



TAX FACTS 2019-3

Estimated Income Tax for Individuals

This Tax Facts provides general information about estimated income tax for individuals. References to "spouse" are also references to "civil union partner."

1 What are estimated tax payments?

You must pay income taxes as you earn income during the year, either through withholding or by making estimated tax payments. You may have to make estimated tax payments if the tax withheld from your salary is not enough, or if you receive income that is not subject to withholding, such as self-employment income, interest, dividends, rents, and capital gains.

2 If I receive a salary, can I increase my withholding instead of making estimated tax payments?

Yes. If you receive a salary, you may be able to avoid having to make estimated tax payments on your other income by asking your employer to take more tax out of your earnings. To do this, file a new Form HW-4, Employee's Withholding Allowance and Status Certificate, with your employer.

3 Do the estimated tax provisions apply to both residents and nonresidents?

Yes. The estimated tax provisions apply to:

- Hawaii residents, and
- Hawaii nonresidents, including resident and nonresident aliens.

4 Who must make estimated tax payments?

In most cases, you must pay estimated tax for the current year if both of the following apply:

- (1) You expect to owe at least \$500 in tax for the current year, after subtracting your withholding and credits.
- (2) You expect your withholding and credits to be less than the smaller of:
 - 60% of the tax to be shown on your current year tax return, or

- 100% of the tax shown on your tax return for the preceding year. Your tax return for the preceding year must cover all 12 months.

Note: If you did not file a tax return for the preceding year or that return did not cover all 12 months, see questions 5 and 6.

5 Are there any exceptions?

Yes. You do not have to pay estimated tax for the current year if:

- (1) Your estimated tax liability (after taking into account all taxes withheld or collected at the source) for the current year is less than \$500; or
- (2) You meet all of the following conditions:
 - You were a full-year Hawaii resident in the preceding year,
 - You had no tax liability for the preceding year, and
 - Your tax year was a full 12 months.

You had no tax liability for the preceding year if your total tax was zero or you did not have to file an income tax return.

6 Does the exception in question 5 apply to nonresidents and part-year residents?

No. If you were a nonresident or a part-year resident in the preceding year, you cannot use the exception in question 5.

7 How do I figure my estimated tax?

Use the attached Estimated Tax Worksheet and Tax Rate Schedules to figure your estimated tax for the current year.

You may use your tax return for the preceding year as a starting point to figure your expected income, adjustments, deductions, exemptions, and credits for the current year. However, you must make adjustments for changes in your situation for the current year and for recent changes in the tax law.

You may have to refigure your estimated tax for the current year if there are changes to your expected income, adjustments, deductions, exemptions, or credits. See question 15.

Tax Facts is a publication that provides general information on tax subjects of current interest to taxpayers and is not a substitute for legal or other professional advice. The information provided in this publication does not cover every situation and is not intended to replace the law or change its meaning. Furthermore, the information in this publication is subject to change without notice due to changes in the law or rules, judicial decisions, or changes in official Department positions.

For more information, visit the Department of Taxation's website at tax.hawaii.gov

8 When are my estimated tax payments due?

You can pay all of your estimated tax by April 20 of the current year or in four equal amounts by the dates shown below.

Payment	Payment Due Date
1st Payment	April 20, current year
2nd Payment	June 20, current year
3rd Payment	September 20, current year
4th Payment	January 20, next year

You do not have to make the payment due January 20 of the following year if you file your current year tax return by January 31 of the following year and pay the entire balance due with your return.

Due dates for fiscal year taxpayers are the 20th day of the 4th, 6th, and 9th months of your current fiscal year and the 1st month of the following fiscal year.

If the due date for an estimated tax payment falls on a Saturday, Sunday, or legal holiday, the payment will be on time if you make it on the next day that is not a Saturday, Sunday, or a holiday.

9 How do I make estimated tax payments?

You may submit estimated tax payments online at hitax.hawaii.gov. You may also complete Form N-200V, Individual Income Tax Payment Voucher, and mail the voucher to the Hawaii Department of Taxation, Attn: Payment Section, P.O. Box 1530, Honolulu, Hawaii 96806-1530.

If you are married, you should make separate estimated tax payments for yourself and your spouse, even if you will be filing a joint return.

10 What can I do if I receive my income unevenly throughout the year?

If you receive your income unevenly throughout the year (for example, because you operate your business on a seasonal basis or you have a large capital gain late in the year), you may be able to lower or eliminate the amount of your required estimated tax payment for one or more periods by using the annualized income installment method. To see if you can pay less for any period, complete the Annualized Estimated Tax Worksheet in federal Publication 505. In general, most of the provisions relating to the federal worksheet are applicable, except that (1) Section B is not applicable because Hawaii has no comparable self-employment tax; (2) references to the federal amounts for the standard deduction and tax rates should be substituted with the Hawaii amounts; (3) references to federal taxes should be substituted with Hawaii taxes; (4) references to federal credits (other than withholding credits)

should be substituted with Hawaii credits; (5) Hawaii did not adopt the federal provision relating to the deduction for qualified business income; and (6) you may deduct an amount for your Hawaii personal exemptions.

Note: If you use the annualized income installment method to figure your estimated tax payments, you **MUST** file Form N-210 with your current year tax return.

11 What if I do not have income subject to estimated tax during the first period?

If you received your income unevenly throughout the year, see question 10 for more information, and you do not have income subject to estimated tax until a later payment period, you must make your first payment by the due date for that period. You can pay your entire estimated tax by the due date for that period or you can pay it in installments by the due date for that period and the due dates for the remaining periods.

If you first have income on which you must pay estimated tax:	Make a payment by:	Of the estimated tax due, pay:
April 1 - May 31, current year	June 20, current year	One-third
June 1 - August 31, current year	September 20, current year	One-half
After August 31, current year	January 20, next year	All

12 Are there special provisions for members of the U.S. Armed Forces?

If you serve in, or in support of the U.S. Armed Forces in a combat zone, paying your estimated taxes will be deferred. This deferral applies to the period of service in the combat zone or qualified hospitalization for an injury received while serving in a combat zone, and for an additional 180 days.

13 Are there special provisions for farmers and fishermen?

If at least two-thirds of your gross income for the preceding or current year is from farming or fishing, you can do one of the following:

- Pay all of your estimated tax by January 20 of the following year, or
- File your current year tax return by March 1 of the following year, and pay the total tax due. In this case, current year estimated tax payments are not required to avoid a penalty.

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14 Are there special provisions for nonresident aliens?

If you have wages subject to Hawaii income tax withholding, you can pay all of your estimated tax by April 20 of the current year, or in four equal amounts by the dates shown in question 8.

If you do not have wages subject to Hawaii income tax withholding, you can pay all of your estimated tax by June 20 of the current year, or you can pay it in three installments. If you pay the tax in three installments: one-half is due by June 20 of the current year; one-fourth is due by September 20 of the current year; and one-fourth is due by January 20 of the following year.

15 Can I amend my estimated tax payments?

After you make an estimated tax payment, changes in your income, adjustments, deductions, exemptions, or credits, may make it necessary for you to refigure your estimated tax. Pay the unpaid balance of your amended estimated tax by the next payment due date after the change or in installments by that date and the due dates for the remaining payment periods.

If an estimated tax payment for a previous period is less than one-fourth of your amended estimated tax, you may owe a penalty when you file your return.

16 When will I owe a penalty?

In some cases, you may owe a penalty when you file your return. A penalty may be applied if you did not pay enough estimated tax for the year or you did not make the payments on time or in the required amount. A penalty may apply even if you have an overpayment on your tax return.

The penalty may be waived under certain conditions. See federal Publication 505 for details.

17 How do I claim the estimated tax payments that I made on my tax return?

Enter the total estimated tax payments on the appropriate line of your return.

If you made estimated tax payments for yourself and your spouse under your social security number but are now filing separate returns, use Form L-12, Request for Allocation of Tax Amounts for Individuals, to allocate the estimated tax payments between you and your spouse.

If you and your spouse each made separate estimated tax payments but are now filing a joint return, enter the total estimated tax payments on the appropriate line of your joint return.

Where to Get Forms and Information

Website: tax.hawaii.gov
Telephone: 808-587-4242
Toll-Free: 1-800-222-3229

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Estimated Tax Worksheet

(Keep for Your Records — DO NOT Send to the Hawaii Department of Taxation)

1 Enter the amount of Hawaii Adjusted Gross Income you expect in the current year.	1	
2 • If you plan to itemize deductions, enter the estimated total of your itemized deductions. Caution: Your total itemized deductions may be limited. See the instructions for Form N-11 or Form N-15. • If you do not plan to itemize deductions, enter (a) \$8,800 if married filing jointly or qualifying surviving spouse; (b) \$6,424 if head of household; (c) \$4,400 if single or married filing separately; or (d) the greater of \$500 or your estimated earned income (up to the full standard deduction for your filing status) if you are eligible to be claimed as a dependent by another taxpayer. Note: Nonresident aliens and dual-status aliens cannot claim the standard deduction. Part-year residents/nonresidents: Your standard deduction amount must be multiplied by the ratio of Hawaii AGI to AGI from all sources	2	
3 Line 1 minus line 2	3	
4 Enter your exemptions (\$1,144 for each exemption, including an additional exemption for age). Blind, deaf, or totally disabled persons, enter \$7,000 in lieu of all other exemptions. Part-year residents/nonresidents: Your personal exemption amount must be multiplied by the ratio of Hawaii AGI to AGI from all sources	4	
5 Line 3 minus line 4	5	
6 Tax. Figure your tax on the amount on line 5 by using the attached Tax Rate Schedule I, II, or III	6	
7 Enter any additional taxes from Forms N-2, N-103, N-152, N-312, N-325, N-338, N-344, N-348, N-405, N-586, or N-814 ..	7	
8 Add lines 6 and 7	8	
9 Credits (refundable and nonrefundable) (e.g., credit for child and dependent care expenses, renewable energy technologies income tax credit, etc.) Do not include any income tax withholding.	9	
10 Line 8 minus line 9 . If zero or less, enter -0-. THIS IS YOUR TOTAL ESTIMATED TAX FOR THE CURRENT YEAR	10	
11a Multiply line 10 by 60%	11a	
11b Enter 100% of the tax shown on your tax return for the preceding year. Your tax return for the preceding year must cover all 12 months. If you did not file a tax return for the preceding year or that return did not cover all 12 months, skip line 11b and enter the amount from line 11a on line 11c	11b	
11c Enter the smaller of line 11a or 11b . THIS IS YOUR REQUIRED ANNUAL PAYMENT TO AVOID A PENALTY Caution: Generally, you may owe a penalty for not paying enough estimated tax if you do not prepay (through income tax withholding and estimated tax payments) at least the amount on line 11c . To avoid a penalty, make sure your estimate on line 10 is as accurate as possible. Even if you pay the required annual payment, you may still owe tax when you file your return. If you prefer, you can pay the amount shown on line 10 .	11c	
12 Income tax estimated to be withheld during the current year from wages, unemployment compensation, Individual Housing Account distributions, and sales of Hawaii real property by a nonresident person; and amounts withheld by an S corporation for a nonresident shareholder	12	
13 Estimated tax (line 11c minus line 12). • If \$500 or more, you may submit estimated tax payments online at hitax.hawaii.gov or complete Form N-200V, Individual Income Tax Payment Voucher, and mail it to the Hawaii Department of Taxation; • If less than \$500, you are not required to make estimated tax payments at this time	13	

Note: If your first estimated tax payment is due April 20 of the current year, pay 1/4 of the amount on line **13** on April 20 (current year), June 20 (current year), September 20 (current year), and January 20 (next year). If you had an overpayment on your preceding year return that you applied to your current year estimated tax, you may apply all or part of the overpayment to any estimated tax payment. If you are not required to pay estimated tax at this time, you may have to pay estimated tax at a later date if there are changes in your income, adjustments, deductions, exemptions, or credits.

Tax Rate Schedules for 2025 and 2026

Schedule I

SINGLE individuals and MARRIED individuals filing separate returns

If the taxable income is:	The tax shall be:
Not over \$9,600.....	1.40% of taxable income
Over \$9,600 but not over \$14,400	\$134.00 plus 3.20% of excess over \$9,600
Over \$14,400 but not over \$19,200	\$288.00 plus 5.50% of excess over \$14,400
Over \$19,200 but not over \$24,000	\$552.00 plus 6.40% of excess over \$19,200
Over \$24,000 but not over \$36,000	\$859.00 plus 6.80% of excess over \$24,000
Over \$36,000 but not over \$48,000	\$1,675.00 plus 7.20% of excess over \$36,000
Over \$48,000 but not over \$125,000	\$2,539.00 plus 7.60% of excess over \$48,000
Over \$125,000 but not over \$175,000	\$8,391.00 plus 7.90% of excess over \$125,000
Over \$175,000 but not over \$225,000	\$12,341.00 plus 8.25% of excess over \$175,000
Over \$225,000 but not over \$275,000	\$16,466.00 plus 9.00% of excess over \$225,000
Over \$275,000 but not over \$325,000	\$20,966.00 plus 10.00% of excess over \$275,000
Over \$325,000	\$25,966.00 plus 11.00% of excess over \$325,000

Schedule II

MARRIED individuals filing joint returns and
QUALIFYING SURVIVING SPOUSE

If the taxable income is:	The tax shall be:
Not over \$19,200.....	1.40% of taxable income
Over \$19,200 but not over \$28,800	\$269.00 plus 3.20% of excess over \$19,200
Over \$28,800 but not over \$38,400	\$576.00 plus 5.50% of excess over \$28,800
Over \$38,400 but not over \$48,000	\$1,104.00 plus 6.40% of excess over \$38,400
Over \$48,000 but not over \$72,000	\$1,718.00 plus 6.80% of excess over \$48,000
Over \$72,000 but not over \$96,000	\$3,350.00 plus 7.20% of excess over \$72,000
Over \$96,000 but not over \$250,000	\$5,078.00 plus 7.60% of excess over \$96,000
Over \$250,000 but not over \$350,000	\$16,782.00 plus 7.90% of excess over \$250,000
Over \$350,000 but not over \$450,000	\$24,682.00 plus 8.25% of excess over \$350,000
Over \$450,000 but not over \$550,000	\$32,932.00 plus 9.00% of excess over \$450,000
Over \$550,000 but not over \$650,000	\$41,932.00 plus 10.00% of excess over \$550,000
Over \$650,000	\$51,932.00 plus 11.00% of excess over \$650,000

Schedule III

HEAD OF HOUSEHOLD

If the taxable income is:	The tax shall be:
Not over \$14,400.....	1.40% of taxable income
Over \$14,400 but not over \$21,600	\$202.00 plus 3.20% of excess over \$14,400
Over \$21,600 but not over \$28,800	\$432.00 plus 5.50% of excess over \$21,600
Over \$28,800 but not over \$36,000	\$828.00 plus 6.40% of excess over \$28,800
Over \$36,000 but not over \$54,000	\$1,289.00 plus 6.80% of excess over \$36,000
Over \$54,000 but not over \$72,000	\$2,513.00 plus 7.20% of excess over \$54,000
Over \$72,000 but not over \$187,500	\$3,809.00 plus 7.60% of excess over \$72,000
Over \$187,500 but not over \$262,500	\$12,587.00 plus 7.90% of excess over \$187,500
Over \$262,500 but not over \$337,500	\$18,512.00 plus 8.25% of excess over \$262,500
Over \$337,500 but not over \$412,500	\$24,699.00 plus 9.00% of excess over \$337,500
Over \$412,500 but not over \$487,500	\$31,449.00 plus 10.00% of excess over \$412,500
Over \$487,500	\$38,949.00 plus 11.00% of excess over \$487,500