



TENNESSEE DEPARTMENT OF REVENUE
ESTIMATED FRANCHISE, EXCISE TAX PAYMENTS WORKSHEET

RVR-00104 INTERNET (7-17)

Do not file with return – Keep for your records

TAXABLE YEAR	TAXPAYER NAME	ACCOUNT NO./FEIN
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Part I Standard Method

	(a) Franchise Tax	(b) Excise Tax	(c) Total Tax
1. Current year total Franchise and Excise taxes after credits (Schedule C, Line 10 of form FAE170 or FAE174). If total is less than \$5,000 enter -0- in all columns.....			
2. Multiply Line 1 by 80%			
3. Prior year total Franchise and Excise taxes after credits (Schedule C, Line 10 of form FAE170 or FAE174). If total is less than \$5,000 enter -0- in all columns.....			
4. Required annual payment (Lesser of Column (c) Line 2 or Line 3)			
5. Required quarterly installment (Multiply Column (c) Line 4 by 25%)			

Part II - Alternative Annualized Income Installment Method

	(a)	(b)	(c)	(d)
	First Period	Second Period	Third Period	Fourth Period
6. Annualization method (Enter SA, 1 or 2). See instructions				
7. Annualization Periods (months). See instructions	First ____ months	First ____ months	First ____ months	First ____ months
8. Enter taxable income for each annualization period				
9. Annualization amounts. See Instructions				
10. Annualized taxable income. Multiply Line 8 by Line 9.....				
11. Annualized Excise Tax. Multiply Line 10 by 6.5%				
12. For each annualization period, enter excise tax credits				
13. Excise tax after credits. Subtract Line 12 from Line 11. If zero or less, enter -0-				
14. Applicable percentage.....	25%	50%	75%	100%
15. Multiply Line 13 by Line 14				
16. Franchise tax component. Multiply the lesser of Part I, Column (a), Line 2 or Line 3, by Line 14				
17. Add Lines 15 and 16				
18. Add the amounts in all preceding columns of Line 23				
19. Adjusted annualized income installments. Subtract Line 18 from Line 17. If zero or less, enter -0-				
20. Enter amount from Part I, Column (c), Line 5				
21. Subtract Line 23 of the preceding column from Line 22 of the preceding column				
22. Add Lines 20 and 21				
23. Required quarterly installments under the alternative annualized income method. Enter the smaller of Line 19 or Line 22				

How do I make a payment?

Payments should be made electronically at apps.tn.gov/fnetax, through your bank or with approved tax preparation software through the Internal Revenue Service's Modernized e-File program. Accepted forms of payment included: ACH debit, ACH credit, credit card (Visa, MasterCard, American Express, or Discover). A 2.35% service fee will be added to payments made by credit card.

GENERAL INSTRUCTIONS

Who Must Make Estimated Tax Payments: Taxpayers with a combined franchise and excise tax liability of \$5,000 or more, after applicable credits, for both the prior tax year and current tax year must make quarterly estimated tax payments. Tenn. Code Ann. § 67-4-2015.

When to Make Payments: Quarterly payments of the estimated franchise, excise tax are to be made as follows:

Payment	Due Date
1 st payment	The 15th day of the 4th month of the current taxable year.
2 nd payment	The 15th day of the 6th month of the current taxable year.
3 rd payment	The 15th day of the 9th month of the current taxable year.
4 th payment	The 15th day of the 1st month of the subsequent taxable year.

Required Payment: The minimum quarterly payment is computed using either the standard method or the alternative annualized income method. The method chosen applies to all quarterly installments. The required minimum quarterly payment amount under the standard method is the lesser of 25% of 100% of the prior year's liability (annualized if the tax period was less than 12 months) or 25% of 80% of the projected current year's liability. Under the alternative annualized income method, the franchise and excise tax components of the quarterly estimates are computed separately. The excise tax component is computed in the manner provided by Section 6655(e)(2) of the Internal Revenue Code and the franchise tax component is computed in the manner described above under the standard method.

Estimated Tax Penalty and Interest: Penalty at the rate of 2% per month, up to 24%, and interest at the current rate per annum are imposed upon any quarterly installment which is late or underpaid. Tenn. Code Ann. § 67-4-2015(d). Penalty and interest are computed from the due date of the installment to the date paid or until the 15th day of the fourth month following the close of the taxable year.

Electronic Payment: Estimated tax payments are required to be filed electronically at apps.tn.gov/fnetax, with ACH Credit through your bank or with approved tax preparation software through the Internal Revenue Service's Modernized e-File program.

SPECIFIC INSTRUCTIONS

Part I – Standard Method

Line 1. Enter the projected total franchise and excise tax liability for the current year net of applicable credits. If this amount is less than \$5,000, estimated tax payments are not required.

Line 3. Enter the actual total franchise and excise tax liability for the previous year net of applicable credits. Annualize the tax if the period was less than 12 months. If this amount is less than \$5,000, estimated tax payments are not required.

Line 5. This is the amount payable with each quarterly installment under the standard method. Taxpayers may elect to compute their quarterly installments by using the annualized income installment method. See Part II.

Part II – Alternative Annualized Income Installment Method

Line 6. Enter "1" if the taxpayer makes the election under Section 6655(e)(2)(C)(i) of the Internal Revenue Code, or enter "2" if the taxpayer makes the election under Section 6655(e)(2)(C)(ii) of the Internal Revenue Code; otherwise enter "SA."

Line 7. Enter in the spaces on Line 7, columns (a) through (d) respectively, the annualization periods that the taxpayer is using, based on the options listed below. For example, if the taxpayer elects the standard annualized option, enter on Line 7 the annualization periods 3, 3, 6, and 9 in columns (a) through (d) respectively.

Method	1st Period	2nd Period	3rd Period	4th Period
Standard Annualized	3	3	6	9
Option 1	2	4	7	10
Option 2	3	5	8	11

Line 8. Enter net earnings as defined in Tenn. Code § 67-4-2006 for each annualization period.

Line 9. Enter the annualization amounts for the option used on Line 7. For example, if the taxpayer elects standard annualization, enter on Line 9 the annualization amounts 4, 4, 2, and 1.33333 in columns (a) through (d) respectively.

Method	1st Installment	2nd Installment	3rd Installment	4th Installment
Standard Annualized	4	4	2	1.33333
Option 1	6	3	1.71429	1.2
Option 2	4	2.4	1.5	1.09091

Line 12. Enter excise tax credits to which the taxpayer projects to be entitled for the months shown in each column on Line 7. Do not include franchise tax credits. Do consider credit limitations. For example, the industrial machinery credit may only offset 50% of the combined franchise and excise tax liability.

Line 16. Under the alternative annualized income method, the franchise and excise tax components of the quarterly estimated tax payments are computed separately. This line reports the franchise tax portion of each installment. Multiply the lesser of 100% of the prior year franchise tax or 80% of the current year franchise tax by the applicable percentage from Line 14.

Line 18. Before completing Line 18, columns (b) through (d), complete Lines 19 through 23 in each of the preceding columns. For example, complete Lines 19 through 23 column (a) before completing Line 18 column (b).

Line 23. The required estimated quarterly installments calculated under the alternative annualized income method are reported on this line. The installments due the 15th day of the fourth, sixth, and ninth month of the current year and the first month of the following year, are reported on Line 23, columns (a) through (d) respectively. Taxpayers choosing to compute their quarterly installments by using the standard income installment method should make the installments reported on Line 5. See Part I.

TAXPAYER RECORD OF PAYMENTS

Due Date	Date Paid	Amount Paid
1.		
2.		
3.		
4.		