**PART 1 REQUIRED ANNUAL PAYMENT**

1. Enter your 2008 Rhode Island tax from RI-1040, line 15 less lines 18D and 18E or RI-1040NR, line 15C less line 18E……………… 1.
2. Enter 80% of the amount shown on line 1………………………………… 2.
3. RI withheld taxes paid for 2008 from RI-1040, line 18A or RI-1040NR, lines 18A, 18C and 18D………………………………………………………………… 3.
4. Subtract line 3 from line 1 - (if the result is $250.00 or less do not complete the rest of this form)……………………………………………………………... 4.
5. Enter your 2007 RI tax from RI-1040, line 15 less lines 18D and 18E or RI-1040NR, line 15C less line 18E…………………………………… 5.
6. Enter the SMALLER of line 2 or line 5……………………………………… 6.

**PART 2 SHORTCUT METHOD**

You can use this method if you meet the following conditions (Otherwise, you must complete RI-2210 to figure your underestimating interest):

1. You made no estimated payments OR all 4 estimated payments were equal and paid by the appropriate due dates;
2. AND you did not complete RI-2210, part 5 (Annualized Income Installment Worksheet).

7. Enter the amount from Part 1, line 6 above………………………………………………………………………………………………………………………… 7.
8. Enter the total withholding and estimated tax you paid from RI-1040, lines 18A and 18B or RI-1040NR, lines 18A, 18B, 18C and 18D…………………………… 8.
10. Multiply line 9 by 12.0205% (.120205).……………………………………………………………………………………………………………………………………………… 10.
11. If the amount on line 9 was paid on or after 4/15/09, then enter $0
    If the amount on line 9 was paid before 4/15/09, then make the following calculation:
    The amount on line 9 (times) the number of days paid before 4/15/09 (times) .00033 and enter the result here ……………………………………… 11.
12. UNDERESTIMATING INTEREST - subtract line 11 from line 10 - enter here and in the space provided on RI-1040 or RI-1040NR, line 19…………………………………… 12.

**INSTRUCTIONS**

**PURPOSE OF THIS FORM**

Individuals (except qualified farmers and fishermen) should use this form to determine if their income tax was sufficiently prepaid throughout the year by having RI tax withheld or by paying RI estimated tax; if not, an assessment may be imposed on the underpayment of the taxes. Complete Part 1 of this form to determine if the payment of the assessment may be avoided.

**WHO CAN FILE THIS FORM**

You can use this form only if you meet the following conditions
1. You made no estimated payments OR all 4 estimated payments were equal and paid by the appropriate due dates AND
2. You are not completing the Annualization Income Worksheet on RI-2210. If you do not meet these conditions, you must file RI-2210.

**FARMERS AND FISHERMEN**

If you meet BOTH of the following tests, you may be exempt from the charge for underpayment of estimated tax: 1. Gross income from farming or fishing is at least 2/3 (two thirds) of your annual gross income AND 2. you filed form RI-1040 or RI-1040NR and paid the tax due on or before March 1, 2009. If you meet both of these tests, write next to line 1 “EXEMPT, FARMER/FISHERMAN” and do not complete the rest of this form. Attach this form to your return or mail to: The RI Division of Taxation - One Capitol Hill - Providence, RI 02908-5806 if the return has been previously filed.

**PART 1 REQUIRED ANNUAL PAYMENT**

Line 1 Enter your 2008 Rhode Island tax from RI-1040, line 15 less lines 18D and 18E or RI-1040NR, line 15C less line 18E.
Line 2 Multiply line 1 by 80% (.80).
Line 3 Enter the amount of 2008 Rhode Island income taxes withheld from RI-1040, line 18A or RI-1040NR, lines 18A, 18C and 18D.
Line 4 Subtract line 3 from line 1. If the result is $250.00 or less, you do not owe any underestimating interest and need not complete the rest of this form.
Line 5 Enter your 2007 Rhode Island income tax from RI-1040, line 15 less lines 18D and 18E or RI-1040NR, line 15C less line 18E. If you had no federal tax liability for 2007 and you were a Rhode Island resident during all of 2007, and your 2007 federal tax was (or would have been had you been required to file) for a full 12 months, then enter zero (0).
Line 6 Enter the SMALLER of line 2 or line 5 (including zero). If line 6 is zero, you do not owe any underestimating interest and need not complete the rest of this form. However, you must attach this form to your Rhode Island return.

**PART 2 SHORTCUT METHOD**

Line 7 Enter the amount from part 1, line 6.
Line 8 Enter the amount of estimated and withholding tax you paid for 2008 from RI-1040, lines 18A and 18B or RI-1040NR, lines 18A, 18B, 18C and 18D.
Line 9 Subtract line 8 from line 7.
Line 10 Multiply line 9 by 12.0205% (.120205).
Line 11 If you paid the tax balance due before 4/15/2009, multiply the number of days paid before 4/15/2009 by the amount on line 9 by .00033 and enter the amount on line 11.
Line 12 Subtract line 11 from line 10. Enter here and in the space provided on RI-1040 or RI-1040NR, line 19.