



STATE OF DELAWARE
 DEPARTMENT OF FINANCE
 DIVISION OF REVENUE
 601 Delaware Avenue
 Wilmington, Delaware 19899

TAX NEWSGRAM 75-6

April 17, 1975

- Corporation Income Tax - Chapter 19, Title 30, Delaware Code.
 Estimated Tax Payments

House Bill No. 131, 128th General Assembly, approved March 27, 1975, amends Chapter 19, Title 30, Delaware Code, to require instalment payments of estimated tax liability during the current year.

Under present law, corporations subject to Chapter 19, Title 30, Delaware Code, are required to file two returns simultaneously.

(1) Final Return - On or before April 1 following the close of the taxable year, or, in the case of a fiscal year taxpayer on or before the first day of the fourth month following the close of the fiscal year, and

(2) Tentative Return (for the current year) - On or before April 1 of the current year, or in the case of a fiscal year taxpayer, on or before the first day of the fourth month of the current income year.

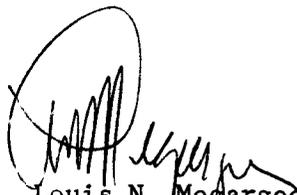
This law makes no change in the present requirement that corporate taxpayers pay 50% of the estimated tax liability for the current year as reported on the tentative return at the time such return is filed. However, under the amendment made by House Bill No. 131, the 50% balance of the estimated tax liability for the current year must be paid as follows:

<u>Payment Dates</u>	<u>% Estimated Tax Due</u>
April 1 - Tentative Return	50%
June 15 - (or 15th day of 6th month of fiscal year)	20%
September 15 - (or 15th day of 9th month of fiscal year)	20%
December 15 - (or 15th day of 12th month of fiscal year)	10%
April 1 - (or 1st day of 4th month after close of fiscal year)	Balance, if any, as computed on final return



The new law is applicable to taxable years beginning on or after January 1, 1975. Calendar year corporations are required to make their first instalment payment on or before June 15, 1975, (i.e., 20% of the estimated tax liability reflected on the tentative return which was due on April 1, 1975, under the old law). Fiscal year corporations are required to make their first instalment payments on or before the 15th day of the 6th month of their fiscal year. For example, corporations with fiscal years beginning on February 1, 1975, must make their first instalment payment on or before July 15, 1975, (20% of the estimated tax liability reflected on the tentative return due on May 1, 1975).

New forms for payment of the three instalments of estimated tax will be issued and distributed by the Division of Revenue about June 1, 1975.



Louis N. Megargee
Director of Revenue

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