

Revenue Notice # 94-10:

Income Tax - Estimated Taxes

(Update: Revenue Notice #94-10 has been repealed by Revenue Notice #03-04.)

The recently adjourned 1994 Minnesota Legislature made changes to the individual and trust estimated income tax payment provisions. Effective for estimated tax payments due on June 15, 1994 and thereafter the following changes were made:

1. The provision that required individuals and trusts whose 1994 income is over \$75,000 and had increased by \$40,000 over 1993 income to make estimated payments based on 90% of their 1994 actual or modified Minnesota tax was repealed; and
2. Resident individuals with federal adjusted gross income of over \$150,000 in 1993 (\$75,000 married filing separately) and non-full year residents and trusts with Minnesota assignable federal adjusted gross income over the above amounts must use the lesser of 90% of their 1994 Minnesota income tax or 110% of their 1993 Minnesota income tax in computing 1994 quarterly estimated tax payments for the second, third, and fourth quarters of 1994. For taxpayers who used 25% of their 1993 Minnesota tax in making their first quarter 1994 estimated tax payment and are now required to use 110% of their 1993 tax, a "catch-up estimated" is not required. The second, third, and fourth quarter payments will each be 25% of 110% of their 1993 tax.

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