

# INSTRUCTIONS AND WORK SHEETS FOR 1944 DECLARATION OF ESTIMATED INCOME AND VICTORY TAX (FORM 1040-ES)

## PURPOSE OF DECLARATION

Certain taxpayers are required by law to file a declaration of estimated income and Victory Tax. THE DECLARATION PROVIDES A BASIS FOR PAYING CURRENTLY TAXES OWED IN EXCESS OF THE TAX WITHHELD ON WAGES. This is a necessary part of the pay-as-you-go system of tax collection.

Taxes are withheld from the wages of most individuals by their employers and paid monthly to the Treasury. This keeps most employed persons substantially paid up on their taxes.

Declarations and quarterly payments of estimated tax are required of persons who are not substantially paid up on their taxes by withholding from wages.

Every taxpayer must file an annual Income and Victory Tax return after the close of the year (usually on or before March 15 of the next year), and at that time he must pay any balance of tax due on the year's income over and above the amount withheld from his wages or paid in quarterly installments as estimated tax. If he has overpaid his tax, he will be entitled to a refund upon filing his annual return.

## WHO MUST MAKE A DECLARATION

A declaration must be made by every citizen or resident of the United States who, if—

1. SINGLE, OR MARRIED BUT NOT LIVING WITH SPOUSE (whether or not head of a family), expects to receive in 1944—

- (a) more than \$2,700 of wages subject to withholding; or
- (b) more than \$100 of income from all other sources, provided his total income is expected to amount to \$500 or more.

2. MARRIED AND LIVING WITH SPOUSE, expects to receive in 1944, either alone or together with his spouse—

- (a) more than \$3,500 of wages subject to withholding; or
- (b) more than \$100 of income from all other sources, provided—
  - their total combined income is expected to amount to \$1,200 or more; or
  - his total separate income is expected to amount to more than \$624.

Thus, every individual who receives wages which are not subject to withholding—for example, compensation for agricultural labor or domestic service—and every individual who receives income from dividends, interest, rents, or gains from property transactions or from a business or profession, must file a declaration if his income for 1944 is expected to exceed the amounts stated in paragraphs 1 (b) and 2 (b) above.

In addition, a declaration is required of any individual whose income for 1943 was in excess of the amounts stated above.

In applying the foregoing rules, the first \$1,500 of military pay should be excluded from income.

Husbands and wives who are only temporarily apart—for example, if one is in the armed forces—are considered to be "living together." Otherwise, separated husbands and wives are considered "single persons."

These rules apply also to aliens who are residents of Canada or Mexico and whose wages are subject to withholding in this country. Other nonresident aliens are not required to file declarations.

## GENERAL INSTRUCTIONS

**A. JOINT DECLARATION.**—A joint declaration may be filed by husband and wife living together provided they are both citizens or residents of the United States. A joint declaration is permissible even though one spouse has no income.

Even though a joint declaration is filed, separate annual income tax returns may be filed for the taxable year, in which case the estimated tax for such year may be treated as the estimated tax of either the husband or the wife, or may be divided between them.

**B. AMENDED DECLARATION.**—An amended declaration (to be marked "Amended") may be filed for the taxable year 1944 on or before the 15th day of the last month of any quarter of such taxable year subsequent to that in which the original declaration, or last amended declaration, was filed. The amended declaration must be filed with the collector of internal revenue with whom the original declaration was filed.

Any increase or decrease in estimated tax should be spread evenly over the remaining installments.

**C. PENALTIES.**—The following penalties are imposed by law: *For failing to file declaration or failing to pay estimated tax.*—Five percent of the unpaid amount of each installment due but unpaid plus 1 percent for each month or part of a month (except the first) during which such amount remains unpaid, up to a maximum of 10 percent of the unpaid amount of such installment.

*For underestimating tax by more than 20 percent (83½ percent for farmers).*—Six percent of entire shortage in estimate, but not more than the amount by which the estimate falls short of 80 percent of the tax (or, in the case of farmers, 66½ percent of the tax). This penalty will not apply if the estimated tax is computed on last year's income at this year's rates and exemptions, and is paid on time in equal quarterly installments or is paid ahead of time (or, in the case of farmers, is paid in full on or before the 15th day of the last month of the taxable year).

*Penalties provided for willful failure to make a return or for willfully making a false return are likewise applicable to declarations.*

**BEFORE FILLING IN YOUR COPY OF DECLARATION BELOW, TURN TO PAGE 2 OR 3 TO COMPUTE YOUR ESTIMATED INCOME AND VICTORY TAX FOR 1944**

Form 1040-ES (Duplicate)  
United States  
Treasury Department  
Bureau of Internal Revenue

YOUR COPY OF

*Declaration of Estimated Tax for Calendar Year 1944*

or fiscal year beginning \_\_\_\_\_, 1944, and ending \_\_\_\_\_, 1945  
(See accompanying Instructions and Work Sheets)

1. Estimated Income and Victory Tax for 1944.....	\$.....	
2. Estimated Income Tax withheld and to be withheld during entire year.....	\$.....	
3. ESTIMATED TAX after deducting estimated tax withheld (item 1 less item 2).....	\$.....	
4. Less: Credit for overpayment shown on 1943 return (allowable only if credit was elected in item 17, Form 1040A, or item 23, Form 1040, for 1943).....	\$.....	
5. If this is an amended declaration, enter payments made on account of prior declarations for this year.....	\$.....	
6. Unpaid balance of ESTIMATED TAX (item 3 less the sum of items 4 and 5).....	\$.....	
7. Amount paid with this declaration. (Read carefully Instructions 3 and 4 on Form 1040-ES.).....	\$.....	

**COPY THESE FIGURES ON THE DECLARATION WHICH YOU WILL FILE WITH THE COLLECTOR.**

**KEEP THIS COPY FOR USE IN MAKING YOUR ANNUAL RETURN.**

Social Security Number, if any \_\_\_\_\_ Name \_\_\_\_\_