



# 2025 Schedule M15, Underpayment of Estimated Income Tax

For Individuals (Form M1)

Your First Name and Initial \_\_\_\_\_ Last Name \_\_\_\_\_ Social Security Number \_\_\_\_\_

## Required Annual Payment

- 1 Minnesota income tax for **2025** (from line 17 of Form M1) ..... 1 \_\_\_\_\_
- 2 Minnesota withholding and credits for **2025** (add lines 20 and 22 of Form M1) ..... 2 \_\_\_\_\_
- 3 Subtract line 2 from line 1. If less than \$500, **STOP HERE**; you do not owe an underpayment penalty ..... 3 \_\_\_\_\_
- 4 Multiply line 1 by 90% (.90). **Farmers and commercial fishermen:** Multiply line 1 by 66.7% (.667) ..... 4 \_\_\_\_\_
- 5 Minnesota income tax for 2024 (from line 17 of Form M1). See instructions if your 2024 federal adjusted gross income was more than \$150,000 or if you did not file a 2024 return ..... 5 \_\_\_\_\_
- 6 **Required annual payment.** Amount from line 4 or line 5, whichever is less ..... 6 \_\_\_\_\_
  - If line 6 is less than or equal to line 2, **STOP HERE**; you do not owe an underpayment penalty.
  - If line 6 is more than line 2, continue with line 7 or line 13, depending on which method you use.

## Optional Short Method (see instructions to determine which method to use)

- 7 Quarterly estimated tax payments you made for 2025 ..... 7 \_\_\_\_\_
- 8 Add line 2 and line 7 ..... 8 \_\_\_\_\_
- 9 Total underpayment for the year. Subtract line 8 from line 6  
(if result is zero or less, **STOP HERE**; you do not owe an underpayment penalty) ..... 9 \_\_\_\_\_
- 10 Multiply line 9 by 2% (.02) ..... 10 \_\_\_\_\_
- 11 • If the amount on line 9 will be paid on or after April 15, 2026, enter 0.  
• If the amount was paid before April 15, 2026, use the following computation  
and enter the result on line 11:  

Amount on line 9  
\_\_\_\_\_

x Number of days  
paid before 4/15/26  
\_\_\_\_\_

x .000192 ..... 11 \_\_\_\_\_
- 12 **Penalty.** Subtract line 11 from line 10. Enter result here and on line 27 of Form M1 ..... 12 \_\_\_\_\_

	A	B	C	D
Regular Method	April 15, 2025	June 16, 2025	Sept. 15, 2025	Jan. 15, 2026
13 Enter 25% (.25) of line 6 in each column OR use the annualized income installment worksheet on the back of this form. If you use the worksheet or are a farmer or fisherman, see instructions ..... 13	_____	_____	_____	_____
14 <b>Credits.</b> See instructions ..... 14	_____	_____	_____	_____
15 <b>Overpayment.</b> If line 14 is more than line 13, subtract line 13 from line 14. Enter the result here and add it to line 14 in the next column. Overpayments in any quarter following an underpayment must first be applied to making up previous underpayments ..... 15	_____	_____	_____	_____
16 <b>Underpayment.</b> If line 14 is less than line 13, subtract line 14 from line 13. Enter the result here and go to line 17 below ..... 16	_____	_____	_____	_____
17 Enter the date of payment or April 15, 2026, whichever is earlier (see instructions) ..... 17	_____	_____	_____	_____
18 Number of days between the payment due date and the date on line 17 ..... 18	_____	_____	_____	_____
19 Divide line 18 by 365. The result is a decimal ..... 19	_____	_____	_____	_____
20 Multiply line 19 by 7% (.07). Enter as a decimal ..... 20	_____	_____	_____	_____
21 Multiply line 20 by line 16 ..... 21	_____	_____	_____	_____
22 <b>Penalty.</b> Add columns A-D on line 21. Enter result here and on line 27 of Form M1 ..... 22	_____	_____	_____	_____

**You must include this schedule with your Form M1.**

## Worksheet - Annualized Income Installment

	(a) 1/1/25–3/31/25	(b) 1/1/25–5/31/25	(c) 1/1/25–8/31/25	(d) 1/1/25–12/31/25
<b>Step 1</b> Complete lines 1 - 11 of Schedule AI of federal Form 2210 using the instructions below.				
<b>Step 2</b> Minnesota additions ( <i>see instructions below</i> ).				
<b>Step 3</b> Add step 1 and step 2.				
<b>Step 4</b> Minnesota exemptions and subtractions ( <i>see instructions below</i> ).				
<b>Step 5</b> Subtract step 4 from step 3.				
<b>Step 6</b> Figure the tax for the amount shown in step 5. Deduct the appropriate nonrefundable credits. Include annualized Minnesota alternative minimum tax.				
<b>Step 7</b> Percentage for each period.	22.5%	45%	67.5%	90%
<b>Step 8</b> Multiply step 6 by step 7.				
<b>Complete Steps 9–15 of one column before going to the next column.</b>				
<b>Step 9</b> Add the amounts from step 15 from all preceding payment periods.				
<b>Step 10</b> Subtract step 9 from step 8 ( <i>if result is zero or less, enter 0</i> ).				
<b>Step 11</b> Enter 25% (.25) of line 6 of Schedule M15 in each column.				
<b>Step 12</b> Enter step 14 of the preceding column.				
<b>Step 13</b> Add step 11 and step 12.				
<b>Step 14</b> Subtract step 10 from step 13 ( <i>if result is zero or less, enter 0</i> ).				
<b>Step 15</b> Amount from step 10 or step 13, <b>whichever is less</b> . Also enter this amount on line 13 of Schedule M15.				

## Instructions for Above Worksheet

### Step 1

Complete lines 1 through 11 of Schedule AI of federal Form 2210 using these modifications.

- Use your Minnesota Itemized deductions on line 4 of Schedule AI.
- Use your Minnesota standard deduction on line 7 of Schedule AI.
- Enter zero on line 9.

### Step 2

Using the amounts from line 2 of Form M1, *Individual Income Tax*, determine your Minnesota additions for each period. Enter the total amounts in step 2.

### Step 4

Using the amounts from lines 5 through 7 of Form M1, determine your Minnesota subtractions for each quarter.

### Step 6 — Minnesota Alternative Minimum Tax

If the Minnesota alternative minimum tax applies, determine the amount of Minnesota alternative taxable income for each period. Multiply that amount by the appropriate multiplier shown on line 2 of Schedule AI of federal Form 2210. From the resulting annualized alternative minimum taxable income, subtract the appropriate minimum amounts depending on the filing status (\$95,300 for Married Filing Jointly or Qualifying Surviving Spouse, \$47,660 for Married Filing Separately, or \$74,470 for Single or Head of Household) and multiply the difference by 6.75% (.0675).

If the result is more than the regular tax shown on step 6, replace the regular tax with the Minnesota alternative minimum tax. See Schedule M1MT for instructions on figuring the Minnesota alternative taxable income.

# 2025 Schedule M15 Instructions

## Underpayment of Estimated Income Tax for Individuals (Form M1)

### Do I need to file Schedule M15?

Use Schedule M15, *Underpayment of Estimated Income Tax*, to determine if you owe a penalty for underpaying estimated tax.

You may owe an underpayment penalty if you have \$500 or more of Minnesota income tax due on income you received in 2025 after subtracting these:

- Minnesota income tax withheld from your income, plus any Minnesota estimated tax payments made
- 2025 refundable credits you are eligible for and claim (including the Child and Dependent Care, Child and Working Family, K-12 Education, Parents of Stillborn Children, Refundable Credit for Tax Paid to Wisconsin, and Historic Structure Rehabilitation credits)

You do not have to pay an underpayment penalty if all of these apply:

- You did not have a Minnesota tax liability on line 17 of your 2024 Form M1, *Individual Income Tax*.
- You were a Minnesota resident for all of 2024.
- Your 2024 return covered a 12-month period.

**Nonresidents and part-year residents.** Determine your required annual payment based on your Minnesota assignable adjusted gross income.

**Farmers and commercial fishermen.** If you filed Form M1 and paid your entire income tax by March 1, 2026, or paid two-thirds of your income tax by January 15, 2026, you do not have to complete this schedule. You are considered a farmer or commercial fisherman if you earn at least two-thirds of your annual gross income by farming or commercial fishing.

### Exceptions to the Penalty

If the IRS does not require you to pay additional charges for underestimating your federal tax because you are newly retired or disabled, or because of a casualty, disaster, or other unusual circumstances, do not complete Schedule M15. Include a copy of your federal request with your Form M1.

### How do I avoid the penalty?

To avoid an underpayment penalty of estimated tax, you must have had Minnesota withholding or made the required, timely estimated tax payments and paid the lesser of:

- 90% of your current year's original tax liability (66.7% if you are a farmer or commercial fisherman)
- 100% of your prior year's total tax liability (110% if your federal adjusted gross income is more than \$150,000)

If you are a nonresident or part-year resident, you must have had at least \$1 of Minnesota tax liability to use 100% of your prior year's tax.

### Fiscal Year Taxpayers

If you file your Minnesota return on a fiscal year basis, change the payment due dates to the 15th day of the fourth, sixth and ninth months of your current fiscal year, and the first month of your next fiscal year.

### Line Instructions

Although these instructions refer to your original return, both of these are also considered an original return:

- An amended return you filed by the due date of your original return
- A joint Form M1 replacing previously filed separate returns

#### Line 5

If you did not file a 2024 return, or it did not cover the full 12-month period, skip line 5 and enter the amount from line 4 on line 6. Enter the amount from line 17 of your 2024 Form M1, unless your 2024 federal adjusted gross income (from line 11 of federal Form 1040) was more than \$150,000. If you are a nonresident or part-year resident, use your adjusted gross income assignable to Minnesota. If your 2024 federal adjusted gross income was more than \$150,000, multiply line 17 of your 2024 Form M1 by 110%.

### Optional Short Method or Regular Method

You may use the optional short method only if either of these apply:

- You did not make any estimated tax payments (or your only payments were from Minnesota income tax withheld from your wages)
- You paid your 2025 estimated tax in four equal amounts on or before the due date of each installment

**Note:** If you made any payment **before** the installment due date, it is best to use the regular method. Using the short method will cause you to pay a larger penalty than the regular method. If your payment was only a few days early, the difference will likely be small. Continue with line 7 to use the optional short method.

If you are not eligible or choose not to use the optional short method, use the regular method to determine your underpayment penalty. Skip lines 7–12 and continue with line 13.

### Optional Short Method

#### Line 7

Enter the total amount of 2025 estimated tax payments you made in 2025 and 2026. Do not include any other amounts on line 7.

*Continued*

**Line 12**

Subtract line 11 from line 10. This is the amount of your underpayment of estimated tax penalty. Enter this amount on line 27 of your 2025 Form M1. If you owe an amount on line 26 of Form M1, add the penalty on line 12 of this schedule to the amount owed and replace line 26 of Form M1 with the total. If you have a refund on line 24 of Form M1, subtract the penalty on line 12 of this schedule from your refund and replace line 24 of Form M1 with the result.

**Regular Method**

Complete column A, lines 13–16. Then, depending on whether you have an underpayment or an overpayment, either continue with line 17 of column A (underpayment) or line 13 of column B (overpayment).

**Line 13**

Enter 25% (.25) of line 6 in each of the four columns on line 13, unless one of these conditions applies:

1. Your taxable income was higher at some times during the year and lower at others.

You may benefit by figuring your installments using the annualized income installment method. Complete the worksheet on the back of Schedule M15.

The annualized income installment worksheet automatically selects the smaller of the annualized income installment or the regular installment (increased by the amount saved by using the annualized income installment method in figuring earlier installments).

If you use this method for one payment due date, you must use it for all payment due dates. Follow the worksheet instructions on the back of Schedule M15.

2. You are a farmer or commercial fisherman and did not pay your entire income tax by March 1, 2026, or did not pay two-thirds of your income tax when you paid your estimated tax by January 15, 2026.

Enter the full amount of line 6 under column D of line 13 and omit columns A, B and C of line 13.

**Line 14**

For each payment period, enter the total of these:

- Estimated payments you paid for each payment period. If you applied a 2024 refund to your estimated tax, it is considered an estimated payment for your first payment period.
- Minnesota income tax withheld during 2025. You are considered to have paid Minnesota withholding evenly during the year unless you show otherwise. If you were employed all year, divide the amount from line 20 of Form M1 by four. Include the result in each column.
- Your 2024 income tax refund, if you elected on your 2024 Minnesota return to apply all or a portion of your refund to your 2025 estimated tax.
- Any refundable credits you are eligible for and claim. You are considered to have received refundable credits evenly during the year unless you show otherwise. Divide the amount from line 18 of Form M1 by four and include the result in each column.

You are considered to have paid any Minnesota income tax withheld or received any refundable credits (Child and Dependent Care, Working Family, K–12 Education, Parents of Stillborn Children, Credit for Taxes Paid to Wisconsin, or Historic Structure Rehabilitation) evenly during the year unless you show otherwise. If you worked all year, divide the total amount of withholding and credits by four, and enter the result in each column. Your 2024 refund that you applied as an estimated payment, if any, is considered a credit to your first payment period.

If you filed your 2025 Minnesota return and paid the tax you owed on or before January 31, 2026, you may consider the tax paid as of January 15, 2026.

**Lines 15 and 16**

Compare line 13 of each column to line 14 of the same column.

**If line 14 is more than line 13, you have an overpayment** for the payment period. Subtract line 13 from line 14 and enter the result on line 15. Add line 15 to the credit on line 14 of the next column. If you have an overpayment in any quarter following an underpayment, you must first apply it to previous underpayments.

**If line 14 is less than line 13, you have an underpayment** for that payment period. Subtract line 14 from line 13 and enter the result on line 16. Continue with line 17.

**Line 17**

If you have an underpayment in all four quarters, enter the date you filed your return or April 15, 2026 (whichever is earlier) in each column. Otherwise, enter the date you paid your underpayment on line 16 in full.

**Example:** You made your first quarter estimated tax payment on April 20, but you show an underpayment on line 16. On June 14, you paid your second quarter payment in full and included the underpayment from the first quarter. On line 17, you would enter June 14 in the first and second quarter columns.

**Line 22**

Add the amounts on line 21, columns A through D and enter the result on line 22. This is the amount of your underpayment of estimated tax penalty. Enter this amount on line 27 of your 2025 Form M1. If you owe an amount on line 26 of Form M1, add the penalty on line 22 of this schedule to the amount owed and replace line 26 of Form M1 with the total. If you have a refund on line 24 of Form M1, subtract the penalty on line 22 of this schedule from your refund and replace line 24 of Form M1 with the result.