding Estimator**. If the estimator suggests an increase in the individual's withholding, they can give their employer a new Form W-4, Employee's Withholding Certificate.

Making estimated tax payments

The IRS provides taxpayers with several ways to make estimated tax payments including:

- Direct Pay: using a checking or savings account
- Paying by credit card, debit card or digit wallet
- Electronic Federal Tax Payment System (EFTPS) - * this method requires advance registration
- Mailing a check or money order - * this method is not recommended
- Paying cash at a retail partner - * this method is limited to [two] \$500 payments per day