

***Attention !!!***

This form requires special handling.

Procedures contained in Publication 1167  
(Catalog #47013F), *Substitute Printed, Computer-  
Prepared, and Computer-Generated Tax Forms  
and Schedules*, or other Revenue Procedures  
which govern the distribution or reproduction  
of specialty products may apply.

# Annual Record of Federal Tax Liability

► File with Forms 945 or CT-1.

Employer identification number

		January tax liability																February tax liability																March tax liability															
		17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31			
<b>(A) Total for month</b> ►																																																	
		April tax liability																May tax liability																June tax liability															
		17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31			
<b>(D) Total for month</b> ►																																																	
<b>(E) Total for month</b> ►																																																	
<b>(F) Total for month</b> ►																																																	

# Annual Record of Federal Tax Liability

(continued)

Form 945-A (7-94)

**6565**

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	31
16		16		16	
<b>(G)</b> Total for month ▲		<b>(H)</b> Total for month ▲		<b>(I)</b> 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	31	15	31
16		16		16	
<b>(J)</b> Total for month ▲		<b>(K)</b> Total for month ▲		<b>(L)</b> Total for month ▲	

**(M)** Total tax liability for year (add lines **(A)** through **(L)**). This should equal line 3 on Form 945

**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 more simple, we would be happy to hear from you. You can write to both the IRS and the Office of Management and Budget at the addresses listed in the instructions of the tax return with which this form is filed.

Beginning in 1994, nonpayroll items have been moved from **Form 941**, Employer's Quarterly Federal Tax Return, to the new **Form 945**, Annual Return of Withheld Federal Income Tax. These nonpayroll items include backup withholding and withholding on gambling winnings, pensions, annuities, and IRAs. Your tax liability and deposit requirements for these Form 945 items will be treated as separate from any liabilities on Form 941 beginning January 1, 1994. The tax liabilities for all the items on Form 945 are combined for purposes of determining the deposit requirements.

## General Instructions

**Purpose of Form.**—Use this form to report your tax liability (backup withholding and income tax withheld from gambling winnings, pensions, annuities, and IRAs) on a daily basis. Also use Form 945-A to report tax liabilities reported on **Form CT-1**, Employer's Annual Railroad Retirement Tax Return.

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

**Who Must File.**—Semiweekly depositors are required to complete and file Form 945-A with Forms 945 and CT-1. Do not complete this form if you are a monthly depositor, unless you accumulate a tax liability of \$100,000 during any month of the year. Monthly depositors who accumulate \$100,000 become semiweekly 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 depository or the Federal Reserve bank or branch that serves your area. Include **Form 8109**, Federal Tax Deposit Coupon, with each deposit. Darken the "Form 945" box under the "Type of Tax" section on the coupon. (See the Instructions for Form 945 for more information on depositing taxes.)

To avoid a possible penalty, do not mail deposits directly to the IRS. Records of your deposits will be sent to the IRS for crediting to your business accounts. Please see the instructions in the front of the coupon book for more information.

## Specific Instructions

**Completing the Annual Record of Federal Tax Liability.**—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 7 on Form 945). However, be sure to mark the semiweekly depositor checkbox above line 7.

Each numbered space on the schedule corresponds to dates during the year. Report your tax liabilities on this schedule 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, 1993, but did not make the distribution until January 7, 1994, the income tax withholding liability for the distribution should be reported on Form 945-A for 1994 on line 7 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, 1994, 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 is required to record these nonpayroll withholding liabilities on Form 945-A. It should report tax liabilities on line 15 for each month and line 20 for December.

Enter the monthly totals on lines **(A)** through **(L)**. Add these monthly subtotals and enter the total tax liability for the year on line **(M)**. The amount on line **(M)** should equal line 3 of Form 945.

**Example B:** Company B is a semiweekly depositor. During January, it withheld income tax on pension distributions as follows: \$52,000 on January 14; \$35,000 on January 28. Since Company B is a semiweekly depositor, it is required to record its income tax withholding liabilities on Form 945-A. It must record \$52,000 on line 14 and \$35,000 on line 28 for January.

**Example C:** Because Company C is a new business, it is a monthly depositor for 1994. During January, it withheld income tax on nonpayroll payments as follows: \$2,000 on January 7; \$99,000 on January 26. The deposit rules require that a monthly depositor must 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 26, 1994, it became a semiweekly depositor on that date and must complete Form 945-A and file it with Form 945. It should record \$2,000 on line 7 and \$99,000 on line 26 for January. No entries should be made on line 7 of Form 945 although Company C was a monthly depositor until January 26.

**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 net adjustment increases your current liability, report the adjustment on the entry space corresponding to the date the error was discovered.

If the net 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, 1994, 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 7, 14, 21, and 28 and had a \$5,000 tax liability for each of those pay dates. Company D must report on Form 945-A \$5,000 on line 7 for January. The adjustment for the \$10,000 overstatement is used to offset the January 14 and 21 liabilities, so these two \$5,000 liabilities are not deposited or reported on Form 945-A. The \$5,000 liability for January 28 must be reported on line 28 for January.