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## Important Notice

March 2002

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### Computation of Personal Income Tax Underpayment Penalty for 2001 for Taxpayers Afflicted by the Terrorist Attacks of September 11, 2001

Due to the terrorist attacks of September 11, 2001, estimated tax payment due dates were extended for taxpayers afflicted by the terrorist attacks. However, if you did not pay enough estimated tax by any of the due dates (including the extended due dates) or if you did not have enough New York State, city of New York or Yonkers tax withheld, you may owe a penalty. Form IT-2105.9, *Underpayment of Estimated Tax By Individuals and Fiduciaries*, is used to determine if you owe a penalty and, if applicable, to compute the amount of the penalty. However, the 2001 Form IT-2105.9 does not reflect the extended estimated tax payment due dates afforded to taxpayers afflicted by the terrorist attacks of September 11, 2001. Therefore, this notice provides alternative computations for determining the personal income tax underpayment penalty for individuals who qualified for estimated tax payment relief under Important Notice N-01-14, *Announcement Regarding the Terrorist Attacks of September 11, 2001*. Use the information below and the instructions for Form IT-2105.9 to determine the amount, if any, of your underpayment penalty.

#### **Short method for figuring the penalty**

If you paid your third quarter payment on or before December 10, 2001, treat your payment as having been paid by the original due date of September 15, 2001. If you qualify to use the *Short method for figuring the penalty*, using Form IT-2105.9, Part II, use the factor .02949 on line 19 instead of the factor .04050 preprinted on the form. You may not use the short method if you made any installment of estimated tax payment after the due date or the extended due date. For example, if you made your third quarter payment after December 10, 2001, you may not use the short method.

#### **Regular method**

If you are computing your underpayment penalty using the *Regular method*, on Form IT-2105.9, Part III, and you paid your third quarter payment, originally due September 15, 2001, on or before December 10, 2001, treat your payment as having been paid by the original due date of September 15, 2001. For example, if you made a third quarter payment of \$125 on December 1, 2001, enter \$125 on line 23, column (c) of Form IT-2105.9.

If you paid your third quarter payment after December 10, 2001, but before January 15, 2002, you will be charged a penalty only from December 11 to the date you actually made the payment. Use Form IT-2105.9, Part III, Schedule B, to compute your penalty from December 11, 2001, to the payment date. If an underpayment remained unpaid for an entire installment period, use the chart below to determine the number of days to enter in each column of Form IT-2105.9, Part III, Schedule B. The chart is organized in the same format as Form IT-2105.9, Part III, lines 27 through 34. For example, if your third quarter payment remained unpaid as of January 15, 2002, you would use 36 as the number of days to compute your third quarter underpayment penalty.

**Fiscal year filers**

For fiscal year filers, if you paid your required installment that was due after September 10, 2001 and before December 11, 2001, on or before December 10, 2001, treat your payment as having been paid on the original due date. If your required installment was paid after December 10, 2001, compute your underpayment penalty from December 11, 2001, to the payment date.

Total Days - Individuals Qualifying for Relief

Installment Period	Column (A)	Column (B)	Column (C)	Column (D)
1 <sup>st</sup> Installment (Line 28)	61 days at 7%			
2 <sup>nd</sup> Installment (Line 30)		15 days at 7% 72 days at 6%		
3 <sup>rd</sup> Installment (Line 32)			36 days at 6%	
4 <sup>th</sup> Installment (Line 34)				90 days at 6%

**Need Help?**



**Telephone assistance** is available from 8:30 a.m. to 4:25 p.m. (eastern time), Monday through Friday.

For tax information: 1 800 225-5829

To order forms and publications: 1 800 462-8100

Refund status: (electronically filed) 1 800 353-0708  
(direct deposit) 1 800 321-3213  
(all others) 1 800 443-3200

(Automated service for refund status is available 24 hours a day, seven days a week.)

From areas outside the U.S. and outside Canada: (518) 485-6800



**Fax-on-demand forms:** Forms are available 24 hours a day, 7 days a week 1 800 748-3676



**Internet access:** [www.tax.state.ny.us](http://www.tax.state.ny.us)  
(for forms, publications, your refund status, to check your estimated tax account, and other information)



**Hotline for the hearing and speech impaired:**

1 800 634-2110 from 8:30 a.m. to 4:25 p.m.(eastern time), Monday through Friday. If you do not own a telecommunications device for the deaf (TDD), check with independent living centers or community action programs to find out where machines are available for public use.



**Persons with disabilities:** In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call 1 800 225-5829.



**If you need to write,** address your letter to:  
NYS TAX DEPARTMENT  
TAXPAYER CONTACT CENTER  
W A HARRIMAN CAMPUS  
ALBANY NY 12227