

DEPARTMENT OF STATE REVENUE

Information Bulletin #11
Income Tax
December 2022
Effective Date: Upon Publication
(Replaces Bulletin #11, dated August 2007)

SUBJECT: Estimated Indiana Corporate Income Tax Payments

REFERENCES: [IC 6-2.3-6-1](#); [IC 6-3-4-4.1](#); [IC 6-5.5-6-3](#); [IC 6-8.1-6-1](#)

DISCLAIMER: Information bulletins are intended to provide nontechnical assistance to the general public. Every attempt is made to provide information that is consistent with the appropriate statutes, rules, and court decisions. Any information that is not consistent with the law, regulations, or court decisions is not binding on either the department or the taxpayer. Therefore, the information provided herein should serve only as a foundation for further investigation and study of the current law and procedures related to the subject matter covered herein.

SUMMARY OF CHANGES

Aside from nonsubstantive, technical changes, this bulletin has been changed to add references to INTIME, to remove unnecessary references to dates, and to clarify the penalty provisions.

INTRODUCTION

The purpose of this bulletin is to provide guidance concerning procedures for filing estimated quarterly corporate income tax payments. Paying estimated quarterly tax due has been streamlined since the launch of the Indiana Taxpayer Information Management Engine (INTIME), DOR's e-services portal, in 2019. The department encourages all taxpayers to make payments through this secure portal. Corporations are required to file estimated payments electronically if the required payment exceeds \$5,000. A user does not need to have an INTIME account to make a payment through INTIME.

If making a payment using INTIME, there is no need to file a paper copy of Form IT-6, the Corporate Adjusted Gross Income Tax Quarterly Payment form. A paper copy of the form may still be used by corporations to file Indiana corporate adjusted gross estimated income tax returns. If you must file by paper and remit a check payment, you must first have an estimated tax account established by filing the first payment with Form E-6, Indiana Corporate Estimate Quarterly Income Tax Return/Extension Payment.

This form can be used during the current calendar or fiscal year to:

- (1) open a new estimated account and receive preprinted Form IT-6;
- (2) make an initial corporate estimate income tax payment;
- (3) make an income tax payment to an already established estimated account for a corporation or nonprofit organization; and
- (4) make a timely (fifth quarter) payment by the original due date when an extension of time to file the annual return is requested.

Filing the E-6 establishes the estimated tax account; the department will send pre-printed IT-6 returns to the address provided on the E-6 application. Pre-printed IT-6 forms should be checked for accuracy. It is very important that the federal employer identification number (EIN), name, and address are correctly printed on the form. If information is incorrect, make corrections on the Form IT-6, and complete the name and address change coupon and return it to the Department of Revenue, System Services, P.O. Box 6197, Indianapolis, IN 46206-6197. This will ensure proper crediting and quicker processing of your estimated payments. Whether filing with a paper IT-6 or online, the payments are due no later than the twentieth day of the fourth, sixth, ninth, and twelfth month of the taxpayer's taxable year.

I. FILING REQUIREMENTS

Corporations must make estimated payments if the adjusted gross income tax exceeds \$2,500 for the taxable year.

Taxpayers should note that refunds reflected on the annual corporate income tax return may be applied to the next taxable year's estimated liability by entering the amount to be credited on the designated line of the annual return. An overpayment of estimated payments must be claimed on the annual return to obtain a refund.

Once a payment is remitted for the remainder of a year's estimated income tax liability, no further estimated returns should be filed with the department after the date of payment. All checks remitted to the department should be accompanied by a return or a complete explanation for the payment. A zero liability for a quarter does not require Form IT-6 to be filed.

If a taxpayer's required estimated payment exceeds \$5,000 per quarterly period, the taxpayer is required to remit the tax by electronic funds transfer. The use of INTIME to make a bank or credit card payment fulfills this requirement. Failure to make required electronic payments will result in the imposition of a penalty in accordance with [IC 6-8.1-10-2.1](#)(b)(1). For questions relating to electronic funds transfer payments, contact DOR using the secure messaging feature in INTIME.

II. EXTENSION PAYMENT USING INTIME OR FORM IT-6

The department recognizes the Internal Revenue Service (IRS) application for automatic extension of time to file. This means it is not necessary to request a separate Indiana extension if you have a federal extension of time. Returns posted within one month after the last date indicated on the federal extension form will be considered filed on a timely basis. A copy of the federal extension form must be attached to the Indiana annual return when filed. If a federal extension is not needed, a corporation may request a separate Indiana extension of time to file.

A total of 90% of the tax reasonably expected to be due must be prepaid prior to the original due date. An extension request and prepayment of 90% can be submitted via INTIME. To request an Indiana extension of time to file by letter, please contact:

Indiana Department of Revenue
Corporate Income Tax
Tax Administration
P.O. Box 7206
Indianapolis, IN 46207-7206

Form IT-6 or INTIME should be used to make an extension payment. This payment will be processed as a fifth estimated payment. For more details, see Income Tax Information Bulletin #15, available online at in.gov/dor/legal-resources/tax-library/information-bulletins/income-tax-information-bulletins/.

III. ADJUSTED GROSS INCOME TAX

Corporations whose estimated adjusted gross income tax exceeds \$2,500 for the taxable year must pay estimated adjusted gross income tax. When computing the estimated adjusted gross income tax for the taxable year, the adjusted gross income tax rate is 4.9% of Indiana adjusted gross income after apportionment.

IV. FINANCIAL INSTITUTIONS TAX

Corporations subject to the financial institutions tax ([IC 6-5.5](#)) are subject to the same estimated filing thresholds as corporations subject to the corporate adjusted gross income tax.

V. PENALTIES

Corporations required to estimate their income taxes will be subject to a 10% underpayment penalty if they fail to file estimated tax payments or fail to remit a sufficient amount of estimated tax each quarter. The required estimate should exceed the annualized income installment calculated in the manner provided by Section 6655(e) of the Internal Revenue Code as applied to the corporation's liability, or 25% of the final tax liability for the prior taxable year. If either one of these conditions are met, there will be no penalty assessed for the estimated period.

A corporation that is required to make a payment by electronic funds transfer and fails to make a payment in such manner is subject to a penalty of 10% of the amount of tax due.

For a corporation required to make estimated payments, if a corporation has a current taxable year or a previous taxable year that is less than 12 months, the penalty shall be computed in a manner consistent with Section 6655 of the Internal Revenue Code, including regulations promulgated thereunder.

If you have any questions concerning this bulletin, please contact the Tax Policy Division at taxpolicy@dor.in.gov.

Robert J. Grennes, Jr.
Commissioner

Posted: 03/29/2023 by Legislative Services Agency

