

## Instructions for Handwritten Forms

### Guidelines



Do not use red ink.  
Use blue or black ink.



Do not use dollar  
signs, commas, or  
other punctuation marks.



### Printing



Set page scaling to  
“none.” The Auto-Rotate  
and Center checkbox  
should be unchecked.



Do not select “print on  
both sides of paper.”



### Before You Send



Do not submit  
photocopies of returns.  
Submit originals only.



Do not mix form types



# D-422A

## 2025 Annualized Income Installment Worksheet

Name(s) shown on tax return

Social Security Number

### Instructions

If you do not receive your income evenly throughout the year because, for example, you operated your business on a seasonal basis, your required estimated tax payment for one or more periods may be reduced by completing the 2025 Annualized Income Installment Worksheet. (For additional information on determining estimated tax, see Form D-422, Underpayment of Estimated Tax by Individuals. For details, visit [ncdor.gov](http://ncdor.gov).)

The annualized income installment method annualizes your tax at the end of each period based on a reasonable estimate of your income and deductions relating to events that occurred from the beginning of the tax year through the end of the period. To see whether you were required to pay less for any period, complete the worksheet below.

If you use the 2025 Annualized Income Installment Worksheet for any payment due date, you must use it for all payment due dates. To arrive at the amount of each required installment, the worksheet automatically selects the smaller of the annualized income installment or the regular installment (increased by the amount saved by using the annualized income installment

method in figuring earlier installments.) If you use the annualized income installment method, you must enter the amount of Line 25 from the worksheet below on Form D-422, Line 16, for each column, and check the box on that line. **Important:** If you annualized income, you must enter the letter **E** in the exception box located next to Line 26e of Form D-400 to avoid receiving an assessment for underpayment of estimated tax. (For more information on exceptions to underpayment of estimated tax, see Form D-401. For details, visit [ncdor.gov](http://ncdor.gov).)

### Important Information for Part-Year Residents and Nonresidents:

Part-year residents and nonresidents should complete only the column(s) for the period(s) in which they had income from North Carolina sources. For example, if the income from North Carolina sources was received in November only, complete only the last column. In addition, part-year residents and nonresidents must multiply any amount(s) on Line 15 by the decimal amount shown on Form D-400, Line 13, before determining the tax on Line 16, Form D-422A.

2025 Annualized Income Installment Worksheet		1-1-25 to 3-31-25	1-1-25 to 5-31-25	1-1-25 to 8-31-25	1-1-25 to 12-31-25
Complete Lines 1 through 25 of one column before going to Line 1 of the next column					
1.	Enter your federal adjusted gross income for each period				
2.	Enter the applicable additions to federal adjusted gross income for each period (From 2025 Form D-400, Line 7)				
3.	Add Line 1 plus Line 2				
4.	Enter the applicable deductions from federal adjusted gross income for each period (From 2025 Form D-400, Line 9)				
5.	Line 3 minus Line 4				
6.	Annualized amounts				
7.	Annualized Income. Multiply Line 5 by Line 6	4	2.4	1.5	1
8.	N.C. itemized deductions for each period. (From 2025 Form D-400, Line 11) <b>Important:</b> If you do not claim N.C. itemized deductions, enter zero and skip to Line 11.				
9.	Annualized amounts				
10.	Multiply Line 8 by Line 9				
11.	N.C. standard deduction (From 2025 Form D-400, Line 11)				
12.	Enter Line 10 or 11, whichever is greater				
13.	Line 7 minus Line 12				
14.	Child Deduction (From 2025 Form D-400, Line 10b)				
15.	Line 13 minus Line 14				
16.	Figure your tax by multiplying the amount on Line 15 by 4.25% (.0425). Subtract the tax credits shown on Form D-422, Part I, Line 2; enter the net amount for each period.				
17.	Applicable percentage	22.5%	45%	67.5%	90%
18.	Multiply Line 16 by Line 17				
19.	Enter the total of the amounts in all previous columns of Line 25				
20.	Line 18 minus Line 19. If less than zero, enter zero.				
21.	Divide the amount on Form D-422, Part I, Line 8 by 4 and enter the result in each column				
22.	Enter the amount from Line 24 for the preceding column				
23.	Add Line 21 plus Line 22				
24.	If Line 23 is more than Line 20, subtract Line 20 from Line 23. Otherwise, enter zero.				
25.	Enter the smaller of Line 20 or Line 23 here and on Form D-422, Line 16				

**Do not file this form with your return. Keep it for your records.**