**June 19, 2013**

## Notice of Change to 2013 Form ND-1ES

The 2013 Form ND-1ES was revised to incorporate changes made by the 2013 North Dakota Legislature. The following changes were made:

- On page 1 of the form, under **Who must pay estimated tax?**, the $500 threshold amount in Conditions 2 and 3 was changed to $1,000.
- On page 2 of the form, in the **2013 estimated income tax worksheet—individuals**, the $500 threshold amount on lines 10 and 12 was changed to $1,000.
- On page 2 of the form, the **2013 Tax Rate Schedules** were changed to incorporate the reduced tax rates for the 2013 tax year.

### Important

Individuals who are making payments of estimated North Dakota income tax for the 2013 tax year may adjust their remaining estimated payment installments based on the changes made to the threshold and tax rates. Each taxpayer is responsible for determining whether or not it is advisable to adjust the amount of their estimated payments.

If you have any questions, see page 3 of Form ND-1ES for how to contact the Office of State Tax Commissioner.

Form
**ND-1ES**

North Dakota Office of State Tax Commissioner

# Estimated income tax—individuals

**2013**

## Purpose of form

Use this form to calculate and pay estimated North Dakota individual income tax. Individuals generally must pay their income tax in one of two ways—through the withholding of income tax from their paychecks or through the payment of estimated tax. If you receive earnings from self-employment, interest, dividends, rents, and other types of income not subject to withholding, you may have to pay estimated tax.

## Who must pay estimated tax?

You must pay estimated North Dakota income tax for the 2013 tax year if all four of the following conditions apply:

1. You are required to pay estimated federal income tax for the 2013 tax year. This condition applies whether or not you actually make the required payment of estimated tax to the Internal Revenue Service.
2. Your net tax liability for the 2012 tax year was equal to or more than $1,000.

   ***Note:*** *If you were not required to file a North Dakota income tax return for the 2012 tax year, your net tax liability for 2012 is zero for this purpose.*
3. You expect to owe (after subtracting your estimated North Dakota income tax withholding) an amount equal to or more than $1,000 for the 2013 tax year.
4. You expect your estimated North Dakota income tax withholding for the 2013 tax year to be less than the smaller of:
   a. 90% of your net tax liability for the 2013 tax year.

      ***Note:*** *Substitute 66 2/3% if a qualified farmer. See "Farmer" under "Payment amounts and due dates" later in these instructions.*

   b. 100% of your net tax liability for the 2012 tax year.

      ***Note:*** *If you moved into North Dakota during 2012 and had no income from North Dakota prior to the move, part b does not apply; you must satisfy the 90% threshold in part a.*

## How to determine your estimated tax

Complete the worksheet on page 2 to determine if you have to pay estimated tax for 2013. For line 1 of the worksheet, estimate your federal taxable income using the 2013 Form 1040-ES, the federal estimated tax form for individuals. See the instructions to the 2012 Form ND-1 for information on the adjustments on lines 2 and 4, and the credits on line 7, of the worksheet.

**Married persons filing separate returns.** If you are married and plan to file separate federal and North Dakota income tax returns for the 2013 tax year, you and your spouse must make separate estimated tax payments based on your separate incomes. Each of you should obtain and complete Form ND-1ES to determine your separate estimated tax payments.

## Payment amounts and due dates

In general, one-fourth (25%) of the total estimated tax that you are required to pay (from line 14 of the worksheet) must be paid by each of the following due dates:

- 1st installment — April 15, 2013
- 2nd installment — June 15, 2013
- 3rd installment — September 15, 2013
- 4th installment — January 15, 2014

The above due dates apply if your tax year is a calendar year—January 1 through December 31, 2013. However, if you file on a fiscal year basis, the installments are due on the 15th day of the 4th, 6th, and 9th months of the current tax year, and the 15th day of the 1st month of the following tax year. If any installment due date falls on a Saturday, Sunday, or legal holiday, the installment is not due until the next business day.

**Farmer.** If you qualify as a farmer for federal estimated income tax purposes for the 2013 tax year, you may pay your estimated tax according to the general rules explained above, or you may pay the full amount of your estimated tax due by January 15, 2014.

***Note: Regardless of the option chosen, you have until the regular due date (generally, April 15, 2014) to file your 2013 North Dakota individual income tax return.***

***Note: The tax calculation in the worksheet (on page 2) does not take into account the 3-year elected farm income averaging on Schedule ND-1FA.***

**Part-year requirement.** If you are a full-year nonresident or you changed your residence to North Dakota during the 2013 tax year, and you do not receive income from North Dakota sources until after the first installment due date (generally, April 15, 2013), you must pay the required estimated tax in equal payments over the remaining installment due dates following the receipt of income from North Dakota sources.

## How and where to pay

If paying by paper check or money order, make the check or money order payable to "ND State Tax Commissioner." Detach and complete the applicable installment's payment voucher. To ensure proper credit to your account, write your social security number and "2013 Form ND-1ES" on your check or money order. Mail your payment and voucher to:

Office of State Tax Commissioner
PO Box 5622
Bismarck, ND 58506-5622

**Electronic payment option.** Instead of paying by paper check or money order, the payment may be made electronically by phone or online through Link2Gov Corporation, a national electronic payment service. Through this service, the payment may be made by credit or debit card, or by electronic check. To pay electronically—

- go to **www.ndtaxpayment.com**, or
- call toll free **1-888-ND-TAXES** (1-888-638-2937).

Link2Gov charges a fee for this service, which varies depending on the payment method used. North Dakota does not receive any part of this fee.

***Important: If paying electronically, do not use the payment vouchers attached to this form.***

## Underpayment or late payment interest

Interest may be charged if you do not pay enough estimated tax, or if you do not make the payment on time or in the required amount. This applies even if you have a refund on your 2013 North Dakota individual income tax return. Interest is calculated at the rate of 12% per year from the installment due date to the earlier of the date the estimated tax is paid or the regular due date of the return (generally, April 15, 2014).

## Need help?

If you have questions or need forms, see page 3 of this form for how to contact us.

**Privacy Act information**—In compliance with the Federal Privacy Act of 1974 (Public Law 93-579), the disclosure of the individual's social security number on this form is mandatory and is required under subsections 1 and 7 of North Dakota Century Code § 57-38-31. An individual's social security number is used as an identification number by the North Dakota Office of State Tax Commissioner for file control and recordkeeping purposes, and for cross-checking the individual's files with those of the Internal Revenue Service.

# 2013 estimated income tax worksheet—individuals

1. Estimated federal taxable income for the 2013 tax year (*from worksheet in 2013 Federal Form 1040-ES*) ..... 1 _____
2. Addition adjustments—see the 2012 Form ND-1 instruction booklet (lines 2 through 4) for required adjustments ..... 2 _____
3. Balance (*Add lines 1 and 2*) ..... 3 _____
4. Subtraction adjustments—see the 2012 Form ND-1 instruction booklet (lines 7 through 16) for allowable adjustments ..... 4 _____
5. North Dakota taxable income (*Subtract line 4 from line 3*) ..... 5 _____
6. North Dakota income tax—calculate the tax for the amount on line 5 as follows ..... 6 _____
   - If you (and your spouse, if filing jointly) were full-year residents, calculate the tax using the applicable 2013 Tax Rate Schedule below.
   - If you (or your spouse, if filing jointly) was a full-year nonresident or a part-year resident, complete lines 15 through 19 below.
7. Credits—see the 2012 Form ND-1 instruction booklet (lines 21 through 25) for allowable credits ..... 7 _____
8. Net tax liability (*Subtract line 7 from line 6*) ..... 8 _____
9. Estimated North Dakota income tax withholding for the 2013 tax year ..... 9 _____
10. Balance due (*Subtract line 9 from line 8*). If the amount on this line is less than $1,000, stop here; you do not have to pay estimated tax ..... 10 _____
11. Multiply line 8 by 90% (.90) [or 66 2/3% (.6667) if a qualified farmer] ..... 11 _____
12. Net tax liability from 2012 Form ND-1, line 27. If you were not required to file a 2012 return, enter 0. If the amount on this line is less than $1,000, stop here; you do not have to pay estimated tax ..... 12 _____
13. Enter the smaller of line 11 or line 12. However, if you moved into North Dakota during the 2012 tax year and had no income from North Dakota prior to the move, enter the amount from line 11. If line 9 is equal to or greater than the amount on this line, stop here; you do not have to pay estimated tax ..... 13 _____
14. Minimum annual payment (*Subtract line 9 from line 13*). Divide this amount by 4 to determine the amount to pay on each installment due date. See **Payment amounts and due dates** in the instructions on page 1 for the due dates and for exceptions to paying in four installments ..... 14 _____

**Full-year nonresident or part-year resident tax calculation only** (lines 15 through 19)

15. Calculate the tax for the amount on line 5 using the applicable 2013 Tax Rate Schedule below ..... 15 _____
16. Income from North Dakota sources. Enter the portion of your estimated federal adjusted gross income that is reportable to North Dakota (reduced by amount from line 4) ..... 16 _____
17. Estimated federal adjusted gross income (reduced by U.S. obligation interest) ..... 17 _____
18. North Dakota income ratio (*Divide line 16 by line 17. Round to nearest two decimal places.*) ..... 18 _____
19. Multiply line 15 by line 18. Enter this amount on line 6 above ..... 19 _____

## 2013 Tax Rate Schedules

### Single

| If North Dakota taxable income is: Over | But not over | Your tax is equal to: |
|---|---|---|
| $ 0 | $ 36,250 | 1.22% of North Dakota taxable income |
| 36,250 | 87,850 | $ 442.25 + 2.27% of amount over $ 36,250 |
| 87,850 | 183,250 | 1,613.57 + 2.52% of amount over 87,850 |
| 183,250 | 398,350 | 4,017.65 + 2.93% of amount over 183,250 |
| 398,350 | | 10,320.08 + 3.22% of amount over 398,350 |

### Married filing jointly and Qualifying widow(er)

| If North Dakota taxable income is: Over | But not over | Your tax is equal to: |
|---|---|---|
| $ 0 | $ 60,650 | 1.22% of North Dakota taxable income |
| 60,650 | 146,400 | $ 739.93 + 2.27% of amount over $ 60,650 |
| 146,400 | 223,050 | 2,686.46 + 2.52% of amount over 146,400 |
| 223,050 | 398,350 | 4,618.04 + 2.93% of amount over 223,050 |
| 398,350 | | 9,754.33 + 3.22% of amount over 398,350 |

### Married filing separately

| If North Dakota taxable income is: Over | But not over | Your tax is equal to: |
|---|---|---|
| $ 0 | $ 30,325 | 1.22% of North Dakota taxable income |
| 30,325 | 73,200 | $ 369.97 + 2.27% of amount over $ 30,325 |
| 73,200 | 111,525 | 1,343.23 + 2.52% of amount over 73,200 |
| 111,525 | 199,175 | 2,309.02 + 2.93% of amount over 111,525 |
| 199,175 | | 4,877.17 + 3.22% of amount over 199,175 |

### Head of household

| If North Dakota taxable income is: Over | But not over | Your tax is equal to: |
|---|---|---|
| $ 0 | $ 48,600 | 1.22% of North Dakota taxable income |
| 48,600 | 125,450 | $ 592.92 + 2.27% of amount over $ 48,600 |
| 125,450 | 203,150 | 2,337.42 + 2.52% of amount over 125,450 |
| 203,150 | 398,350 | 4,295.46 + 2.93% of amount over 203,150 |
| 398,350 | | 10,014.82 + 3.22% of amount over 398,350 |

## Call

Questions: (701) 328-1247
Forms: (701) 328-1243

If speech or hearing impaired, call us through Relay North Dakota at 1-800-366-6888.

## E-mail

Request forms, ask questions, or send messages to us via e-mail at—

**individualtax@nd.gov**

## Web site

Our Web site address is—

**www.nd.gov/tax**

## Write

Office of State Tax Commissioner
600 E. Boulevard Ave., Dept. 127
Bismarck, ND 58505-0599

## Walk-in assistance

Stop in to see us in person at our main office in Bismarck. You will find us in the—

Individual Income Tax Section
State Capitol, 16th Floor
Monday through Friday (except holidays)
8:00 a.m. to 5:00 p.m.

## Record of estimated tax payments for 2013 tax year

| *Installment number* | *Payment due date* [1] | *Date paid* | *Check or money order number* | *Amount paid* | *Amount, if any, applied from 2012 return* [2] | *Total amount paid* |
|---|---|---|---|---|---|---|
| 1 | April 15, 2013 | | | | | |
| 2 | June 15, 2013 | | | | | |
| 3 | Sept. 15, 2013 | | | | | |
| 4 | Jan. 15, 2014 | | | | | |
| Total estimated tax paid for 2013 ..... | | | | | | |

[1] In the case of (1) a fiscal year filer, (2) a farmer, or (3) an individual whose estimated tax requirement does not begin until after April 15, 2013, see instructions for applicable due dates.

[2] If you attached a statement to your 2012 North Dakota return electing to apply part or all of your 2012 overpayment to a quarter other than the first quarter of 2013, enter the overpayment on the applicable quarter's line.

## ND-1ES

**Form ND-1ES Estimated tax payment voucher - individuals**
North Dakota Office of State Tax Commissioner
28709

**2013**
**4th Installment**
Due January 15, 2014

***DO NOT use this voucher if paying electronically***

| Name (first, middle initial and last) | Your Social Security Number |
|---|---|
| If Joint Estimate, Spouse's Name (first, middle initial and last) | Spouse's Social Security Number |
| Mailing Address | **Amount of Payment** |
| City, State and Zip Code | For Tax Department use only |

- Make check or money order payable to "ND State Tax Commissioner."
- Write social security number(s) and "2013 Form ND-1ES" on check or money order.
- Mail to: Office of State Tax Commissioner, PO Box 5622, Bismarck, ND 58506-5622

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## ND-1ES

**Form ND-1ES Estimated tax payment voucher - individuals**
North Dakota Office of State Tax Commissioner
28709

**2013**
**1st Installment**
Due April 15, 2013

***DO NOT use this voucher if paying electronically***

| | |
|---|---|
| Name (first, middle initial and last) | Your Social Security Number |
| If Joint Estimate, Spouse's Name (first, middle initial and last) | Spouse's Social Security Number |
| Mailing Address | **Amount of Payment** |
| City, State and Zip Code | For Tax Department use only |

- Make check or money order payable to "ND State Tax Commissioner."
- Write social security number(s) and "2013 Form ND-1ES" on check or money order.
- Mail to: Office of State Tax Commissioner, PO Box 5622, Bismarck, ND 58506-5622

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## ND-1ES

**Form ND-1ES Estimated tax payment voucher - individuals**
North Dakota Office of State Tax Commissioner
28709

**2013**
**2nd Installment**
Due June 15, 2013

***DO NOT use this voucher if paying electronically***

| | |
|---|---|
| Name (first, middle initial and last) | Your Social Security Number |
| If Joint Estimate, Spouse's Name (first, middle initial and last) | Spouse's Social Security Number |
| Mailing Address | **Amount of Payment** |
| City, State and Zip Code | For Tax Department use only |

- Make check or money order payable to "ND State Tax Commissioner."
- Write social security number(s) and "2013 Form ND-1ES" on check or money order.
- Mail to: Office of State Tax Commissioner, PO Box 5622, Bismarck, ND 58506-5622

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## ND-1ES

**Form ND-1ES Estimated tax payment voucher - individuals**
North Dakota Office of State Tax Commissioner
28709

**2013**
**3rd Installment**
Due September 15, 2013

***DO NOT use this voucher if paying electronically***

| | |
|---|---|
| Name (first, middle initial and last) | Your Social Security Number |
| If Joint Estimate, Spouse's Name (first, middle initial and last) | Spouse's Social Security Number |
| Mailing Address | **Amount of Payment** |
| City, State and Zip Code | For Tax Department use only |

- Make check or money order payable to "ND State Tax Commissioner."
- Write social security number(s) and "2013 Form ND-1ES" on check or money order.
- Mail to: Office of State Tax Commissioner, PO Box 5622, Bismarck, ND 58506-5622

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