

2019 Wisconsin Form 3-ES Instructions – Entity-Level Estimated Tax

Purpose of Form

Partnerships, including limited liability companies treated as partnerships, use the 2019 Form 3-ES to make estimated entity level tax payments for taxable years that begin in 2019.

If you receive an extension of time to file your return, use a voucher for making an estimated entity level tax payment **by the unextended due date of the return**. To obtain personalized vouchers, download them from the department's web site at: revenue.wi.gov/html/formpub.html or call (608) 266-1961.

Federal Employer Identification Number

Enter the partnership's federal employer identification number (EIN). If you have not yet applied for a federal EIN, you may do so by filing federal Form SS-4 with the Internal Revenue Service, calling (800) 829-4933, or applying online at: irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online

Who Must Pay Estimated Entity Level Tax

Partnerships must make estimated entity level tax installment payments unless the following exception applies:

- The entity-level tax for the taxable year that begins in 2019 will be less than \$500

When to Pay Estimated Entity Level Tax

In general, the first estimated entity level tax payment is due the 15th day of the 4th month of the taxable year and is equal to 1/4 of the total estimated entity level tax due (1/4 of the amount on Schedule A, line 6). The payment amounts and due dates for a calendar-year partnership that first meets the filing requirements after March 31 are as follows:

If the requirement is met after:	Payment is due:	Amount of estimated tax due:
March 31 and before June 1.....	June 17.....	50% of the estimated entity level tax
May 31 and before September 1.....	September 16.....	75% of the estimated entity level tax
August 31.....	January 15.....	100% of the estimated entity level tax

Exceptions to this general rule are as follows:

- If at least two-thirds of the partnership's gross income for 2018 or 2019 is from farming or fishing, the partnership may
 - Pay its 2019 estimated entity level tax by January 15, 2020, or
 - File its 2019 entity level tax return on or before March 1, 2020, and pay the total amount due. In this case, it does not need to make estimated entity level tax payments for 2019.
- Partnerships filing returns on other than a calendar-year basis should substitute the 15th day of the 4th, 6th, and 9th months of the taxable year and the 1st month following the end of the taxable year for the payment due dates of April 15, June 17, September 16, and January 15, respectively. Likewise, the last day of the 3rd, 5th, and 8th months should be substituted for March 31, May 31, and August 31, for purposes of determining when the filing requirement is first met. **Note:** If any due date falls on a Saturday, Sunday, or legal holiday, use the next business day.

Short Taxable Year

No estimated entity level tax installment is required if the short taxable year is a period of 1 month or less. If the short taxable year is more than 1 month, installments are due as shown:

Number of Months in Short Taxable Year	Number of Required Installments	Installment Due Dates
2-3	1	D
4-6	2	A, D
7-9	3	A, B, D
10-11	4	A, B, C, D

A = the 15th day of the 4th month of the taxable year

B = the 15th day of the 6th month of the taxable year

C = the 15th day of the 9th month of the taxable year

D = the 15th day of the 1st month after the end of the taxable year

New Partnerships

The first return filed by a partnership is considered to cover an entire 12-month period for purposes of determining estimated entity level tax installment due dates, even though the partnership's first year of Wisconsin operations may cover less than 12 months.

The portion of the estimated entity level tax due for each payment period varies, depending on the number of installments required. If 3 installments are required, 1/2 of the estimated entity level tax is due for the first installment and 1/4 is due for each of the 2 remaining installments.

For example, a new partnership, which begins operations in Wisconsin on April 1, 2019, and which elects to file returns on a calendar-year basis, will be required to make 3 installment payments due June 17, September 16, and January 15. If this new partnership's 2019 estimated entity level tax is \$4,000, \$2,000 would be due June 17 and \$1,000 would be payable for each of the installments due September 16 and January 15.

Amended Installments

If the original estimate of entity level tax liability is materially altered, you should amend remaining installment payments to reflect the change in estimated entity level tax liability. Complete column B of Schedule A to compute your amended estimated entity level tax and Schedule C to compute your amended installments due.

Determine the amount to enter on Schedule C, line 5, as follows:

- If all 4 installments are being amended, enter 1/4 of Schedule C, line 3, for all 4 periods
- If only the last 3 installments are being amended, enter 1/2 of Schedule C, line 3, on line 5 for the first amended installment and 1/4 for each of the last 2 installments
- If only the last 2 installments are being amended, enter 3/4 of Schedule C, line 3, for the first amended installment and 1/4 for the last installment
- If only the last installment is being amended, enter all of Schedule C, line 3, on line 5.

Interest on Underpayment of Estimated Entity Level Tax

If a required installment is not paid by its due date, 12% annual interest may be imposed. The interest is computed on the amount of underpayment of each installment for the period of the underpayment. Use Form 3U to determine the amount of any underpayment interest.

The period of the underpayment is the time from the due date of the installment to the earlier of either the date on which it is paid or the 15th day of the 3rd month after the close of the taxable year.

Interest charged for underpayment of estimated entity level tax will be increased or decreased based on any changes made to the entity level tax originally reported.

Underpayment interest will not be due if each required payment is timely and the total entity level tax paid is:

- At least equal to 90% of the entity level tax figured by annualizing the net business income earned for the months ending before the due date of the installment

Refunds of Estimated Entity Level Tax Payments

If your installment payments exceed the entity level tax liability for 2019, the overpayment may be refunded or all or part may be credited to your 2020 estimated entity level tax with any remainder being refunded.

Where to Obtain Assistance

If you need help, visit the department's web site at: revenue.wi.gov/Pages/home.aspx, e-mail: DORAuditPassThrough@wisconsin.gov, call (608) 266-2486, or contact any Department of Revenue office. Telephone help is also available using TTY equipment. Call the Wisconsin Telecommunications Relay System at 711 or, if no answer, (800) 947-3529. These numbers are to be used only when calling with TTY equipment.

Payment Instructions

You may make estimated entity level tax payments using electronic funds transfer (EFT) or through My Tax Account: tap.revenue.wi.gov/mta/_/, the department's free electronic filing option. If making estimated payments by EFT, do not complete and submit Form 3-ES. For more information and EFT registration forms, visit the Department's web site at: revenue.wi.gov/Pages/OnlineServices/eftgen.aspx, email: DORBusinessTax@wisconsin.gov, or call (608) 264-9918.

For EFT payments of estimated tax, enter the last day of your **taxable year**, not the last day of the quarter, for which the payment is being made.

Otherwise, make your check payable to the Wisconsin Department of Revenue, and mail your estimated entity level tax voucher and payment to:

Wisconsin Department of Revenue
PO Box 930208
Milwaukee WI 53293-0208

Do not mail your 2019 estimated entity level tax voucher with your Form 3. They are to be mailed to different locations.

Schedule A Computation of Estimated Entity Level Tax	(A) Original Computation	(B) Amended Computation
1 Amount of total estimated net income in taxable year that begins in 2019		
2 Percentage of line 1 attributable to Wisconsin		
3 Amount of estimated net business income attributable to Wisconsin (multiply line 1 by line 2)		
4 Franchise or income tax. Multiply line 3 by 7.9% (0.079).		
5 Estimated credit for net tax paid to other state at entity level		
6 Net franchise or income tax (subtract line 5 from line 4)		

Schedule B Computation of Installment Due	Installment Number			
	1	2	3	4
1 Enter in columns 1 through 4 the installment due dates that correspond to the 15th day of the 4th, 6th, and 9th months of the taxable year and the 1st month after the end of the taxable year				
2 If 4 installments are due, enter in each column 25% of Schedule A, line 6. If less than 4 installments are due, see instructions under "When to Pay." Enter here and on the installment vouchers.				

Schedule C Computation of Amended Installment Due				
1 Enter amended entity level tax (from Schedule A, line 6, column B)				
2 Enter amount of payments made to date				
3 Unpaid balance (subtract line 2 from line 1)				
4 Due dates of remaining installments due (from Schedule B, line 1)				
5 Amended installments due. To determine the portion of line 3 to enter for each remaining installment, see instructions for "Amended Installments"				

Schedule D Record of Payments						
1 Date paid						Total
2 Amount paid						