Form **945-A**

(Rev. October 1995)

Department of the Treasury
Internal Revenue Service

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Annual Record of Federal Tax Liability

▶ **File with Forms 945 or CT-1.**

OMB No. 1545-1430

Name as shown on Form 945 or CT-1

Employer identification number

January tax liability				February tax liability				March tax liability			
1		17		1		17		1		17	
2		18		2		18		2		18	
3		19		3		19		3		19	
4		20		4		20		4		20	
5		21		5		21		5		21	
6		22		6		22		6		22	
7		23		7		23		7		23	
8		24		8		24		8		24	
9		25		9		25		9		25	
10		26		10		26		10		26	
11		27		11		27		11		27	
12		28		12		28		12		28	
13		29		13		29		13		29	
14		30		14				14		30	
15		31		15				15		31	
16				16				16			
(A) Total for month . . ▶				**(B)** Total for month . . ▶				**(C)** Total for month . ▶			

April tax liability				May tax liability				June tax liability			
1		17		1		17		1		17	
2		18		2		18		2		18	
3		19		3		19		3		19	
4		20		4		20		4		20	
5		21		5		21		5		21	
6		22		6		22		6		22	
7		23		7		23		7		23	
8		24		8		24		8		24	
9		25		9		25		9		25	
10		26		10		26		10		26	
11		27		11		27		11		27	
12		28		12		28		12		28	
13		29		13		29		13		29	
14		30		14		30		14		30	
15				15		31		15			
16				16				16			
(D) Total for month . . ▶				**(E)** Total for month . . ▶				**(F)** Total for month . . ▶			

Annual Record of Federal Tax Liability

(continued)

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Employer identification number

July tax liability				August tax liability				September tax liability			
1		17		1		17		1		17	
2		18		2		18		2		18	
3		19		3		19		3		19	
4		20		4		20		4		20	
5		21		5		21		5		21	
6		22		6		22		6		22	
7		23		7		23		7		23	
8		24		8		24		8		24	
9		25		9		25		9		25	
10		26		10		26		10		26	
11		27		11		27		11		27	
12		28		12		28		12		28	
13		29		13		29		13		29	
14		30		14		30		14		30	
15		31		15		31		15			
16				16				16			
(G) Total for month . . ▶				**(H)** Total for month . ▶				**(I)** Total for month . . ▶			

October tax liability				November tax liability				December tax liability			
1		17		1		17		1		17	
2		18		2		18		2		18	
3		19		3		19		3		19	
4		20		4		20		4		20	
5		21		5		21		5		21	
6		22		6		22		6		22	
7		23		7		23		7		23	
8		24		8		24		8		24	
9		25		9		25		9		25	
10		26		10		26		10		26	
11		27		11		27		11		27	
12		28		12		28		12		28	
13		29		13		29		13		29	
14		30		14		30		14		30	
15		31		15				15		31	
16				16				16			
(J) Total for month . . ▶				**(K)** Total for month . ▶				**(L)** Total for month . ▶			

(M) Total tax liability for year (add lines **(A)** through **(L)**). This should equal line 4 on Form 945 (or line 18 on Form CT-1) . . . . . ▶

Paperwork Reduction Act Notice.—We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us this information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping . . . . . 8 hr., 37 min.

Preparing and sending the form to the IRS . . . . . 8 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the IRS at the address listed in the instructions of the tax return with which this form is filed.

General Instructions

Purpose of form.—Use this form to report nonpayroll income tax withholding on a daily basis. These nonpayroll items include backup withholding and withholding on pensions, annuities, IRAs, Indian gaming profits, and gambling winnings. Also use Form 945-A to report tax liabilities reported on **Form CT-1,** Employer's Annual Railroad Retirement Tax Return. If you are a Form CT-1 filer, refer to Part II of the Form CT-1 for additional information that must be reported on Form 945-A.

Note: *Form 945-A is a summary of your tax liability,* ***not*** *a summary of deposits made.*

Who must file.—Semiweekly schedule depositors are required to complete and file Form 945-A with Form 945 or CT-1. Do not complete this form if you are a monthly schedule depositor, unless you accumulate a tax liability of $100,000 during any month of the year. Monthly schedule depositors who accumulate $100,000 become semiweekly schedule depositors for the remainder of the year and must complete Form 945-A for the entire year. The deposit rules, including the $100,000 deposit rule, are explained in section 11 of **Circular E,** Employer's Tax Guide, and the **Instructions for Form 945.**

Important.—Form 945-A is used by the IRS to match your tax liability reported on this form with your deposits made with Form 8109 and to determine if you have deposited your withholding tax liabilities on time. Unless Form 945-A is properly completed and filed with Form 945, the IRS will not be able to process your return and will have to contact you for the missing information.

Deposit withheld income tax (including backup withholding) with an authorized financial institution or the Federal Reserve bank or branch that serves your area. Include **Form 8109,** Federal Tax Deposit Coupon, with each deposit. Please see the instructions in the front of the coupon book for more information.

Specific Instructions

If you are required to report your tax liabilities on Form 945-A as discussed above, file it with Form 945. Do not complete entries **A** through **M** of the Monthly Summary of Federal Tax Liability (line 8 on Form 945). However, be sure to mark the semiweekly schedule depositor checkbox above line 8.

Each numbered space on Form 945-A corresponds to dates during the year. Report your tax liabilities corresponding to the dates payments are made, **not** to when the liabilities are accrued. For example, if you became liable for a pension distribution on December 31, 1994, but did not make the distribution until January 3, 1995, the income tax withholding liability for the distribution should be reported on Form 945-A for 1995 on line 3 for January.

Example A. Company A, which has a semiweekly deposit schedule, makes periodic payments on gambling winnings on the 15th day of each month. On December 20, 1995, in addition to its periodic payments, it withheld from a payment on gambling winnings under the backup withholding rules. Since Company A is a semiweekly schedule depositor, it must record these nonpayroll withholding liabilities on Form 945-A. It must report tax liabilities on line 15 for each month and line 20 for December. Company A enters the monthly totals on lines **A** through **L.** It adds these monthly subtotals and enters the total tax liability for the year on line **M.** The amount on line **M** should equal line 4 of Form 945.

Example B. Company B is a semiweekly schedule depositor. During January, it withheld income tax on pension distributions as follows: $52,000 on January 13; $35,000 on January 27. Since Company B is a semiweekly schedule depositor, it must record its income tax withholding liabilities on Form 945-A. It must record $52,000 on line 13 and $35,000 on line 27 for January.

Example C. Because Company C is a new business, it is a monthly schedule depositor for 1995. During January, it withheld income tax on nonpayroll payments as follows: $2,000 on January 13; $99,000 on January 27. The deposit rules require that a monthly schedule depositor begin depositing on a semiweekly deposit schedule when a $100,000 or more tax liability is accumulated on any day within a deposit period (see section 11 of Circular E for details). Since Company C accumulated $101,000 ($2,000 + $99,000) on January 27, 1995, it became a semiweekly schedule depositor. Company C must complete Form 945-A and file it with Form 945. It must record $2,000 on line 13 and $99,000 on line 27 for January. No entries should be made on line 8 of Form 945 although Company C was a monthly depositor until January 27.

Adjustments.—Semiweekly depositors must report adjustments on Form 945-A to correct **administrative errors** on prior returns. (**Reminder:** You will not be allowed a refund or credit for any prior year overpayment of income tax that you withheld or deducted from a payee.) See the Instructions for Form 945 and section 13 of Circular E for information on correcting administrative errors. (The Circular E instructions for making adjustments refer to Form 941, but also apply to Form 945 adjustments.) If the adjustment increases your current liability, report the adjustment on the entry space corresponding to the date the error was discovered.

If the adjustment decreases your current liability, use the adjustment amount as a credit to offset subsequent liabilities until it is used up. For example, on January 10, 1995, Company D discovered that a mathematical error was made on a prior period return, resulting in a $10,000 overstatement of nonpayroll income tax withholding. Since the correct amounts were withheld and reported on Forms 1099-R, this is an administrative error that can be corrected on Form 945. It made payments subject to nonpayroll income tax withholding on January 6, 13, 20, and 27 and had a $5,000 tax liability for each of those pay dates. On Form 945-A Company D must report $5,000 on line 6 for January. The adjustment for the $10,000 overstatement is used to offset the January 13 and 20 liabilities, so these two $5,000 liabilities are not deposited or reported on Form 945-A. The $5,000 liability for January 27 must be reported on line 27 for January.