Individual Estimated Income Tax
North Carolina Department of Revenue

Instructions

If the installment is due-

June 15: pay 1/2 of the balance of the net estimated income tax at that time, 1/4 of the balance on September 15 and the remaining 1/4 on January 15.

September 15: pay 3/4 of the balance of the net estimated income tax at that time and the remaining 1/4 on January 15.

If you file your income tax return (Form D-400) by January 31 of the following year and pay the entire balance due, you do not have to make the additional payment which would otherwise be due on January 15.

Fiscal Year

If your income is reported on a fiscal year basis, your due dates are the 15th day of the 4th, 6th and 9th months of your fiscal year, and the first month of the following fiscal year. For more information on how to complete the Form NC-40, see the instructions on Completing the Estimated Income Tax Form (NC-40) on this page.

Interest for Failure to Pay Your Estimated Income Tax

You may owe interest for underpayment of estimated income tax or for not making payments on time. Interest will not be due if each installment payment is timely and equal to twenty-five percent (25%) of the lesser of: (a) 90% (66 2/3% for farmers and fishermen) of the tax due on your current year’s return; (b) 100% of the tax due on your previous year’s return. If your previous year’s return was a taxable year of 12 months and a return was filed for that year; or (c) 90% of the tax figured by annualizing the taxable income received during the year up to the month in which the installment is due. Underpayment interest will not be due if you had no tax liability for the previous year.

Computing Underpayment Interest on Form D-422

Underpayment of Estimated Tax by Individuals. You may obtain a form by writing the N.C. Department of Revenue, Post Office Box 25000, Raleigh, North Carolina 27640-0001, by calling the Department at 1-877-252-3052 (toll-free), or from the Department’s website at www.dornc.com.

Completing the Estimated Income Tax Form (NC-40)

The instructions that follow will help you complete the form correctly.

(1) First complete the worksheet on Page 2 to determine your estimated income tax for the tax year.

(2) Enter your name, address, and social security number in the space provided on the form. If you intend to file a joint income tax return, please enter your name and social security number and your spouse’s name and social security number on the form. Enter the applicable box for the year which the payment is intended. Fiscal year taxpayers enter the beginning and ending dates of the fiscal year in the boxes provided.

(3) Enter one-fourth (1/4) of the amount shown on Line 13 of the worksheet in the space marked “Amount of this Payment” on the NC-40 form. (EXCEPTION: If you paid too much tax on your income tax return (Form D-400) for the previous year, you may have chosen to apply the overpayment to your estimated income tax for the following year. If so, you may apply all or part of the overpayment to any estimated income tax installment. Send Form NC-40 only when you are making a payment.)

(4) Detach the form at the perforations.

(5) Make your check or money order payable to the N.C. Department of Revenue. Pay in U.S. currency only. Do not send cash.

(6) Enter your social security number on your check or money order.

(7) Mail the completed estimated income tax form (NC-40) with your payment to: N.C. Department of Revenue, Post Office Box 25000, Raleigh, North Carolina 27640-0630.

(8) To insure proper credit, please do not fold the form or the payment. Do not staple, tape, or otherwise attach your payment to the form.

Completed on page 2

Cut and mail original form to:
N.C. Department of Revenue, P.O. Box 25000, Raleigh, NC 27640-0630

Individual Estimated Income Tax
North Carolina Department of Revenue

For calendar year or fiscal year:

<table>
<thead>
<tr>
<th>Your Social Security Number</th>
<th>Spouse’s Social Security Number</th>
<th>Amount of this Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$0.00</td>
</tr>
</tbody>
</table>

Mail this form with your check or money order in U.S. currency to:
N.C. Department of Revenue, P.O. Box 25000, Raleigh, N.C. 27640-0630.
Do not fold, tape, or staple this return or your check. Do not send cash.

7170106006
# Worksheet for Computation of Estimated N.C. Income Tax

## Tax Rates

<table>
<thead>
<tr>
<th>Single</th>
<th>Head of Household</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>12,750</td>
<td>17,000</td>
</tr>
<tr>
<td>60,000</td>
<td>80,000</td>
</tr>
</tbody>
</table>

## Married Filing Jointly / Qualifying Widow(er)

<table>
<thead>
<tr>
<th>$0</th>
<th>$0</th>
</tr>
</thead>
<tbody>
<tr>
<td>21,250</td>
<td>10,625</td>
</tr>
<tr>
<td>100,000</td>
<td>50,000</td>
</tr>
</tbody>
</table>

## Married Filing Separately

<table>
<thead>
<tr>
<th>$0</th>
<th>$0</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>10,625</td>
<td>50,000</td>
</tr>
</tbody>
</table>

## Instructions

1. **Estimated Federal Adjusted Gross Income**
2. **Estimated Additions to Federal Adjusted Gross Income**
   - (See Individual Income Tax Instructions for Form D-400)
3. Add Lines 1 and 2 and enter the total.
4. **Estimated Deductions from Federal Adjusted Gross Income**
   - (See Individual Income Tax Instructions for Form D-400)
5. Subtract Line 4 from Line 3 and enter the total.
6. If you plan to itemize deductions, enter the estimated total of your itemized deductions.
   - If you do not plan to itemize, enter your standard deduction.
7. **N.C. personal exemption** (Multiply $2,500 or $2,000 by the number of exemptions)
   - (You must refer to the Individual Income Tax Instructions for Form D-400 to determine the applicable amount)
8. **Estimated North Carolina Taxable Income** (Subtract Line 8 from Line 7)
9. **Amount of Tax** - Use the Tax Rates shown below
10. Subtract Line 6 from Line 5 and enter the total.
11. **Estimated Income Tax** (Subtract Line 12 from Line 10) If $1,000 or more, fill out and mail the estimated income tax form along with your payment; if less than $1,000, no payment is required at this time.
12. **If the first payment you are required to make is due April 15**, enter 1/4 of Line 13 here and in the space marked “Amount of this Payment” on Form NC-40. Round off cents to the nearest whole dollar.