



Ohio Revised Code

Section 5747.09 Declaration of estimated taxes.

Effective: September 30, 2025

Legislation: House Bill 96

(A) As used in this section:

(1) "Estimated taxes" means the amount that the taxpayer estimates to be the taxpayer's combined tax liability under this chapter and Chapter 5748. of the Revised Code for the current taxable year.

(2) "Tax liability" means the total taxes due for the taxable year, after allowing any credit to which the taxpayer is entitled, but prior to applying any estimated tax payment, withholding payment, or refund from another tax year.

(3) "Taxes paid" include payments of estimated taxes made under division (C) of this section, taxes withheld from the taxpayer's compensation, and tax refunds applied by the taxpayer in payment of estimated taxes.

(4) "Required installment" means a payment equal to twenty-five per cent of the lesser of the following:

(a) Ninety per cent of the tax liability for the taxable year;

(b) One hundred per cent of the tax liability shown on the return of a taxpayer for the preceding taxable year.

Division (A)(4)(b) of this section applies only if the taxpayer filed a return under section 5747.08 of the Revised Code for the preceding taxable year and if the preceding taxable year was a twelve-month taxable year.

(B) Every taxpayer shall make declaration of estimated taxes for the current taxable year, in the form that the tax commissioner shall prescribe, if the amount payable as estimated taxes, less the amount to be withheld from the taxpayer's compensation, is more than five hundred dollars. For purposes of



this section, taxes withheld from compensation shall be considered as paid in equal amounts on each payment date unless the taxpayer establishes the dates on which all amounts were actually withheld, in which case the amounts withheld shall be considered as paid on the dates on which the amounts were actually withheld. Taxpayers filing joint returns pursuant to section 5747.08 of the Revised Code shall file joint declarations of estimated taxes. A taxpayer may amend a declaration under rules prescribed by the commissioner. A taxpayer having a taxable year of less than twelve months shall make a declaration under rules prescribed by the commissioner. The declaration of estimated taxes for an individual under a disability shall be made and filed by the person who is required to file the income tax return.

The declaration of estimated taxes shall be filed on or before the fifteenth day of April of each year or on or before the fifteenth day of the fourth month after the taxpayer becomes subject to tax for the first time.

Taxpayers reporting on a fiscal year basis shall file a declaration on or before the fifteenth day of the fourth month after the beginning of each fiscal year or period.

The declaration shall be filed upon a form prescribed by the commissioner and furnished by or obtainable from the commissioner.

The original declaration or any subsequent amendment may be increased or decreased on or before any subsequent quarterly payment day as provided in this section.

(C) The required portion of the tax liability for the taxable year that shall be paid through estimated taxes made payable to the treasurer of state, including the application of tax refunds to estimated taxes, and withholding on or before the applicable payment date shall be as follows:

- (1) On or before the fifteenth day of the fourth month after the beginning of the taxable year, twenty-two and one-half per cent of the tax liability for the taxable year;
- (2) On or before the fifteenth day of the sixth month after the beginning of the taxable year, forty-five per cent of the tax liability for the taxable year;



(3) On or before the fifteenth day of the ninth month after the beginning of the taxable year, sixty-seven and one-half per cent of the tax liability for the taxable year;

(4) On or before the fifteenth day of the first month of the following taxable year, ninety per cent of the tax liability for the taxable year.

When an amended return has been filed, the unpaid balance shown due on the amended return shall be paid in equal installments on or before the remaining payment dates.

On or before the fifteenth day of the fourth month of the year following that for which the declaration or amended declaration was filed, an annual return shall be filed and any balance which may be due shall be paid with the return in accordance with section 5747.08 of the Revised Code.

(D) In the case of any underpayment of estimated taxes, an interest penalty may be added to the taxes for the tax year at the rate per annum prescribed by section 5703.47 of the Revised Code upon the amount of underpayment for the period of underpayment, unless the underpayment is due to reasonable cause as described in division (E) of this section. The amount of the underpayment shall be determined as follows:

(1) For the first payment of estimated taxes each year, the required installment less the amount of taxes paid by the date prescribed for that payment;

(2) For the second payment of estimated taxes each year, the required installment less the amount of taxes paid by the date prescribed for that payment;

(3) For the third payment of estimated taxes each year, the required installment less the amount of taxes paid by the date prescribed for that payment;

(4) For the fourth payment of estimated taxes each year, the required installment less the amount of taxes paid by the date prescribed for that payment.

The period of the underpayment shall run from the day the estimated payment was required to be made to the date on which the payment is made. For purposes of this section, a payment of estimated



taxes on or before any payment date shall be considered a payment of any previous underpayment only to the extent the payment of estimated taxes exceeds the amount of the payment presently required to be paid to avoid any penalty.

The tax commissioner may abate, in whole or in part, the interest penalty imposed under division (D) of this section. Any such penalty imposed shall be in lieu of any other interest charge or penalty imposed for failure to file an estimated return and make estimated payments as required by this section.

(E) An underpayment of estimated taxes determined under division (D) of this section shall be due to reasonable cause and the interest penalty imposed by this section shall not be added to the taxes for the tax year if either of the following apply:

(1) The amount of tax that was paid equals at least ninety per cent of the tax liability for the current taxable year, determined by annualizing the income received during the year up to the end of the month immediately preceding the month in which the payment is due;

(2) The amount of tax that was paid equals at least one hundred per cent of the tax liability shown on the return of the taxpayer for the preceding taxable year, provided that the immediately preceding taxable year reflected a period of twelve months and the taxpayer filed a return under section 5747.08 of the Revised Code for that year.

The tax commissioner may waive the requirement for filing a declaration of estimated taxes for any class of taxpayers after finding that the waiver is reasonable and proper in view of administrative costs and other factors.