

2007 Estimated Tax Worksheet (by Quarter)

Keep for your 2007 tax records

	First Quarter (Jan-Mar)	Second Quarter (Apr-June)	Third Quarter (July-Sep)	Fourth Quarter (Oct-Dec)
1a) Enter the amount of fellowship received for the quarter, by month:				
1 st month	\$	\$	\$	\$
2 nd month	\$	\$	\$	\$
3 rd month	\$	\$	\$	\$
b) Enter the amount of University support received for travel and incidental academic expenses	\$	\$	\$	\$
Total Fellowship & Other Payments for the Quarter (1a+1b)	\$	\$	\$	\$
2) Subtract your standard deduction for the quarter: =\$5,350.00/4=\$1,337.50 if single =\$10,700.00/4=\$2,675.00 if married, filing joint return =\$5,350.00/4=\$ 1,337.50 if married, filing separately	-	-	-	-
3) Subtract your personal exemption(s) for the quarter (*): (for example, 2 exemptions= 2*\$850.00=\$1,700.00) *Do not put any exemption amount on line 3, if: 1) you can be claimed on your parents' 2007 tax return; or 2) you are receiving 'split support'--both fellowship and AI/AR during the quarter	-	-	-	-
4) Subtract expenses you incurred from your fellowship for books, fees, supplies and equipment required for your course of instruction during the quarter (you must keep receipts).	-	-	-	-
5) Subtract lines 2, 3 & 4 from line 1--this is your taxable fellowship income for the quarter: (if less than zero enter \$0.00)	\$	\$	\$	\$
6) Multiply the taxable income on line 5 by 15% (0.15)--this is the estimated tax due on your fellowship for the quarter (**).	\$	\$	\$	\$

***Consult the tax rate schedule on page 2 of the IRS Form 1040-ES only if your taxable fellowship income for the quarter (line 5) exceeds the amounts listed below:*

Single \$7,825.00 or \$31,300 for the 12 month calendar year

Married, filing jointly \$15,650.00 or \$62,600.00 for the 12 month calendar year

Married, filing separately \$7,825.00 or \$31,300.00 for the 12 month calendar year

7) Remit the tax amount listed on line 6 by the due date indicated. Use the payment voucher in the IRS Form 1040-ES to remit payment.

*****Fourth Quarter Payment due January 15, 2008*****

Line-by-line explanation of the estimated tax worksheet

1.
 - a) Enter the amount of your monthly fellowship stipend (coded FL on your paystub)
 - b) Enter additional support, if any, you received from the University for travel and incidental academic expenses.
2. You are permitted to reduce your taxable income by your standard deduction when you file your U.S. tax return. Therefore, you may also subtract this amount when you complete the estimated tax worksheet. The annual standard deduction varies depending on your tax filing status. You may take one-fourth of the annual standard deduction each quarter. If you will itemize deductions on your tax return then you may instead take one-fourth of your estimated annual itemized deductions each quarter.
3. Most, but not all, students are also permitted to reduce their taxable income by the number of personal exemptions they claim. In 2007 each exemption is "worth" \$3,400.00. You may reduce your taxable income each quarter by \$850.00 (\$3,400 divided by 4) for each exemption you will be permitted to claim on your 2007 U.S. tax return. Two types of students should not claim any personal exemptions on the quarterly worksheet: 1) if you can be claimed as a dependent on your parents' 2007 tax return you will not be permitted to claim an exemption on your own tax return; and 2) if you are receiving 'split support' from the University (both FL and AI/AR in any month in the quarter), your personal exemption(s) will be deducted from the AI/AR portion of your support when the University calculates the tax withholding from that portion. Therefore, if you also subtract exemptions on the worksheet they will have been subtracted twice resulting in an estimated tax liability for the quarter that is too low.
4. You may also reduce your taxable income by subtracting expenses you incurred for books, fees, supplies, and equipment required for your course of instruction. The amount subtracted may not exceed the amount of your fellowship payments, and you must be able to substantiate all amounts with receipts. (Please refer to the instructions on 1040-ES regarding student loan interest deduction).

5. This line represents your taxable fellowship (and other) income for the quarter and is the amount on which your estimated tax liability for the quarter is based.
6. For virtually all students, your estimated tax liability for each quarter will be equal to 15% of your taxable income (on line 5). However, if your income reported on line 5 exceeds the amounts listed in the note to line 6 (designated **), then the 15% rule will not result in an accurate calculation of your estimated tax liability for that quarter. Instead, you must consult the IRS tax rate schedules on page 2 of the Form 1040-ES booklet.
7. You must remit your quarterly estimated tax payments by the due dates listed. Failure to do so may result in penalties being assessed by the IRS.