

# 2018 D-20ES Declaration of Estimated Franchise Tax for Corporations

DCE001C

MyTax.DC.gov



**Simpler. Faster. Safer.**  
File Electronically Today!

**Important: If the amount of your payment for a period exceeds \$5,000, you shall file and pay electronically.**



## General Instructions

### Declaration of Estimated Franchise Tax for Corporations

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#### Who must file a Form D-20ES?

A corporation must file a declaration of estimated franchise tax voucher if its District of Columbia (DC) franchise tax liability is expected to exceed \$1,000 for the taxable year.

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#### Applying an overpayment from your prior DC corporation franchise tax return.

You can apply the full amount of any overpayment of tax from your prior year's DC corporation franchise tax return to the first payment of your estimated tax.

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#### Could you be charged a penalty or fee?

If you underestimate your tax, you will be charged an underpayment penalty on the unpaid amount of tax at the rate of 10% per year compounded daily, unless your withholdings, credits and estimated tax payments equal:

- At least 90% of your 2018 corporation franchise tax; or
- 110% of your 2017 DC corporation franchise tax for a 12-month period.

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### **What if your estimated tax liability changes during the year?**

If initially you are not required to file a declaration voucher but later in the taxable year your estimated franchise tax liability for the year increases to an amount greater than \$1,000, begin filing a declaration voucher. Use the next available voucher. See “**When are the declaration vouchers due?**” on page 3 for the due dates. If your estimated tax liability changes substantially, adjust the next payments accordingly.

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### **Which other DC form may corporate franchise taxpayers need to file?**

#### **Corporate Franchise Tax Return (D-20)**

You may obtain the D-20 from:

- Website: [MyTax.DC.gov](http://MyTax.DC.gov)
- Phone: 202-442-6546
- OTR Customer Service Administration  
1101 4th Street, SW, 2nd Floor  
Washington, DC 20024

### **Extension of Time to File a DC Corporation Franchise Tax Return (FR-120)**

You may request an extension of time to file your return by filing DC Form FR-120, available at [MyTax.DC.gov](http://MyTax.DC.gov), no later than the return due date. An extension of time to file is not an extension of time to pay. You must pay any tax liability with the extension request, otherwise the request will be denied and you may be subject to penalties for failure to file or failure to pay. Do not use the federal extension form for DC tax purposes. For combined report filers, the designated agent shall file.

The submission of the extension of time to file form is subject to the following considerations:

1. If you expect to have a balance due when you file your D-20, **you must pay with your timely filed extension application.**
2. If you do not expect to have a balance due when you file your D-20, you are not required to file a Form FR-120, if you have:
  - a. Correctly estimated your D-20 tax liability and paid the estimated amount of DC franchise tax through estimated tax payments; and

- b. Filed a request to extend the time to file your federal tax return with the IRS. The timely filed federal extension to file form will satisfy the requirement for filing a Form FR-120 with DC.
- 3. If you do not expect to have a balance due and you have not filed an extension of time to file for your federal return and wish to request an extension for your DC franchise tax return, you should submit a Form FR-120.

If there is an amount due, the DC Form FR-120 is required to be filed with the payment. Penalty charges are imposed on any tax found owing and not paid on time with the extension request.

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### **When are your vouchers due?**

File your vouchers by the following dates:

- **Voucher 1:** April 17, 2018;
- **Voucher 2:** June 15, 2018;
- **Voucher 3:** September 15, 2018; and

- **Voucher 4:** December 15, 2018

Fiscal year taxpayers should file the declaration vouchers by the following dates:

- **Voucher 1:** The fifteenth day of the fourth month of your taxable year;
- **Voucher 2:** The fifteenth day of the sixth month of your taxable year;
- **Voucher 3:** The fifteenth day of the ninth month of your taxable year; and
- **Voucher 4:** The fifteenth day of the twelfth month of your taxable year.

If the due date falls on a Saturday, Sunday, or legal holiday, the voucher is due the next business day.

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## **Filing your return**

This booklet has all the vouchers and instructions you will need. It is mailed to each registered taxpayer who filed estimated tax payments in the previous year, except those who file electronically or use a substitute form. It also contains mailing labels. You are responsible for filing and submitting the amount due on time whether or not you receive the printed forms.

- **Substitute forms**

You may file your DC estimated tax payment using a computer-prepared or computer-generated substitute form, provided the form is approved in advance by the Office of Tax and Revenue (OTR). The fact that a software package is available for retail purchase does not mean that the substitute form has been approved for use. Check with the software developer to determine if its form was approved by the DC OTR.

- **By mail**

If you file using paper, make the check or money order payable to the DC Treasurer. Write your Federal Employer Identification Number (FEIN), D-20ES, and the tax year on the check or money order.

If mailing vouchers send your vouchers and payments to:

Office of Tax and Revenue

PO Box 96019

Washington, DC 20090-6019

**NOTE:** Please use the mailing labels provided in this booklet when mailing your vouchers.

- **By accessing [MyTax.DC.gov](https://mytax.dc.gov)**

Corporate taxpayers may file and pay the D-20ES by accessing [MyTax.DC.gov](https://mytax.dc.gov).

- **Electronic Filing Instructions**

The instructions in this booklet are specifically for filers of paper returns. When you file electronically, note that the instructions may differ. Follow the “on screen” instructions. If you need further explanations, review the instructions in this booklet.

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## Electronic Payment Options

If the amount of the payment due for a period exceeds \$5,000, you must pay electronically. Visit [MyTax.DC.gov](https://MyTax.DC.gov).

Refer to the Electronic Funds Transfer (EFT) Payment Guide available on the DC website at [MyTax.DC.gov](https://MyTax.DC.gov) for instructions for electronic payments.

Payment options are as follows:

- **Electronic check (e-check)**. E-check is similar to ACH Debit, but it is a one-time transaction where the taxpayer provides the banking information at the time of payment. There is no fee for e-check payments. Payments can be scheduled up to one year in advance. Visit [MyTax.DC.gov](https://MyTax.DC.gov).
- **ACH Credit**. ACH credit is for business taxpayers only. There is no fee charged by OTR, but the taxpayer's bank may charge a fee. The taxpayer directly credits OTR's bank account. A taxpayer does

not need to be registered to use this payment type, and does not need to access the website.

**Note: When making ACH credit payments through your bank, please use the correct tax type code (00250) and tax period ending date (YYMMDD) for corporate franchise estimated tax payments.**

- **ACH Debit**. There is no fee for ACH debit. Taxpayers' bank routing and account numbers can be stored within their online account. Multiple bank accounts can also be stored by tax type. These accounts can be used to pay any existing liability. The taxpayer gives OTR the right to debit the funds from their bank account.
- **Credit/Debit Card**. The taxpayer may pay the amount owed using Visa®, MasterCard®, Discover® or American Express®. You will be charged a fee that is paid directly to the District's credit card service provider. Payment is effective on the day it is charged.

**Note:** International ACH Transaction (IAT). Your payment cannot be drawn on a foreign account. You must pay by money order (US dollars) or credit card instead.

### **Dishonored Payments**

Make sure your check or electronic payment will clear. You will be charged a \$65 fee if your check or electronic payment is not honored by your financial institution and returned to OTR.

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### **Getting started**

To complete the paper Form D-20ES, in general you will need:

- ✓ A pen with black ink
- ✓ A calculator

Not all items will apply. Fill in only those that do apply. If an amount is zero, make no entry, leave the line blank.

### **Taxpayer Identification Number (TIN)**

You must have a TIN, whether it is a Federal Employer Identification Number (FEIN), Social Security Number (SSN), Individual Taxpayer Identification Number (ITIN) or Preparer Tax Identification Number (PTIN).

- An FEIN is a number issued by the IRS. To apply for an FEIN, get Form SS-4, Application for Employer Identification Number, or get this form online at [www.irs.gov/businesses](http://www.irs.gov/businesses) and click on Employer Identification Number (EIN) under Starting a Business. You may also get this form by calling 1-800-TAX-FORM (1-800-829-3676).
- An SSN is a valid number issued by the Social Security Administration (SSA) of the United States Government. To apply for an SSN, get form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at [www.ssa.gov](http://www.ssa.gov). You may also get this form by calling 1-800-772-1213.
- An Individual Taxpayer Identification Number (ITIN) is a tax processing number issued by the Internal Revenue Service (IRS). The IRS issues ITINs to individuals who are required to have a U.S. taxpayer identification number but who do not have, and are not eligible to obtain, a Social Security number (SSN) from the Social Security Administration (SSA). ITINs do not serve any purpose other than federal tax reporting.



- The Preparer Tax Identification Number (PTIN) is an identification number issued by the IRS that all paid tax preparers must use on tax returns or claims for refund.

You must wait until you receive a TIN before you file a DC return. Your return may be rejected if your TIN is missing, incorrect or invalid.

### Help us identify your forms and attachments

Write your FEIN, tax period, name and address on any statements submitted with the voucher or filed separately. The FEIN is used for tax administration purposes only.

### Personal Information

Complete the personal information as instructed, using CAPITAL letters and black ink. Use one block per letter, including a space between address fields. Please write clearly, otherwise processing your return may be delayed.

### Filling out the form

To aid us in processing your return, please follow these rules. *Do not print outside the boxes.*

Using black ink, print in CAPITAL letters.

ROBERTS

Leave a space between words and between number and words.

8 ELM

Yes

No

Write 3s with rounded tops, not flat tops.

3 7 ~~3 7~~

Write 7s without middle bars.

Fill in ovals completely. Do not ✓ or "x" ovals.

● ~~✓~~ ~~x~~

Round cents to the nearest dollar. Do not enter cents.

\$ 57 204.00

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## Key website resources

- **DC Official Code**  
[www.lexisnexis.com/hottopics/dccode/](http://www.lexisnexis.com/hottopics/dccode/)
- **DC Regulations**  
[www.dcregs.dc.gov/](http://www.dcregs.dc.gov/)
- **DC Tax Forms/Publications**  
[MyTax.DC.gov](http://MyTax.DC.gov)
- **Mailing Address for Returns**  
[MyTax.DC.gov](http://MyTax.DC.gov)
- **Electronic Funds Transfer (EFT) Guide**  
[MyTax.DC.gov](http://MyTax.DC.gov)
- **NACHA Guidelines**  
[www.nacha.org/](http://www.nacha.org/)
- **Social Security Administration**  
[www.ssa.gov/](http://www.ssa.gov/)
- **Internal Revenue Service**  
[www.irs.gov](http://www.irs.gov)

## Record of payments

**KEEP WITH YOUR RECORDS**

Use this worksheet to plan and record your payments and the date you paid.

Total estimated tax for 2018

Credits from any 2017 D-20 overpayment

Voucher  
number

Payment amount

Date paid

1				
2				
3				
4				























OFFICE OF TAX AND REVENUE  
CORPORATION ESTIMATED FRANCHISE TAX  
PO BOX 96019  
WASHINGTON DC 20090-6019



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