LOUISIANA DEPARTMENT of REVENUE

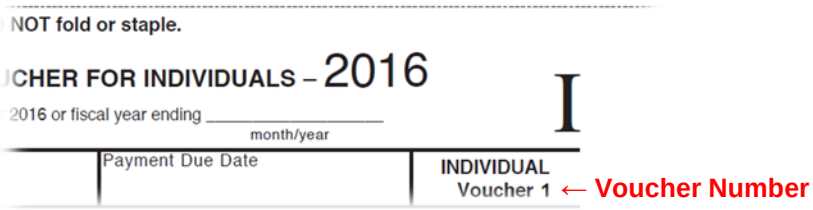
Specifications and Test Scenarios for Form IT-540ES-SD (2016)

Specifications:

Size: The size of the detached voucher must be 8-1/2" x 3-5/8" and should be printed at the bottom of an 8-1/2" x 11" sheet.

Vendor Code: Each software vendor who develops a substitute of Form IT-540ES must have a four-digit vendor code approved by the Louisiana Department of Revenue. This number remains the same each year and must appear at the top of the voucher on Line 46 in Positions 17-20.

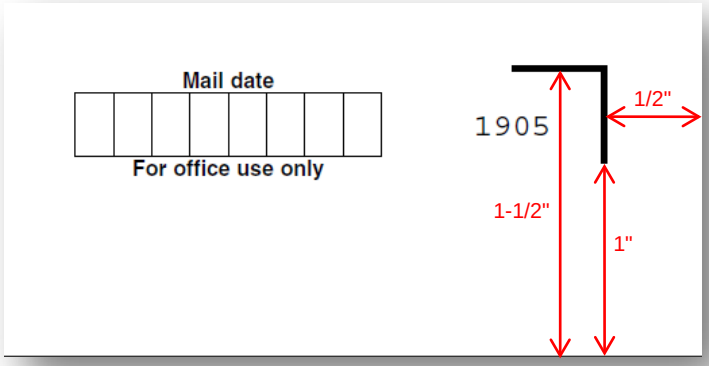
Voucher Number: The voucher number must be printed in the upper right-hand corner of the voucher with "1" being the first installment payment, "2" the second, and so on. For determining the appropriate number of installment payments due, please see the general information and instructions for completing Form IT-540ES beginning on Page 5.



Document Identification Number: The document identification number for Form IT-540ES-SD for the tax year 2016 is **1905** and must be printed on Line 59 in Positions 74 through 77. The font of the document identification number **must** be Courier 12-point (10 characters per inch).

Reference Mark: A reference mark must be printed on the voucher and shall consist of:

- A 2-point 1/2" **horizontal line**, positioned 1/2" from the right edge and 1-1/2" from the bottom edge, and
- A 2-point 1/2" **vertical line**, positioned 1/2" from the right edge and 1" from the bottom edge.



Barcode: A barcode must be printed on the voucher according to the following specifications:

- The barcode is a “three of nine” type,
- Reads 1905, which is the document identification number,
- Is 3/8" in height, and
- Is positioned 1/2” from the left edge and 7/8” from the bottom edge.

Scan Line: The scan line must be printed on Line 63 in Positions 11 through 76. **It is preferred that an OCR-A font be used**; however, a Courier 12-point font is acceptable. Whichever font utilized **must** be spaced at 10 cpi (characters per inch). A layout of the scan line is as follows:

AAAAB---CCCCCCCCCD-EEE--FFFFFFFF-GGGGGGGG-HHHHHHHHHI-JJJJJJJJJJK-L

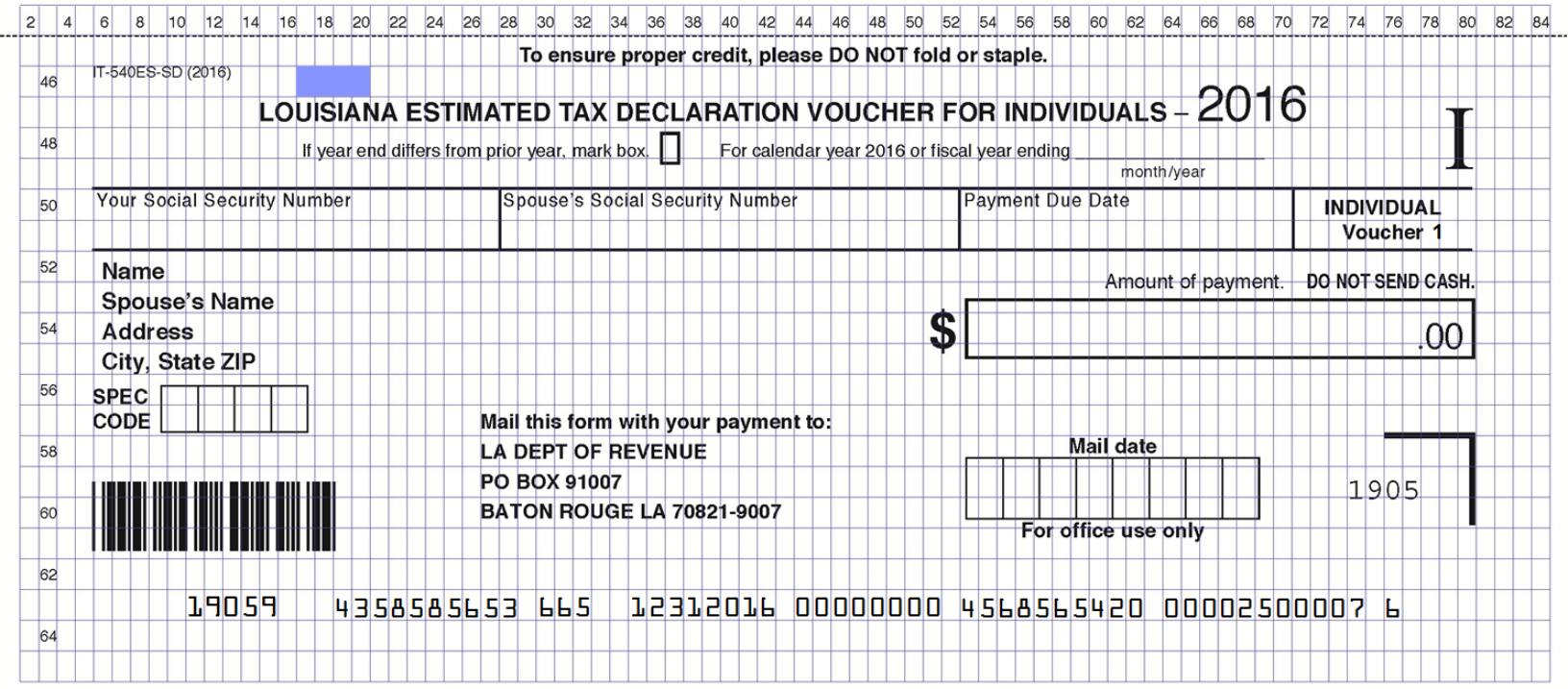
A = Document identification number (4 digits), which is **1905**.
B = Check digit (1 digit) for the document identification number, which (in this case) is **9**.
C = Primary social security number (9 digits).
D = Check digit (1 digit) for the primary social security number.
E =Tax type code, which is **665**.
F = Taxable period (8 digits -- mmddyyyy), which is **12312016** for the 2016 tax year.
G = This field (8 digits) is an open field, which is all zeros—**00000000**.
H = Secondary social security number (9 digits).
I = Check digit (1 digit) for the secondary social security number. Zero-fill if this field is not applicable.
J = Amount of payment (10 digits--$$$$$$$$$¢¢). Zero - fill blank data area.
K = Check digit (1 digit) for the amount of payment.
L = Check digit (1 digit) for Fields C, D, E, F, G, H, I, J, AND K.
- = Blank space.

NOTE: The **check digits** contained in the scan line are derived using the Modulus 10 self-check digit computation found on Page 3.

Example: Primary social security number = 435-85-8565
Secondary social security number = 456-85-6542
Amount of payment = $2,500.00

Scan line should be:
19059 4358585653 665 12312016 00000000 4568565420 00002500007 6

Placement: Illustrated below is the placement of the voucher number, document identification number, reference mark, barcode, and scan line in relation to a 6 x 10 grid.



Modulus 10 Self-check Digit Computation:

1. Multiply the unit's position and every alternate position of the base number by 2 starting with right most position.
2. Add the digits in the products to the digits in the base number that were not multiplied.
3. Subtract the sum from the next higher number ending in zero. The difference is the self-check digit.

Example:

Base Number	4 9 9 8 6 5 5 5 9
Right most position and every other position	9 5 6 9 4
Multiply by 2.	18, 10, 12, 18, 8
Add the digits in the product.	(1+8), (1+0), (1+2), (1+8), 8
Digits not multiplied.	5 5 8 9
Add.	(1+8)+5+(1+0)+5+(1+2)+8+(1+8)+9+8
Sum	57
Next higher number ending in zero	60
Subtract.	60-57
Self-check digit	3

Test Scenarios:

Please prepare the necessary declaration vouchers using the various test scenarios below, assuming that all 4 scenarios require 4 equal installments. Thus, a total of 16 hardcopy vouchers should be submitted for testing. Each voucher must be completed in its entirety, including the payment due date. For the payment due dates that are applicable, please see the general information and instructions for completing Form IT-540ES that follow the scenarios below.

Mail your test samples to: Attention: Forms Management Unit
Tax Administration Division
Louisiana Department of Revenue
617 N. Third St.
Baton Rouge, LA 70802-5428

Scenario 1	**Taxpayer's Name:** **Address:** **Primary SSN:** **Secondary SSN:** **Taxable Period:** **Each Payment Amount:**	John Bailey 1234 W. 23rd St. Bay St. Louis, MS 39520-9999 498-44-3567 (n/a) 12/31/2016 $995.00
Scenario 2	**Taxpayer's Name:** **Address:** **Primary SSN:** **Secondary SSN:** **Taxable Period:** **Each Payment Amount:**	Bryan and Marie Brown 8768 Deepwoods Drive Minden, LA 71055-4569 543-56-9876 231-44-5556 12/31/2016 $12,700.00
Scenario 3	**Taxpayer's Name:** **Address:** **Primary SSN:** **Secondary SSN:** **Taxable Period:** **Each Payment Amount:**	Sharon Smith 3345 West Street New Orleans, LA 70123-6660 454-67-8905 (n/a) 12/31/2016 $783.00
Scenario 4	**Taxpayer's Name:** **Address:** **Primary SSN:** **Secondary SSN:** **Taxable Period:** **Each Payment Amount:**	Sam and Martha Green 7634 Blue River Drive Baton Rouge, LA 70812-2000 258-96-3140 123-58-9420 12/31/2016 $3,650.00

LOUISIANA
DEPARTMENT *of* REVENUE

Declaration of Estimated Tax for Individuals
General Information and Instructions

www.revenue.louisiana.gov
LOUISIANA FILE ONLINE

SPEC CODE – This space on the voucher is to be used only when specifically instructed by the Department of Revenue. Otherwise, leave blank.

This document explains the requirements for certain individuals to pay estimated income tax on taxable income that is not subject to withholding, such as income from self-employment, interest, dividends, rents, and alimony, and other taxable income such as unemployment compensation that the individual does not choose to make voluntary withholding. It also provides a worksheet for estimating the amount of estimated income tax to be paid.

Who Must Make Estimated Tax Payments
Louisiana Income Tax Law, R.S. 47:116, requires individuals to make estimated income tax payments if the individual's estimated Louisiana income tax after credits and taxes withheld can reasonably be expected to exceed $1,000 for a single filer or $2,000 for joint filers.

Married couples should file a joint declaration of estimated income tax unless they file separately using different tax years. If a couple files a joint declaration but files their income tax separately, the estimated tax paid may be treated as the estimated tax of the husband or the wife, or may be divided between them in any manner.

Special Rules for Farmers And Fishermen
Individuals who earn at least two-thirds of their gross income from farming or fishing are allowed to file only one estimated tax payment of the full amount due on or before January 15, of the succeeding taxable year. In addition, if the farmer or fisherman files their income tax return on or before March 1, of the succeeding year and pays the total tax due, payment of estimated tax is not required.

How to Calculate Your Estimated Tax
Use the Worksheet on page 2 for calculating your estimated income tax based on your next year's estimated adjusted gross income less your estimated federal income tax to determine your Louisiana estimated tax table income. Using the tax tables from the current year, determine your estimated Louisiana income tax less nonrefundable and refundable tax credits and estimated income tax withheld.

Estimated Tax Payment Due Dates
The estimated individual income tax may be paid in full with the first declaration or in equal installments as follows:

1st payment..... April 15
2nd payment..... June 15
3rd payment ..... September 15
4th payment..... January 15

Note: *If a due date for an estimated tax payment falls on a weekend or legal holiday, the payment is due on the next business day.*

Fiscal year filers—the estimated tax payment due dates for taxpayers who file on a fiscal basis are as follows:

1st payment..... 15th day of the 4th month of the fiscal year
2nd payment..... 15th day of the 6th month of the fiscal year,
3rd payment..... 15th day of the 9th month of the fiscal year
4th payment..... 15th day of the 1st month following the close of the fiscal year

Changes in Income or Exemptions—Amended Declarations
If the taxpayer's expected income or exemptions changes so that the taxpayer becomes liable for paying estimated income tax or the estimated income tax amount changes, the estimated tax payments should be calculated or revised using the appropriate worksheet and the payments adjusted as of the next estimated payment due date.

Exception to The January 15th Declaration Requirement
R.S. 47:116(F) provides an exception from the estimated tax payment amendment requirement or original declaration requirement due January 15th if the taxpayer files their individual income tax return by January 31 and pays the total amount due.

Note: *Filing a declaration, amended declaration, or paying the last installment by January 15th, or filing an income tax return by January 31st, will not relieve you of the underpayment penalty if you failed to pay the estimated income tax that was due earlier in the year.*

How to Pay Estimated Tax

Pay by Check or Money Order using the Estimated Tax Payment Voucher
Estimated tax payments can be paid by check or money order to the Department of Revenue mailed with the Louisiana Estimated Tax Declaration Voucher, Form IT-540ES. The payment must be postmarked on or before the payment's due date. The payment and voucher should be mailed to the Department of Revenue, P.O. Box 91007, Baton Rouge, Louisiana 70821-9007.

Pay Electronically
Paying electronically ensures timely receipt of payments. When you pay electronically, there is no check to write and no voucher to mail. Payments can be made 24 hours a day, 7 days a week and proof of payment will be confirmed electronically.

Electronic payments can be made using the following convenient, safe, and secure electronic payment options:

- Payment by electronic funds transfer using *www.revenue.louisiana.gov/fileonline*
- Payment by credit card using *www.officialpayments.com*.

It is not necessary to file the estimated payment voucher, Form IT-540ES, if the payment is made electronically.

When Is A Penalty Applied
Revised Statute 47:118 provides for a 12 percent penalty for underpayment of estimated income tax. The penalty may be imposed if you did not pay enough estimated tax for the year or did not make estimated payments on time or in the required amount. The penalty is imposed on each underpayment for the number of days it was unpaid.

For more information on calculating the underpayment penalty, see the instructions for the Underpayment of Individual Income Tax Penalty Computation, Form R-210R-i on the Department's website. If you owe underpayment penalty, calculate the penalty amount using Form R-210R.

Revised Statute 47:118(I) authorizes waiver of the underpayment penalty if an application for waiver of the penalty is submitted within one year of tax return's due date. To qualify for penalty waiver, the taxpayer must demonstrate that they acted in good faith and that the failure to make the proper estimated payments was attributable to extraordinary circumstances beyond the taxpayer's control. To request underpayment penalty waiver, use the Request for Waiver of Penalties for Delinquency and/or Underpayment, Form R-20128.

You can pay your Louisiana Estimated Tax for Individuals by Credit Card, over the Internet, or by phone. Visit *www.revenue.louisiana.gov* or call 1-800-2PAY-TAX (1-800-272-9829)

VISA DISCOVER MasterCard AMERICAN EXPRESS

Worksheet for Estimating Your 2016 Louisiana Individual Income Tax

Keep for your records. Do not mail.

Form IT-540 and instructions for 2015 should be used as a guide.

1. Estimated Adjusted Gross Income for 2016	1.		00
2. Estimated Federal Income Tax for 2016	2.		00
3. Your Estimated Louisiana Tax Table Income (Subtract Line 2 from Line 1.)	3.		00
4. Estimated Louisiana Income Tax	4.		00
5. Less Estimated 2016 Total Nonrefundable Credits	5.		00
6. Less Estimated 2016 Total Refundable Credits	6.		00
7. Adjusted Louisiana Income Tax (Subtract Lines 5 and 6 from Line 4.)	7.		00
8. Less Louisiana Income Tax to be withheld in 2016 including any credit carried forward from 2015. (Round to the nearest dollar.)	8.		00
9. Estimated Income Tax (Subtract Line 8 from Line 7.)	9.		00
10.	10.		00

If you first become liable to file a declaration on or before:	Then enter on Line 10 and in "Amount of Payment" block on Form IT-540ES:
April 15, 2016	1/4 of Line 9 (Make 4 installments.)
June 15, 2016	1/3 of Line 9 (Make 3 installments.)
September 15, 2016	1/2 of Line 9 (Make 2 installments.)
January 15, 2017	Line 9 must be paid in full.

Note: *If your estimated tax should change during the year, you may use the amended computation below to determine the amended amount to be entered on the declaration voucher.*

Amended Computation

Use if estimated tax is substantially changed after the first declaration voucher is filed.

1. Amended Estimated Tax	1.		00
2. Less: A. Amount of last year's overpayment carried forward to 2016 estimated tax and applied to date	2A.		00
B. Payments made on 2016 declaration	2B.		00
C. Total of Lines 2A and 2B	2C.		00
3. Unpaid Balance (Line 1 less Line 2C)	3.		00
4. Amount to be paid (Line 3 divided by number of remaining installments) Enter here and in "Amount of Payment" block on declaration voucher, Form IT-540ES.	4.		00

How to use the Declaration Voucher

1. Fill out the worksheet above to calculate your estimated tax for 2016. Form IT-540 and instructions for 2015 should be used as a guide.

   If you prepared a 2015 return on Form IT-540 or Form IT-540B and expect your income in 2016 to be the same as it was for 2015, you may compute your estimated tax using the information from your 2015 return. The figures used should be adjusted for factors that apply to 2016, but did not apply to 2015. Information on how to compute your tax is also available on the Department's web site at *www.revenue.louisiana.gov*.
2. Check your Social Security Number(s), name(s), and address on the voucher. Address changes can be made at *www.revenue.louisiana.gov/contact.*
3. Enter the amount shown on Line 10 of the worksheet in the "Amount of Payment" block on the voucher, Form IT-540ES.
4. Detach the voucher at the perforation and attach check or money order. Fill in the Record of Estimated Tax Payments schedule at the bottom of this page.
5. Insert voucher and payment into the pre-addressed envelope and mail. For each later installment, you need to complete only the "Amount of Payment" block on the voucher, attach payment, insert in the envelope, and mail. However, if you must amend your estimate:
   a. Fill out the Amended Computation Schedule above.
   b. Complete the "Amount of Payment" block on the voucher.
   c. Detach at the perforation and mail with the required payment. For each later installment, complete the "Amount of Payment" block on the voucher, attach payment, insert in the envelope, and mail.
   d. Additional IT-540ES forms are available on the Department's web site.

Record of Estimated Tax Payments

Voucher number	Date	Amount	Total amount paid to date
1			
2			
3			
4			
Total			