

# Annual Record of Federal Tax Liability

Department of the Treasury  
Internal Revenue Service

► **File with Form 945, Form 945-X, CT-1, CT1-X, 944, 944-X, or Form 944-SS.**

Calendar Year \_\_\_\_\_

|                                                                                  |                                      |
|----------------------------------------------------------------------------------|--------------------------------------|
| Name (as shown on Form 945, Form 945-X, CT-1, CT1-X, 944, 944-X, or Form 944-SS) | Employer identification number (EIN) |
|----------------------------------------------------------------------------------|--------------------------------------|

You must complete this form if you are required to deposit on a semiweekly schedule or if your tax liability during any month was \$100,000 or more. Show tax liability here, not deposits. (The IRS gets deposit data from FTD coupons or EFTPS.) **DO NOT change your tax liability by adjustments reported on any Forms 945-X.**

| 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                         |  |    |
| <b>A Total for month ►</b> |  |    | <b>B Total for month ►</b> |  |    | <b>C Total for month ►</b> |  |    |
| 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                         |  |    |
| <b>D Total for month ►</b> |  |    | <b>E Total for month ►</b> |  |    | <b>F Total for month ►</b> |  |    |

## What's New?

**Change in reporting prior period adjustments.** Prior period adjustments previously reported on line 3 of Form 945, Annual Return of Withheld Federal Income Tax, line 12 of Form CT-1, Employer's Annual Railroad Retirement Tax Return, lines 6b through 6e of Form 944, Employer's ANNUAL Federal Tax Return, and lines 6c and 6e of Form 944-SS, Employer's ANNUAL Federal Tax Return – American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands, are no longer reported on Form 945-A.

Prior period adjustments are now reported on new Form 945-X, Adjusted Annual Return of Federal Income Tax or Claim for Refund, Form CT-1 X, Adjusted Employer's Annual Railroad Retirement Tax Return or Claim for Refund, and Form 944-X, Adjusted Employer's ANNUAL Federal Tax Return or Claim for Refund, respectively, and are not taken into account when figuring the tax liability for the current year.

When you file Form 945-A with your Form 945, CT-1, 944, or 944-SS, **do not** change your tax liability by adjustments reported on any Forms 945-X, CT1-X, or 944-X.

**Amended Form 945-A.** If you have been assessed a failure-to-deposit (FTD) penalty, you may be able to file an amended Form 945-A. See *Amending a Previously Filed Form 945-A* on page 3.

## General Instructions

**Purpose of form.** Use Form 945-A to report your federal tax liability (based on the dates payments were made or wages were paid) for the following tax returns.

- Forms 945 and 945-X for federal income tax withholding on nonpayroll payments. Nonpayroll withholding includes backup withholding and federal income tax withholding on pensions, annuities, IRAs, Indian Gaming profits, gambling winnings, and military retirement.
- Forms CT-1 and CT-1 X for withheld Tier I and Tier II taxes.
- Forms 944, and 944-X for social security and Medicare taxes.
- Form 944-SS for social security and Medicare taxes.

**Forms 944-PR, 944(SP), 944-X (SP), and 944-X (PR).** If you are a semiweekly schedule depositor who files Formulario 944-PR, Planilla para la Declaración Federal ANUAL del Patrono, or Formulario 944(SP),

| 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                         |  |    |
| <b>G Total for month ▶</b> |  |    | <b>H Total for month ▶</b> |  |    | <b>I Total for month ▶</b> |  |    |
| 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                         |  |    |
| <b>J Total for month ▶</b> |  |    | <b>K Total for month ▶</b> |  |    | <b>L Total for month ▶</b> |  |    |

**M** Total tax liability for the year (add lines **A** through **L**). This should equal line 3 on Form 945 (line 13 on Form CT-1, line 9 on Form 944, or line 7 on Form 944-SS.) ▶

Declaración Federal ANUAL de Impuestos del Patrono o Empleador, you should use Formulario 943A-PR, Registro de la Obligación Contributiva Federal del Patrono Agrícola, to report your tax liability.

**Who must file.** Semiweekly schedule depositors must complete and file Form 945-A with their tax return. **Do not** file Form 945-A if your tax liability for the return period is less than \$2,500. **Do not** file this form if you are a monthly schedule depositor unless you accumulated 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 the next year) and must complete Form 945-A for the entire year.

The deposit rules, including the \$100,000 Next-Day Deposit Rule, are explained in section 11 of Pub. 15 (Circular E), Employer's Tax Guide; section 8 of Pub. 80 (Circular SS), Federal Tax Guide for Employers in the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands; and in the instructions for your tax return.

**Caution.** IRS uses Form 945-A to match the tax liability you reported on the returns indicated above with your deposits. The IRS also uses Form 945-A to determine if you have deposited your withholding and employment tax liabilities on time. Unless Form 945-A is properly completed and filed (if applicable) with your federal income tax withholding or employment tax return, the IRS may propose an "averaged" failure-to-deposit penalty. See *Deposit Penalties* in section 11 of Pub. 15 (Circular E); or section 8 of Pub. 80 (Circular SS) for more information.

## Specific Instructions

If you must report your tax liabilities on Form 945-A as discussed above, file it with your tax return. Each numbered space on Form 945-A corresponds to a date during the year. Report your tax liabilities in the spaces that correspond to the dates you made payments, not the date tax deposits were made. For example, if you became liable for a pension distribution on December 31, 2008, but did not make the distribution until January 3, 2009, the federal income tax withholding liability for the distribution must be reported on Form 945-A for 2009, on line 3 under January Tax Liability.

**Enter your business information.** Carefully enter your employer identification number (EIN) and name at the top of the form. Make sure that they exactly match the name of your business and the EIN that the IRS assigned to your business and also agree with the name and EIN shown on the attached Form 945, 945-X, CT-1, CT-1 X, 944, 944-X, or 944-SS.

**Calendar year.** Enter the calendar year of the Form 945, 945-X, CT-1, CT-1 X, 944, 944-X, or 944-SS to which Form 945-A is attached.

**Form 945 filers.** Do not complete entries A through M of the Monthly Summary of Federal Tax Liability (line 7 on Form 945). Be sure to mark the semiweekly schedule depositor checkbox above line 7 on Form 945.

**Form CT-1 filers.** Do not complete the Monthly Summary of Railroad Retirement Tax Liability (page 2 on Form CT-1).

**Form 944 and 944-SS filers.** On Form 944, check the box for "Line 9 is \$2,500 or more" at line 15, and leave blank lines 15a-15m and complete line 16. On Form 944-SS, check the box for "Line 7 is \$2,500 or more" at line 15, and leave blank lines 15a-15m.

**Enter your tax liability by month.** Enter your tax liabilities in the spaces that correspond to the dates you **paid** wages to your employees, not the date payroll deposits were made. The total tax liability for the year (line M) must equal net taxes on Form 945 (line 3), Form 944 (line 9), Form 944-SS (line 7), or Form CT-1 (line 13). Report your tax liabilities on this form corresponding to the dates of each wage payment, **not** to when payroll liabilities are accrued. Enter the monthly totals on lines A, B, C, D, E, F, G, H, I, J, K, and L. Enter the total for the year on line M.

For example, if you are a Form 945 filer, your payroll period ended on December 31, 2008, and you **paid** the wages for that period on January 6, 2009, you would:

- go to January, and
- enter your tax liability on line 6 (because line 6 represents the sixth day of the month).



*Make sure you have checked the appropriate box below line 6 of Form 945 to show that you are a semiweekly schedule depositor.*

**Example 1.** Cedar Co., which has a semiweekly deposit schedule, makes periodic payments on gambling winnings on the 15th day of each month. On December 24, 2008, in addition to its periodic payments, it withheld from a payment on gambling winnings under the backup withholding rules. Since Cedar Co. 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 24 for December.

Cedar Co. 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 3 of Form 945.

**Example 2.** Fir Co. is a semiweekly schedule depositor. During January, it withheld federal income tax on pension distributions as follows: \$52,000 on January 10; \$35,000 on January 24. Since Fir Co. is a semiweekly schedule depositor, it **must** record its federal income tax withholding liabilities on Form 945-A. It must record \$52,000 on line 10 and \$35,000 on line 24 for January.

**Example 3.** Because Elm Co. is a new business, it is a monthly schedule depositor at the beginning of 2009. During January, it withheld federal income tax on nonpayroll payments as follows: \$2,000 on January 10; \$99,000 on January 24. 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 month (see section 11 of Pub. 15 (Circular E), Employer’s Tax Guide, for details). Since Elm Co. accumulated \$101,000 (\$2,000 + \$99,000) on January 24, 2009, it became a semiweekly schedule depositor on January 25, 2009. Elm Co. must complete Form 945-A and file it with Form 945. It must record \$2,000 on line 10 and \$99,000 on line 24 for January. **No entries** should be made on line 7 of Form 945 although Elm Co. was a monthly schedule depositor until January 24.

## Amending a Previously Filed Form 945-A

**Semiweekly schedule depositors.** If you have been assessed a failure-to-deposit (FTD) penalty **AND** you made an error on Form 945-A **AND** the correction will not change the total liability you reported on Form 945-A, you may be able to reduce your penalty by filing a corrected Form 945-A.

**Example.** You reported a liability of \$3,000 on day 1 of January. However, the liability was actually for March. Prepare an amended Form 945-A showing the \$3,000 liability on day 1 of March. Also, you must enter the liabilities previously reported for the year that did not change. Write “Amended” at the top of Form 945-A. The IRS will refigure the penalty and notify you of any change in the penalty.

**Monthly schedule depositors.** You can also file an amended Form 945-A if you have been assessed an FTD penalty and you made an error on the monthly tax liability section of Form 945. When completing Form 945-A, only enter the monthly totals. The daily entries are not required.

**Where to file.** File your amended Form 945-A at the address provided in the penalty notice you received. You do not have to submit your original Form 945-A.

## Forms 945-X, CT-1 X, and 944-X

**Tax decrease.** If you are filing Form 945-X, Form CT-1 X, or Form 944-X, you can file an amended 945-A with the form if both of the following apply.

1. You have a tax decrease **AND**
2. You were assessed an FTD penalty.

File your amended Form 945-A with Form 945-X, Form CT-1 X, or Form 944-X. The total liability reported on your corrected Form 945-A must equal the corrected amount of tax reported on Form 945-X, Form CT-1 X, or Form 944-X. If your penalty is decreased, the IRS will include the penalty decrease with your tax decrease.

**Tax increase—Form 945-X, CT-1 X, or Form 944-X filed timely.** If you are filing a timely Form 945-X, CT-1 X, or Form 944-X showing a tax increase, do not file an amended Form 945-A, unless you were assessed an FTD penalty caused by an incorrect, incomplete, or missing Form 945-A. Do not include the tax increase reported on Form 945-X, CT-1 X, or Form 944-X on an amended 945-A you file.

**Tax increase—Form 945-X, CT-1 X, or Form 944-X filed late.** If you owe tax and are filing late, that is, after the due date of the return for the filing period in which you discovered the error, you must file the form with an amended Form 945-A. Otherwise, IRS may assess an “averaged” FTD penalty.

**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 the 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.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Code section 6103.

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

|                                                            |                |
|------------------------------------------------------------|----------------|
| <b>Recordkeeping</b> . . . . .                             | 6 hr., 27 min. |
| <b>Learning</b> . . . . .                                  | 6 min.         |
| <b>Preparing and sending the form to the IRS</b> . . . . . | 12 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 Privacy Act Notice for your tax return.