

FREE WORKSHEET · ESTIMATED TAXES

The Quarterly Tax Worksheet

Never owe the IRS a surprise again — who pays, how much, when, and the safe-harbor shortcut.

Nobody withholds taxes from a business owner's income — the IRS expects you to send it yourself, four times a year. Miss the payments and you'll owe the year's tax plus an underpayment penalty that works like interest. Here's the system.

Do you need to pay?

☐ You expect to owe \$1,000 or more when you file — then yes, quarterly payments are required

☐ You (or your spouse) also have a W-2 job?

You can raise that job's withholding instead of making quarterly payments — often the easiest fix.

The deadlines

Payment	Covers income earned	Due date
Q1	Jan 1 – Mar 31	April 15
Q2	Apr 1 – May 31	June 15
Q3	Jun 1 – Aug 31	September 15
Q4	Sep 1 – Dec 31	January 15 (of the next year)

Note the rhythm — the quarters are not equal, and two payments (June and September) land in the same summer stretch when landscaping cash flow is strongest. Plan for it.

The safe harbor: the shortcut that ends the guessing

You owe no penalty — no matter how much you make this year — if your four payments total at least:

- ☐ 100% of last year's total tax (the "total tax" line — line 24 — of last year's Form 1040), or
- ☐ 110% of last year's tax if your adjusted gross income was over \$150,000, or
- ☐ 90% of this year's tax — for when this year will be much smaller than last

THE SET-AND-FORGET FORMULA

Growing business? Take last year's total tax, multiply by 1.10, divide by 4, and set those four payments on autopilot. You cannot be penalized, and anything extra you owe waits quietly until April with no interest.

Your numbers

Work the safe-harbor formula with last year's return in front of you:

Last year's total tax (Form 1040, line 24): \$ _____

Multiply by 1.10 if your adjusted gross income was over \$150,000: \$ _____

Divide by 4 — your quarterly payment: \$ _____

What you'll set aside from each month's deposits to cover it: \$ _____

Your payment tracker

Payment	Due date	Amount sent	Date sent
Q1	April 15	\$	
Q2	June 15	\$	
Q3	September 15	\$	
Q4	January 15	\$	

NEVER GUESS AGAIN

Bring last year's return to a free discovery call and leave with your four numbers and four dates — set for the year. westfinancialservicesllc.com