DR 104EP (10/03/06) Web
COLORADO DEPARTMENT OF REVENUE
DENVER, CO 80261-0008
www.taxcolorado.com

COLORADO 2007
Estimated Tax Vouchers for Individuals

INSTRUCTIONS

1. **Who must pay estimated tax.** Every resident of Colorado and every nonresident with income from Colorado sources must pay estimated income tax if it can reasonably be expected that the net Colorado income tax liability for the current taxable year will exceed the Colorado sales tax refund and withholding credits by $1,000 or more. See FYI Income 51 for more information.
2. **Due date for filing.** Estimated tax payments are due in four equal installments on April 15, 2007, June 15, 2007, September 15, 2007 and January 15, 2008. Payments will be credited against the earliest quarterly installment that is due for the tax year regardless of when the payment is received. If the due date is a Saturday, Sunday or legal holiday, payment on the next business day is accepted as having been made on the due date.
3. **Joint Returns.** Any estimated tax payment submitted by a married couple that will be filing a joint tax return must list the same spouse first on both Form 104-EP and Form 104.
4. **How to compute your estimated tax for 2007.** You should compute your 2007 estimated tax in the worksheet provided in this booklet using the 2006 individual income tax instruction booklet as a guide.
5. **Annualized income installment method.** Taxpayers who do not receive income evenly during the year (for example, taxpayers who own a seasonal business or receive a lump sum payment late in the year) may elect to use the annualized income installment method to compute their estimated tax payments if they elect this method for their federal payments. This method allows taxpayers to pay estimated tax based on income actually received during the preceding portion of the tax year.
6. **Application of 2006 overpayment.** An estimated tax credit resulting from an overpayment of tax on your 2006 income tax return must be applied to the first estimated tax payments due.
7. **Required estimated payments.** The required annual amount to be paid is the lesser of:
   - 70% of the actual net Colorado tax liability
   - 100% of the preceding year's net Colorado tax liability (This amount only applies if the preceding year was a 12-month tax year, the individual filed a Colorado return and the federal adjusted gross income for the preceding year was $150,000 or less, $75,000 or less if married separate)
   - 110% of the preceding year's net Colorado tax liability (This amount only applies if the preceding year was a 12-month tax year, and the individual filed a Colorado return.)

   The net Colorado tax liability for purposes of estimated tax computation is the total Colorado tax, alternative minimum tax and recapture of prior year credits reported on the Colorado individual income tax return Form 104 less all credits other than the state sales tax refund, withholding credits, and estimated tax credits.
8. **Penalty for failure to pay estimated tax.** The estimated tax penalty will be assessed if the required estimated payments are not paid in a timely manner. The penalty will be the appropriate Colorado income tax interest rate times the underpayment for each quarter times the underpayment period. This penalty is computed on Form 204.

   The estimated tax penalty will not be assessed if one of the following conditions is met:
   - No penalty is due if the net Colorado tax liability minus any prepayments and credits, other than the estimated tax payments and credits, is less than $1,000.
   - No penalty is due if the taxpayer is a farmer or fisherman and files a return with full payment of any tax due by March 1 of the following tax year.
9. **Refund of estimated tax.** The 2007 estimated tax payments and/or credits may only be claimed as prepayment credits on the 2007 income tax return. Such payments and/or credits are not subject to refund except by the filing of such a return.
10. **Where to file.** File estimated tax vouchers with the Colorado Department of Revenue, Denver, Colorado 80261-0008. Make checks or money orders payable to the Colorado Department of Revenue.
11. **Additional Information.** All forms, FYIs and other information are available at: *www.taxcolorado.com* or you can call for information at (303) 238-SERV (7378).

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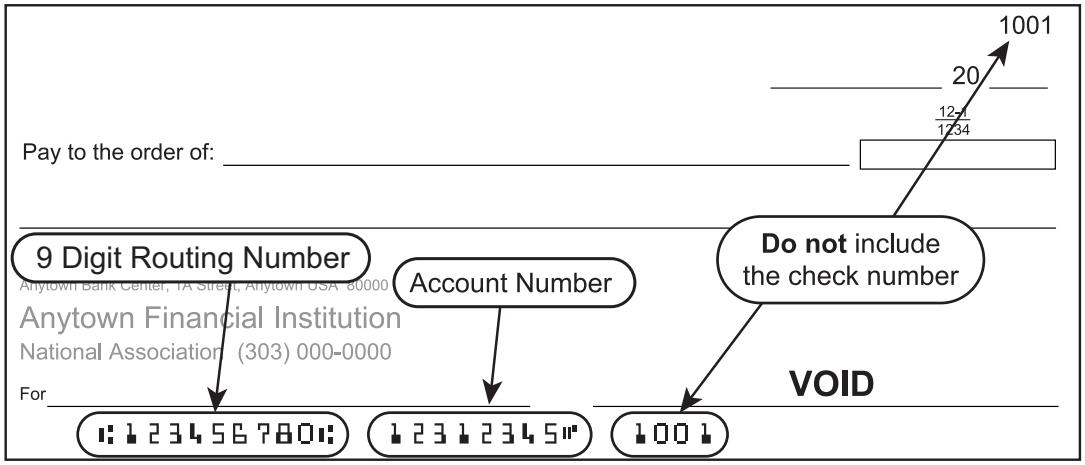
Do you want to avoid mailing estimated tax forms and payments?

File and pay your estimated income taxes electronically online or with one toll-free call, without writing a check or mailing a form. The system also lets you establish a payment schedule for the year so you won't forget to make your quarterly payment. The Web version shows your planned payments and payment history. Payments are transferred to the Department of Revenue and credited to your account on the day you request; convenient and secure.

To sign up, fill out the next page and send to:
Colorado Department of Revenue
CDO Research
Denver, CO 80261
Or fax to (303) 866-3112

Sample Check:



DETACH FORM ON THIS LINE

DR 5774 (08/07/06)
COLORADO DEPARTMENT OF REVENUE
DENVER CO 80261
(303) 205-8333

EFT AUTHORIZATION
INDIVIDUAL ESTIMATED INCOME TAX

EFT Number
3 7 1 0 _ _ _ _ _ _
To be assigned by Department of Revenue

Taxpayer Name	01204	
Mailing Address	Social Security Number	
City	State	ZIP
Contact Person	Phone ( )	

I authorize the Colorado Department of Revenue,
pursuant to my instructions, to initiate entries to my account number _____ at _____ bank.

Name of Bank Account	Type of Account ☐ Checking ☐ Savings
Bank Transit/Routing Number	
Signature	Date

A VOIDED CHECK FOR THE BANK ACCOUNT INDICATED ABOVE *MUST* ACCOMPANY APPLICATION

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2007 COLORADO INDIVIDUAL ESTIMATED INCOME TAX WORKSHEET

1.	Estimated 2007 Colorado taxable income	$
2.	Estimated 2007 Colorado income tax - 4.63% of line 1	$
3.	Estimated 2007 Colorado alternative minimum tax	$
4.	Estimated 2007 recapture of prior year credits	$
5.	Total of lines 2, 3 and 4	$
6.	Estimated 2007 Form 104CR credits	$
7.	Line 5 minus line 6	$
8.	Estimated 2007 Colorado withholding tax	$
9.	Net estimated tax, line 7 minus line 8	$

Due Date	Amount Due	2006 Overpayment Applied	Payment Due
	$	$	$
	$	$	$
	$	$	$
	$	$	$

DETACH FORM ON THIS LINE

(14) 2007 COLORADO FORM 104-EP | **Estimated Income Tax Payment Voucher** **70** ☐ **PAYMENT 1**

Return this voucher with check or money order payable to the Colorado Department of Revenue, Denver, Colorado 80261-0008. Write your social security number and "2007 Form 104-EP" on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher. File only if you are making a payment of estimated tax. The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your bank account electronically.

Your last name	First name and initial	Your social security number
Spouse's last name	First name and initial	Spouse's social security number
Address		
City	State	ZIP

Do not write in space below. **AMOUNT OF PAYMENT (08)** **$** . 00

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Estimated Income Tax Payment Voucher

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DETACH FORM ON THIS LINE

(12) **2007 COLORADO FORM 104-EP** | **Estimated Income Tax Payment Voucher** **70** ☐ **PAYMENT 2**

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Your last name	First name and initial	Your social security number
Spouse's last name	First name and initial	Spouse's social security number
Address		
City	State	ZIP

Do not write in space below. **AMOUNT OF PAYMENT** **(08)** **$** . 00

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(12) **2007 COLORADO FORM 104-EP** | **Estimated Income Tax Payment Voucher** **70** ☐ **PAYMENT 3**

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Your last name	First name and initial	Your social security number
Spouse's last name	First name and initial	Spouse's social security number
Address		
City	State	ZIP

Do not write in space below. **AMOUNT OF PAYMENT** **(08)** **$** . 00

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DETACH FORM ON THIS LINE

(12) **2007 COLORADO FORM 104-EP** | **Estimated Income Tax Payment Voucher** **70** ☐ **PAYMENT 4**

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Your last name	First name and initial	Your social security number
Spouse's last name	First name and initial	Spouse's social security number
Address		
City	State	ZIP

Do not write in space below. **AMOUNT OF PAYMENT** **(08)** **$** . 00