Underpayment of Corporation Estimated Tax

Interest on underpayment of Oregon corporation estimated taxes

You are required to make quarterly estimated tax payments if you expect to owe $500 or more with your return. Oregon charges additional interest if the quarterly payment is less than the amount due for that quarter, or if the quarterly payment is received after that quarter's due date, or if no quarterly payments are made during the year and the final tax liability is $500 or more.

UND will not be imposed if net excise or income tax on your return is less than $500.

Use Form 37, *Underpayment of Oregon Corporation Estimated Tax* to:

- Calculate the amount of underpayment of estimated tax,
- Compute the interest you owe on the underpayment, or
- Show you meet an exception to the payment of interest.

If you have an underpayment, attach Form 37—with the "Form 37" box checked—to your tax return, and file them before the due date of the return.

Note: Interest on underpayment of estimated tax is not charged if tax on the prior year's return was $10 or less, and the prior year's return covered a 12-month period. However, this provision does not apply to a high-income taxpayer. A **"high-income taxpayer"** is one that had federal taxable income, before net operating loss and capital loss carryovers and carrybacks, of $1,000,000 or more in any one of the last three years, not including the current year.

For more information see:

- Interest on Tax You Owe: Computation.
- Oregon statutes (ORS) and rules (OAR) concerning underpayment of estimated tax Chapter 314. See ORS 314.525,OAR 150-314.525(1)-(A), 150-314.525(1)-(B), 150-314.525(1)(c)-(A), 150-314.525(1)(d), 150-314.525(2)-(A), and 150-314.525(2)-(B).