

**IMPORTANT: Please read the instructions on the reverse before completing this form.**

Your First name, M.I., Last name	Taxpayer Identification Number (TIN)
Spouse's/registered domestic partner's First name, M.I., Last name	Spouse's/ registered domestic partner's TIN
	Daytime telephone number

**No underpayment interest is due and this form should not be filed if:**

- A. Your tax liability on taxable income after deducting your District of Columbia (DC) withholding tax and applicable credits is less than \$100, or
- B. You made periodic estimated tax payments and had amounts withheld as required and the total is equal to or more than 110% of your last year's taxes or is at least 90% of your current year's taxes. Note: You must have been a 12-month DC resident last year in order to use the prior year 110% exception.

**Computation of Underpayment Interest**

1	2023 DC Tax Liability - Line 24 from your 2023 DC Individual Income Tax Return minus Line 30.	\$	
2	Multiply the amount on Line 1 by 90% (.90)	\$	
3	2022 DC Tax Liability - Line 24 from your 2022 DC Individual Income Tax Return minus Line 30.	\$	
4	Multiply Line 3 amount by 110%.	\$	
5	Minimum withholding and estimated tax payment required for tax year 2023 (lesser of Line 2 and 4).	\$	
6	Multiply Line 5 amount by 25% (.25) for amount required for each periodic payment	\$	

Note: If your income was not evenly divided over 4 periods, see instructions on the reverse of this form on the "Annualized Income" method.

Due date of Payments

	1st Period	2nd Period	3rd Period	4th Period
7	04/15/23	06/15/23	09/15/23	01/15/24
Enter Line 6 amount or the annualized income amount in each period (The 2 <sup>nd</sup> period includes the 1 <sup>st</sup> period amount, 3 <sup>rd</sup> period includes the 1 <sup>st</sup> and 2 <sup>nd</sup> period amounts, the 4 <sup>th</sup> period includes all period amounts).				
8				
DC withholding and estimated tax paid each period (The 2 <sup>nd</sup> period includes the 1 <sup>st</sup> period amount, 3 <sup>rd</sup> period includes the 1 <sup>st</sup> and 2 <sup>nd</sup> period amounts, the 4 <sup>th</sup> period includes all period amounts).				
9				
Underpayment each period (Line 7 minus Line 8)				
10	.0175	.0265	.0351	.0259
Underpayment interest factors				
11				
Line 9 multiplied by Line 10				
12	Pay this amount			\$
Underpayment interest – Total of amounts from Line 11. (See instructions on reverse)				

Make check or money order payable to: DC Treasurer

# Instructions for Underpayment of Estimated Income Tax by Individuals

## Estimated Tax Interest

DC law requires every individual or couple filing jointly, to pay estimated tax if they:

- receive taxable income which is not subject to DC withholding; or
- receive wages with insufficient withholding; or
- the tax on this taxable income is expected to be more than \$100.

The law states that anyone required to file and pay estimated tax who fails to pay the amount required by the periodic payment due date is subject to interest on the underpayment of estimated income tax.

### When is interest assessed for underpayment of estimated income tax?

Underpayment interest is assessed if your total DC estimated income tax payments (and withheld amounts) compared to your DC tax liability do not equal at least the smaller of:

- 90% of the tax due shown on your 2023 DC return; or
- 110% of the tax due shown on your 2022 DC tax return. You must have been a DC resident during all of 2022 to use the 110% exception.

### Are there any exceptions to imposition of interest?

You are not subject to interest for underpayment of estimated tax if:

- You had no DC income tax liability for the tax year 2022 and in that year, you lived in DC the entire 12 months;
- The tax due for 2023 minus income tax withheld and/or estimated tax payments is less than \$100;
- Your DC estimated tax payments plus any DC income tax withheld equals at least 110% of your 2022 DC income tax liability; or
- Your remaining tax due after totaling all credits, estimated tax payments and withholding, is less than 10% of your total DC tax liability for the year.

## When may you use this form?

- You may use this form to calculate your underpayment interest, when submitting your D-40 form. If you do, fill in the oval, attach it to your tax return and enter the underpayment interest amount on Line 40 of the D-40. If you do not wish to calculate the interest, the Office of Tax and Revenue (OTR) will do it when your return is processed and will notify you of the amount due.
- You may also complete this form if you believe the underpayment interest assessed by OTR for an underpayment of estimated income tax is incorrect.

### How do you file this form?

Attach this form D-2210 to your return D-40, if you complete it before filing your D-40 return. If you complete this form after filing and/or receiving a notice of an underpayment interest assessment, send it to:

Office of Tax and Revenue  
Attn: Customer Service Administration  
1101 4th St SW, 2nd Floor  
Washington DC 20024

## Completing this form

### Line 1

Enter the amount from your 2023 D-40, Line 24 minus Line 30.

### Line 2

Multiply the amount on Line 1 by 90% (.90). Your withheld taxes and/or estimated tax payments must be equal to or greater than this amount.

### Line 3

Enter the amount from your 2022 D-40, Line 24 minus Line 30.

### Line 4

Enter 110% of the amount from Line 3. If your 2022 return was amended or corrected, multiply 110% times the corrected amount. You must have been a DC resident during all of 2022 to use this exception.

### Line 5

Enter the lesser of the amounts on Line 2 and Line 4. If you did not file a DC return for 2022, use only the Line 2 amount.

### Line 6

Multiply the amount on Line 5 by 25% (.25). This gives you an even distribution of your liability, payable over four periods.

### Line 7

Enter the amount required from Line 6 under each of the payment columns. For example, if Line 6 is \$2000, you would enter \$2000 for the 1st period, \$4000 for the 2nd period, \$6000 for the 3rd period and \$8000 for the 4th period.

**Annualized Income method:** If your income was different for each period, you may want to determine the percentage for each period (divide the period income by the full year's income). Multiply Line 5 by each period's percentage and enter the amounts as shown above. Check the "Annualized Income" method box.

### Line 8

Enter the amounts withheld and estimated tax payments made for each period. Include the amounts from the previous period in with the 2nd, 3rd and 4th periods. For example, if your withheld and estimated tax payment amount is \$1000 in each period, you would enter \$1000 in the 1st Period, \$2000 in the 2nd Period, \$3000 in the 3rd Period and \$4000 in the 4th Period.

### Line 9 Underpayment each period

For each column, subtract Line 8 from Line 7. If Line 8 exceeds Line 7, you have no underpayment interest. If there is an amount remaining, this is your periodic underpayment amount.

**Line 10 Underpayment interest factors** These are the underpayment interest factors by period.

### Line 11

For each column, multiply the amount on Line 9 by the penalty factor on Line 10. This is your underpayment interest amount by period.

### Line 12 Underpayment interest

Add the amounts from each period on Line 11. This is your total underpayment interest for your estimated income tax underpayment.

- If you are filing the D-2210 with your D-40 return, enter the amount of underpayment interest on Line 40, page 3 of the D-40.
- If you are filing the D-2210 separately, pay the amount you owe. Attach payment to Form D-40P, Payment Voucher.

Make the check or money order (U.S. dollars) payable to the **DC Treasurer** and mail the D-2210 and D-40P with payment to:

Office of Tax and Revenue  
PO Box 96169  
Washington DC 20090-6169