

**Estimated Tax on Unrelated Business Taxable
 Income for Tax-Exempt Organizations**
 (and on Investment Income for Private Foundations)

2019

► Go to www.irs.gov/Form990W for instructions and the latest information.
 ► Keep for your records. Do not send to the Internal Revenue Service.

1	Unrelated business taxable income expected in the tax year	1		
2	Tax on the amount on line 1. See instructions for tax computation	2		
3	Alternative minimum tax for trusts. See instructions	3		
4	Total. Add lines 2 and 3	4		
5	Estimated tax credits. See instructions	5		
6	Subtract line 5 from line 4	6		
7	Other taxes. See instructions	7		
8	Total. Add lines 6 and 7	8		
9	Credit for federal tax paid on fuels. See instructions	9		
10a	Subtract line 9 from line 8. Note: If less than \$500, the organization is not required to make estimated tax payments. Private foundations, see instructions			
		10a		
b	Enter the tax shown on the 2018 return. See instructions. Caution: If zero or the tax year was for less than 12 months, skip this line and enter the amount from line 10a on line 10c			
		10b		
c	2019 Estimated Tax. Enter the smaller of line 10a or line 10b. If the organization is required to skip line 10b, enter the amount from line 10a on line 10c			
		10c		

		(a)	(b)	(c)	(d)
11	Installment due dates. See instructions	11			
12	Required installments. Enter 25% of line 10c in columns (a) through (d). But see instructions if the organization uses the annualized income installment method, the adjusted seasonal installment method, or is a "large organization."	12			
13	2018 Overpayment. See instructions	13			
14	Payment due (Subtract line 13 from line 12)	14			

Schedule A Required Installments Using the Annualized Income Installment Method and/or the Adjusted Seasonal Installment Method Under Section 6655(e)

Note: See the instructions for Schedule A. An organization that expects its income to vary during the year may want to complete Schedule A to determine whether it may be able to lower the amount of one or more required installments. **Complete each column of this schedule in its entirety before going to the next column.**

Part I—Annualized Income Installment Method		(a)	(b)	(c)	(d)
		First _____ months	First _____ months	First _____ months	First _____ months
1	Annualization period. See instructions.	1			
2	Enter taxable income for each annualization period. See instructions for the treatment of extraordinary items.	2			
3	Annualization amounts. See instructions.	3			
4a	Annualized taxable income. Multiply line 2 by line 3.	4a			
b	Extraordinary items. See instructions.	4b			
c	Add lines 4a and 4b.	4c			
5	Figure the tax on the amount in each column on line 4c in the same manner as you figured Form 990-W, line 2.	5			
6	Enter alternative minimum tax and other taxes for each annualization period. See instructions.	6			
7	Total tax. Add lines 5 and 6.	7			
8	For each period, enter the same type of credits as allowed on Form 990-W, lines 5 and 9. See instructions.	8			
9	Total tax after credits. Subtract line 8 from line 7. If zero or less, enter -0-.	9			
10	Applicable percentage	10			
11	Multiply line 9 by line 10.	11			
12	Total of all preceding columns of line 4c. See instructions.	12			
13	Annualized income installments. Subtract line 12 from line 11. If zero or less, enter -0-.	13			

Part II—Adjusted Seasonal Installment Method

Caution: Use this method only if the base period percentage for any 6 consecutive months is at least 70%. See the instructions for Schedule A, Part II, for more information.

		(a)	(b)	(c)	(d)
		First 3 months	First 5 months	First 8 months	First 11 months
14	Enter taxable income for the following periods.				
a	Tax year beginning in 2016	14a			
b	Tax year beginning in 2017	14b			
c	Tax year beginning in 2018	14c			
15	Enter taxable income for each period for the tax year beginning in 2019. See instructions for the treatment of extraordinary items.	15			
16	Enter taxable income for the following periods.	First 4* months	First 6 months	First 9 months	Entire year
a	Tax year beginning in 2016	16a			
b	Tax year beginning in 2017	16b			
c	Tax year beginning in 2018	16c			

*First 5 months for private foundations

		(a)	(b)	(c)	(d)
		First 4 months	First 6 months	First 9 months	Entire year
17	Divide the amount in each column on line 14a by the amount on line 16a, column (d).				
18	Divide the amount in each column on line 14b by the amount on line 16b, column (d).				
19	Divide the amount in each column on line 14c by the amount on line 16c, column (d).				
20	Add lines 17 through 19.				
21	Divide line 20 by 3.0.				
22a	Divide line 15 by line 21.				
b	Extraordinary items. See instructions.				
c	Add lines 22a and 22b.				
23	Figure the tax on the amount on line 22c in the same manner as figured on Form 990-W, line 2.				
24	Divide the amount on line 16a, columns (a) through (c) by the amount on line 16a, column (d).				
25	Divide the amount on line 16b, columns (a) through (c) by the amount on line 16b, column (d).				
26	Divide the amount on line 16c, columns (a) through (c) by the amount on line 16c, column (d).				
27	Add lines 24 through 26.				
28	Divide line 27 by 3.0.				
29	Multiply line 23, columns (a) through (c) by line 28, columns (a) through (c). In column (d), enter the amount from line 23, column (d).				
30	Enter any alternative minimum tax and other taxes for each payment period. See instructions.				
31	Total tax. Add lines 29 and 30.				
32	For each period, enter the same type of credits as allowed on Form 990-W, lines 5 and 9. See instructions.				
33	Total tax after credits. Subtract line 32 from line 31. If zero or less, enter -0-.				
34	Total of all preceding columns of line 40. See instructions.				
35	Adjusted seasonal installments. Subtract line 34 from line 33. If zero or less, enter -0-.				

Part III—Required Installments

		(a)	(b)	(c)	(d)
		1st installment	2nd installment	3rd installment	4th installment
36	If only one of the earlier parts was completed, enter the amounts in each column from line 13 or line 35. If both parts were completed, enter the smaller of the amounts in each column from line 13 or line 35.				
37	Divide the amount on Form 990-W, line 10c, by 4.0 and enter the result in each column.				
38	Subtract line 40 of the preceding column from line 39 of the preceding column and enter here.				
39	Add lines 37 and 38.				
40	Required installments. Enter the smaller of line 36 or line 39 here and on Form 990-W, line 12.				

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Form 990-W and its instructions, such as legislation enacted after they were published, go to www.irs.gov/Form990W.

What's New

Line 7. The base erosion minimum tax under section 59A is entered along with other taxes on line 7.

General Instructions**Phone Help**

If you have questions and/or need help completing this form, please call 1-877-829-5500. This toll-free telephone service is available Monday through Friday.

Who Must Make Estimated Tax Payments

Tax-exempt corporations, tax-exempt trusts, and domestic private foundations subject to tax under section 511, as well as domestic private foundations subject to tax under section 4940, must make estimated tax payments if the total estimated tax for the tax year (Form 990-W, line 10a) is \$500 or more. Use Form 990-W (Worksheet) to figure the organization's estimated tax liability for 2019.

When To Make Estimated Tax Payments for 2019

For a calendar or fiscal year organization, the payments are due by the 15th day of the 4th (the 5th month for private foundations), 6th, 9th, and 12th months of the tax year. For a calendar year organization, the payments are due by April 15, June 17, September 16, and December 16, 2019, except that for a calendar year private foundation, the first payment is due on May 15.

Underpayment of Estimated Tax

An organization that doesn't pay the estimated tax when due may be charged an underpayment penalty under section 6655, at a rate determined under section 6621(a)(2).

Overpayment of Estimated Tax

A corporation that has overpaid its estimated tax may apply for a "quick refund" if the overpayment is at least 10% of its estimated income tax liability for the year and is at least \$500. To apply, file Form 4466, Corporation Application for Quick Refund of Overpayment of Estimated Tax, after the end of the tax year and before the corporation files its income tax return. For more information, see the Instructions for Form 4466.

Federal Tax Deposits Must be Made by Electronic Funds Transfer

You must use electronic funds transfer to make all federal deposits (such as deposits of estimated tax, employment tax, and excise tax). Generally, electronic fund transfers are made using the Electronic Federal Tax Payment System (EFTPS). If you don't want to use EFTPS, you can arrange for your tax professional, financial institution, payroll service, or other trusted third party to make deposits on your behalf. Also, you may arrange for your financial institution to initiate a same-day wire payment on your behalf. EFTPS is a free service provided by the Department of Treasury. Services provided by your tax professional, financial institution, payroll service, or other third party may have a fee. To get more information about EFTPS or to enroll in EFTPS, visit www.eftps.gov or call 1-800-555-4477. Additional information about EFTPS is available in Pub. 966, Electronic Federal Tax Payment System A Guide to Getting Started.

Deposits on business days only. If a deposit is required to be made on a day that isn't a business day, the deposit is considered timely if it is made by the close of the next business day. A business day is any day other than a Saturday, Sunday, or legal holiday. For example, if a deposit is required to be made on a Friday and Friday is a legal holiday, the deposit will be considered timely if it is made by the following Monday (if that Monday is a business day). The term "legal holiday" means any legal holiday in the District of Columbia.

Refiguring Estimated Tax

If, after the organization figures and deposits estimated tax, it finds that its tax liability for the year will be more or less than originally estimated, it may have to refigure its required installments. If earlier installments were underpaid, the organization may owe a penalty for underpayment of estimated tax.

An immediate "catch-up" payment should be made to reduce the amount of any penalty resulting from the underpayment of any earlier installments, whether caused by a change in estimate, failure to make a deposit, or a mistake.

Specific Instructions**Form 990-W (Worksheet)**

Private foundations. Private foundations required to make estimated tax payments for both the excise tax on net investment income and the unrelated business income tax must use a separate worksheet Form 990-W for each tax. Private foundations figuring the estimated tax payment for the excise tax on net investment income should skip lines 1 through 9 of this worksheet. For information on figuring the excise tax on net investment income, see *O. Figuring and Paying Estimated Tax under General Instructions*, in the Instructions for Form 990-PF.

All organizations. See Form 990-T, Exempt Organization Business Income Tax Return, and its instructions for information on figuring unrelated business income, deductions, and credits for purposes of completing Form 990-W.

Proxy tax. For purposes of Form 990-W, the estimated tax doesn't include the proxy tax imposed by section 6033(e).

Line 2—Corporations

Generally, a corporation figures its tax on the amount on Form 990-W, line 1, using the *2019 Tax Computation for Corporations* worksheet shown below.

2019 Tax Computation for Corporations

1. Enter taxable income (Form 990-W, line 1)	1	
2. Enter 21% (0.21) of line 1. Enter this amount on Form 990-W, line 2	2	

Line 2—Trusts

Trusts exempt under section 501(a) and trusts that qualify under section 401(a) are taxed at trust rates. A trust figures the tax on the amount on line 1 using the *2019 Tax Rate Schedule for Trusts* (below). If you expect a net long-term capital gain and a net capital gain, you may use the *2019 Tax Computation Worksheet Using Maximum Capital Gains Rates* found in Form 1041-ES.

2019 Tax Rate Schedule for Trusts

If the amount on Form 990-W, line 1, is:

Over—	But not over—	Enter on line 2:	Of the amount over—
\$0.00	\$2,600	10%	\$0.00
2,600	9,300	\$260 + 24%	2,600
9,300	12,750	1,868 + 35%	9,300
12,750	-----	3,075.50 + 37%	12,750

Line 3

Alternative minimum tax (AMT) is generally the excess of tentative minimum tax over regular tax. Trusts, see Schedule I (Form 1041), Alternative Minimum Tax—Estates and Trusts.

Line 5

The estimated tax credits include the sum of any credits allowable against unrelated business income tax (except the credits reported on line 9). See Form 990-T and its instructions for information on the credits that may be taken.

Line 7

Other taxes include base erosion minimum tax and the sum of any recaptured tax credits. See Form 990-T and its instructions for information on recapture of tax credits that must be included on this line.

Use this line to report the base erosion minimum tax under section 59A. Section 59A applies to base erosion payments paid or accrued in tax years beginning after December 31, 2017. See the Form 8991 instructions to determine if the organization qualifies as an applicable taxpayer under section 59A(e), in which case the base erosion minimum tax will need to be computed and entered on Line 7.

Line 9

Complete Form 4136, Credit for Federal Tax Paid on Fuels, if the organization qualifies to take this credit. Also include on line 9 any credit the organization is claiming under section 4682(g)(2) for taxes paid on chemicals used as propellants in metered-dose inhalers.

Line 10a

Subtract line 9 from line 8. Private foundations figure the estimated tax by multiplying their estimated net investment income by the tax rate (1% (0.01) or 2% (0.02), whichever applies). Taxable private foundations and nonexempt charitable trusts treated as private foundations, see *O. Figuring and Paying Estimated Tax and Part VI. Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948)*, in the Instructions for Form 990-PF, for help in figuring the estimated tax. Enter that amount on line 10a. See Form 990-PF, Part VI.

Note: If less than \$500, the organization isn't required to make estimated tax payments.

Line 10b

Figure the organization's 2018 tax the same way you figured line 10a, using the taxes and credits from your 2018 tax return. If you didn't file a return showing a liability for at least some amount of tax for the 2018 tax year, or if your 2018 tax year was less than 12 months, don't complete this line. Instead, enter the amount from line 10a on line 10c. "Large organizations" see the instructions for line 12 below.

Line 11

Calendar year taxpayers. Enter 4-15-2019 (5-15-2019 for private foundations), 6-17-2019, 9-16-2019, and 12-16-2019, respectively, in columns (a) through (d).

Fiscal year taxpayers. Enter the 15th day of the 4th (5th for private foundations), 6th, 9th, and 12th months of your tax year in columns (a) through (d).

If any date falls on a Saturday, Sunday, or legal holiday, substitute the next business day.

Line 12

Annualized income installment method and/or adjusted seasonal installment method. If the organization's income is expected to vary during the year because, for example, it operates its business on a seasonal basis, it may be able to lower the amount of one or more required installments by using the annualized income installment method and/or the adjusted seasonal installment method. For example, a shop operated by a museum, which because of its location in an area frequented by tourists receives most of its income during the summer months, may be able to benefit from using one or both of these methods in figuring one or more of its required installments.

To use one or both of these methods, complete Schedule A. If you use Schedule A for any payment due date, you must use it for all payment due dates. To arrive at the amount of each required installment, Schedule A selects the smallest of: (a) the annualized income installment (if applicable), (b) the adjusted seasonal installment (if applicable), or (c) the regular installment under section 6655(d)(1) (increased by any reduction recapture under section 6655(e)(1)(B)).

Large organization. A "large organization" is any tax-exempt corporation or other organization subject to the tax on unrelated business income or any private foundation subject to the section 4940 tax on net investment income, that had, or whose predecessor had, taxable income (net investment income for purposes of the section 4940 tax) of \$1 million or more for any of the 3 tax years immediately preceding the 2019 tax year, or if less, the number of years the corporation has been in existence.

For this purpose, taxable income is modified to exclude net operating loss and capital loss carrybacks or carryovers. For more details, see sections 6655(g)(2) and (3).

A large organization not using Schedule A figures the amounts to enter on Form 990-W, line 12, as follows.

- If line 10a is smaller than line 10b: Enter 25% (0.25) of line 10a in columns (a) through (d) of line 12.
- If line 10b is smaller than line 10a: In column (a) of line 12, enter 25% (0.25) of line 10b. In column (b), determine the amount to enter by:
 - (i) subtracting line 10b from line 10a,
 - (ii) adding the result to the amount on line 10a, and
 - (iii) multiplying the total by 25% (0.25). In columns (c) and (d), enter 25% (0.25) of line 10a.

A large organization using Schedule A follows the foregoing instructions to figure the amounts to enter on Schedule A, line 37.

Line 13

Enter any 2018 overpayment that the organization chose to credit against its 2019 tax. The overpayment is credited against unpaid required installments in the order in which the installments are required to be paid.

Line 14

See *Federal Tax Deposits Must be Made by Electronic Funds Transfer*, earlier, for the required method for making the line 14 payments.

Schedule A

If you are using only the annualized income installment method (Part I), complete Parts I and III. If you are using only the adjusted seasonal installment method (Part II), complete Parts II and III. If you are using both methods, complete all three parts. Enter in each column on Form 990-W, line 12, the amounts from the corresponding column of Schedule A, line 40.



Don't figure any required installment until after the end of the month immediately preceding the due date for that installment.

For each part that applies to you, complete each column in its entirety before going to the next column. For example, if Parts I and III are required, complete column (a), lines 1 through 13, and lines 36 through 40, before starting column (b).

Extraordinary items. Generally, under the annualized income installment method, extraordinary items must be taken into account after annualizing the taxable income for the annualization period. Similar rules apply in determining taxable income under the adjusted seasonal installment method. An extraordinary item includes:

- Any item identified in Regulations section 1.1502-76(b)(2)(ii)(C)(1), (2), (3), (4), (7), and (8);
- A net operating loss carryover;
- A section 481(a) adjustment; and
- Net gain or loss from the disposition of 25% (0.25) or more of the fair market value of the corporation's business assets during the tax year.

These extraordinary items must be accounted for in the appropriate annualization period. However, a net operating loss deduction and a section 481(a) adjustment (unless the corporation makes the alternative choice under Regulations section 1.6655-2(f)(3)(ii)(C)) are treated as extraordinary items occurring on the first day of the tax year in which the item is taken into account in determining taxable income.

De minimis rule. At the option of the corporation, extraordinary items identified earlier that are less than \$1 million (other than a net operating loss carryover or a section 481(a) adjustment) may be annualized using the general rules of Regulations section 1.6655-2(f), rather than being treated under the special rules for extraordinary items.

For more information regarding extraordinary items, see Regulations section 1.6655-2(f)(3)(ii) and the examples in Regulations section 1.6655-2(f)(3)(vii). Also see Regulations section 1.6655-3(d)(3).

In Schedule A, Part I, make the appropriate adjustments to annualized taxable income before figuring the estimated tax for each reporting period. Similar adjustments must be made, if applicable, to Schedule A, Part II, if the adjusted seasonal installment method applies.

Part I—Annualized Income Installment Method

Line 1

Enter on line 1, in columns (a) through (d), respectively, the annualization period that the organization is using, based on the options described below. You may elect option 1 separately for each installment.

	1st Installment	2nd Installment	3rd Installment	4th Installment
Standard Option	2	3	6	9
Option 1	2	4	7	10

Line 2

If the corporation has certain extraordinary items, special rules apply. See *Extraordinary items*, earlier. In general, extraordinary items aren't included on line 2, except for certain de minimis items at the option of the corporation. See *De minimis rule*, earlier.

If an organization has controlled foreign corporation income under section 951(a), it must take such income (and allocable credits) into account as the income is earned. The amounts are figured in a manner similar to the way partnership income inclusions (and allocable credits) are taken into account to figure a partner's annualized income installments as provided in Regulations section 1.6654-2(d)(2).

Safe harbor election. Organizations may be able to make a prior year safe harbor election. Under the election, an eligible organization is treated as having received controlled foreign corporation income (and allocable credits) ratably during the tax year equal to 115% (1.15) (100% (1.00) for a noncontrolling shareholder) of the amounts shown on the organization's return for the first preceding tax year (the second preceding tax year for the first and second required installments).

For more information, see section 6655(e)(4), Regulations section 1.6655-2(f)(3)(v)(B)(2), and Rev. Proc. 95-23, 1995-1 C.B. 693.

Line 3

Enter on line 3, in columns (a) through (d), respectively, the annualization amounts for the option used for line 1.

	1st Installment	2nd Installment	3rd Installment	4th Installment
Standard Option	6	4	2	1.33333
Option 1	6	3	1.71429	1.2

Line 4b

Include on line 4b extraordinary items of \$1 million or more, a net operating loss deduction, or a section 481(a) adjustment. See *Extraordinary items*, earlier. Also include any de minimis items that the corporation doesn't choose to include on line 2. See *De minimis rule*, earlier.

Line 6

For the same taxes used to figure Form 990-W, lines 3 and 7, figure the amounts for the months shown on line 1.

Line 8

Enter the credits to which the organization is entitled for the months shown in each column on line 1.

Line 12

In column (b), enter the amount from Part III, line 40, column (a). In column (c), enter the sum of the amounts in line 40, columns (a) and (b). In column (d), enter the sum of the amounts in line 40, columns (a), (b), and (c).

Part II—Adjusted Seasonal Installment Method

The adjusted seasonal installment method is used by organizations that normally receive their taxable income on a seasonal basis. Therefore, Part II is only used by organizations whose “base period percentage” for any 6 consecutive months equals or exceeds 70% (0.70). Figure the base period percentage using the 6-month period in which the organization normally receives the largest part of its taxable income. Divide the taxable income for the corresponding 6-month period in each of the 3 preceding tax years by the taxable income for each of these years. The following example illustrates the computation.

Example. A tax-exempt organization that has a calendar year as its tax year receives the largest part of its unrelated business taxable income during the 6-month period from May through October. To figure its base period percentage for the period May through October 2019, the organization must figure its taxable income for the period May through October in each of the years 2016, 2017, and 2018. The taxable income for each May-through-October period is then divided by the total taxable income for the tax year in which the period is included, resulting in the following: 69% (0.69) for May through October 2016, 74% (0.74) for May through October 2017, and 67% (0.67) for May through October 2018. The average of 69% (0.69), 74% (0.74), and 67% (0.67) is 70% (0.70). Therefore, the base period percentage for May through October 2019 is 70% (0.70) and the organization qualifies for the adjusted seasonal installment method.

Line 15

If the corporation has certain extraordinary items, special rules apply. See *Extraordinary items*, earlier. In general, extraordinary items aren't included on line 15, except for certain de minimis items at the option of the corporation. See *De minimis rule*, earlier.

Line 22b

Include on line 22b extraordinary items of \$1 million or more, a net operating loss deduction, or a section 481(a) adjustment. See *Extraordinary items*, earlier. Also include any de minimis items that the corporation doesn't choose to include on line 15. See *De minimis rule*, earlier.

Line 30

For the same taxes used to figure Form 990-W, lines 3 and 7, figure the amounts for the months shown in the column headings above line 14.

Line 32

Enter the credits to which you are entitled because of events that occurred during the months shown in the column headings above Part II, line 14.

Line 34

In column (b), enter the amount from Part III, line 40, column (a). In column (c), enter the sum of the amounts in line 40, columns (a) and (b). In column (d), enter the sum of the amounts in line 40, columns (a), (b), and (c).

Paperwork Reduction Act Notice. This form is optional. It is provided only to help you determine your estimated tax liability.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete this form will vary depending on individual circumstances. The estimated average times are:

Form	Recordkeeping	Learning about the law or the form	Preparing the form
Form 990-W	10 hr., 2 min.	2 hr., 22 min.	2 hr., 39 min.
Form 990-W, Sch. A (Pt. I)	11 hr., 14 min.	42 min.	54 min.
Form 990-W, Sch. A (Pt. II)	25 hr., 6 min.	12 min.	36 min.
Form 990-W, Sch. A (Pt. III)	4 hr., 32 min.	6 min.	10 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to:

Internal Revenue Service
 Tax Forms and Publications Division
 1111 Constitution Ave., NW, IR-6526
 Washington, DC 20224

Don't send the form to this address. Instead, keep the form for your records.