

NONRESIDENT OKLAHOMA DISTRIBUTED INCOME WITHHOLDING TAX PENALTY AND INTEREST WORKSHEET

TAX YEAR _____
FORM **OW-9-P**
Revised 9-2011

Name as shown on return

FEIN

Who Must Pay Penalty and Interest (Title 68 O.S. Section 2385.31)

Underpayment of estimated tax Interest and penalty is due if the amount that must be withheld from all nonresident members for the taxable year can reasonably be expected to exceed Five Hundred Dollars (\$500.00) and timely paid estimated withholding tax payments are not at least 70% of the withholding tax that must be withheld from all of your nonresident members for the current taxable year or 100% of the withholding tax that had to be withheld from all of your nonresident members for the preceding taxable year. The penalty and interest is figured separately for each installment due date. Therefore, the pass-through entity may owe a penalty and interest for an earlier due date even if it paid enough tax later to make up the underpayment. This is true even if the entity has overpaid when its Annual Report is filed.

Note: If you were not required to make estimated tax payments, do not use this form. Compute any penalty and interest due on Form WTP10003.

Instructions

Use Section One to determine the penalty and interest due for failure to make the required timely estimated withholding tax payments (Form OW-9-EW). Use Section Two to determine the penalty and interest due for failure to make a timely payment on the Annual Report (Form WTP10003).

Section One

Part One:

Line 1: If line 1 is less than \$500 you were not required to make estimated tax payments; do not complete this form. Use Form WTP10003 to compute any penalty and interest due for failing to make a timely payment on the Annual Report.

Part Two:

Line 5: Adjust the quarterly due dates as needed for fiscal year taxpayers. The first installment is due by the last day of the month succeeding the calendar quarter during which the beginning of the taxable year falls. Other installments are due by the last day of the month succeeding the next three calendar quarters. (e.g., Fiscal year begins in May, the first quarterly installment is due July 31. The second, third and fourth quarter payments are due October 31, January 31 and April 30, respectively.)

Line 7: • Enter timely estimated payments in the quarter for which it was paid. (e.g., Column A, first quarter payment made by 4/30; Column B, second quarter payment made by 7/31; etc.)
• Enter late estimated payments in the quarter paid. (e.g., Enter in Column B a first quarter payment due 4/30 but paid 5/15.)
• Payments made after the due date of the fourth quarter estimate, January 31, shall not be included on this line as an estimated tax payment, but shall be used in the underpayment worksheet as a prepayment of tax (see instructions for Part Three).

Part Three:

Complete lines 15 through 18 to determine the underpayment of estimated tax penalty and interest due. Penalty and interest is imposed on each underpayment shown on line 13 for the number of days that it remained unpaid. (You may find it helpful to show the date of payment beside each amount on line 13.) If a payment is missed or less than the minimum required is paid in a period, underpayment of estimated tax penalty and interest is due from the date the amount was due to the date the payment is made. Payments are applied to the earliest quarter's underpayment first.

Example: The required estimated withholding tax installments were \$2,500 per quarter. The pass-through entity made no estimated tax payment for either the first or second period, but paid \$3,500 each on October 31 and January 31, for the third and fourth periods. The entity has an underpayment (line 13) for each payment period even though the estimated tax payments for the third and fourth periods were more than the required installments (line 6). This is because the estimate tax payments made in the third and fourth periods are first applied to underpayments for the earlier period.

Line 14: Adjust the quarterly due dates as needed for fiscal year taxpayers, use the same dates as in Part Two, line 5

Line 15: Enter the number of days that the amount on line 13 remained unpaid. If an underpayment was paid in two or more parts on different dates, figure the penalty and interest separately for each part. (It may be helpful to show the underpayment on line 13 broken down into the parts paid on different dates.)

SECTION ONE: ESTIMATED WITHHOLDING TAX PENALTY AND INTEREST

Part One: Required Estimated Withholding Tax Payment

- 1 Income tax withheld (from Form WTP10003, line 2)
If less than \$500, stop here; you're not required to make estimated tax payments.
- 2 Multiply line 1 by 70%
- 3 Income tax required to be withheld from all nonresident members for the preceding taxable year
- 4 Required estimated withholding tax payment.
Enter the smaller of line 2 or line 3

Part Two: Figure Your Underpayment

- 5 Quarterly due date
- 6 Required estimated withholding tax payment
(Enter 25% of the amount in Part One, line 4 in each column)
- 7 Enter amount of timely paid estimated withholding tax.....

	Column A 1st Quarter	Column B 2nd Quarter	Column C 3rd Quarter	Column D 4th Quarter
5	April 30	July 31	October 31	January 31
6				
7				

Complete lines 8-14 of one column before continuing...

- 8 Enter amount, if any, from line 14 of previous column
- 9 Add amounts on lines 7 and 8
- 10 Add amounts on line 12 and 13 of the previous column....
- 11 For Column A only, enter the amount from line 7.
For Columns B, C, and D, subtract line 10 from line 9.
If zero or less, enter 0.
- 12 If the amount on line 11 is zero, subtract line 9 from line 10. Otherwise, enter 0.
- 13 Underpayment. If line 6 is equal to more than line 11, subtract line 11 from line 6. Then go to line 8 of the next column.
- 14. Overpayment. If line 11 is equal to or more than line 6, subtract line 6 from line 11. Then go to line 8 of the next column.

Part Three: Figure Your Underpayment of Estimated Tax Penalty and Interest

- 15. Quarterly due date
- 16. Number of days from quarterly due date (line 15) to the date the amount of line 13 was paid
- 17. Penalty and interest due for each column
Line 13 x $\frac{\text{Number of days on line 16}}{\text{divided by 365}}$ x 0.25
- 18. Total underpayment penalty and interest due (add line 17 of Columns A, B, C, and D. Enter here and on Form WTP10003, line 5)

	April 30	July 31	October 31	January 31
15	April 30	July 31	October 31	January 31
16				
17				
18				

SECTION TWO: FIGURE YOUR DELINQUENT PENALTY & INTEREST ON ANNUAL REPORT PAYMENT

- 19. Annual Report due date
- 20. Enter the amount paid with Annual Report (Form WTP10003, line 2)
- 21. Enter required estimated withholding tax payment from line 4 above
- 22. Balance of withholding due (subtract line 21 from line 20)
- 23. Number of days from Annual Report due date (line 19) to the date actually paid
- 24. Interest due
Line 22 x $\frac{\text{Number of days on line 23}}{\text{divided by 365}}$ x 0.15
- 25. Penalty due (Enter 10% of line 22)
- 26. Total Delinquent Penalty and Interest due (Add lines 24 and 25, enter here and on Form WTP10003, line 6)

(Do not complete this section if Form WTP10003 was timely paid)