



TaxNewsFlash

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Corporations subject to CAMT must file Form 2220 to qualify for estimated tax penalty relief

The instructions to Form 2220, *Underpayment of Estimated Tax by Corporations*, and Form 1120, *U.S. Corporation Income Tax Return*, have been updated to clarify that affected corporations must file Form 2220 with their federal income tax returns to qualify for relief from penalties under section 6655 for corporations that do not pay estimated tax related to the new corporate alternative minimum tax (CAMT), even if they owe no estimated tax penalty.

- Read [2023 Form 2220 instructions](#)
- Read [2023 Form 1120 instructions](#)

Background

The IRS announced in Notice 2023-42 that it would waive penalties under section 6655 for a corporation's failure to pay estimated income tax with respect to its CAMT liability for a tax year that begins after December 31, 2022, and before January 1, 2024. Read [TaxNewsFlash](#)

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