SCHEDULE B
(Form 941)

(July 1990)

Department of the Treasury
Internal Revenue Service

Supplemental Record of Federal Tax Liability

OMB No. 1545-0029
Expires: 5-31-93

Name as shown on Form 941 (or Forms 941E, 941SS, 943 or CT 1)	Employer identification number	Date quarter ended

Record of Federal Tax Liability—Complete this schedule only if your tax liability for any eighth-monthly period this quarter is $100,000 or more. Show tax liability here, **not deposits.** IRS gets deposit data from FTD coupons. Enter in column (2) your total tax liability for each eighth-monthly period. You must also enter in columns (3) through (6) your daily tax liability for each eighth-monthly period in which your tax liability is $100,000 or more. See instructions for examples.

1	Total Tax Liability For Each Eighth-Monthly Period	Daily Tax Liability First Month of Quarter			
	2	**3**	**4**	**5**	**6**
A		1st	2nd	3rd	
B		4th	5th	6th	7th
C		8th	9th	10th	11th
D		12th	13th	14th	15th
E		16th	17th	18th	19th
F		20th	21st	22nd	
G		23rd	24th	25th	
H		26th	27th	28th	29th
		30th	31st		
		Daily Tax Liability Second Month of Quarter			
I		1st	2nd	3rd	
J		4th	5th	6th	7th
K		8th	9th	10th	11th
L		12th	13th	14th	15th
M		16th	17th	18th	19th
N		20th	21st	22nd	
O		23rd	24th	25th	
P		26th	27th	28th	29th
		30th	31st		
		Daily Tax Liability Third Month of Quarter			
Q		1st	2nd	3rd	
R		4th	5th	6th	7th
S		8th	9th	10th	11th
T		12th	13th	14th	15th
U		16th	17th	18th	19th
V		20th	21st	22nd	
W		23rd	24th	25th	
X		26th	27th	28th	29th
		30th	31st		
	Add amounts in column 2	▶ Enter this amount on line *IV* of the Record of Federal Tax Liability on the bottom of Form 941 (or Forms 941E, 941SS, 943A, Schedule A (Form 941) or CT-1).			

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

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

Recordkeeping	5 hrs. 16 min.
Learning about the law or the form	6 min.
Preparing, copying, assembling, and sending the form to IRS	11 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.

Highlights

Item to Note.—Effective for deposit periods ending after July 31, 1990, if you accumulate undeposited payroll taxes of $100,000 or more in any eighth-monthly period, you are required to deposit the payroll taxes by the close of the next banking day after you accumulate $100,000 or more. You may no longer wait until the third banking day after the close of the eighth-monthly period.

For employment taxes required to be deposited after December 31, 1989, a four-tiered penalty structure has been established in which the amount of the penalty varies with the length of time within which the taxpayer corrects the failure to make the required deposit. The failure to deposit penalty rate will be 2 per cent for the first five days of delinquency, 5 per cent for the sixth through the 15th day, 10 per cent for over 15 days, and 15 per cent if the taxes are not paid within ten days after the Service issues the first notice demanding payment.

Example A: X Co. pays its employees once every two weeks on Monday. X Co.'s payroll tax liability for the third quarter of 1990 is:

Payroll Date	Payroll Tax Liability	Eighth-Monthly Period
July 9, 1990	150,000	C
July 23, 1990	90,000	G
August 6, 1990	150,000	J
August 20, 1990	95,000	N
September 3, 1990 (Holiday)		
September 4, 1990	105,000	R
September 17. 1990	95,000	U

The July 9th liability of $150,000 is due by July 16th, three banking days after the end of eighth-monthly period C. The next day rule is not effective until after July 31, 1990.

The July 23rd liability of $90,000 is due by July 30th, three banking days after the end of eighth-monthly period G.

The August 6th liability of $150,000 is due on August 7th. The next banking day rule applies.

The August 20th liability of $95,000 is due by August 27th, three banking days after the end of eighth-monthly period N.

The September 4th liability of $105,000 is due on September 5th. The next banking day rule applies.

The September 17th liability of $95,000 is due by September 24th, three banking days after the end of eighth-monthly period U.

Example B: Z Co. has three divisions. Z Co. pays its employees every two weeks. Z Co. pays each division on a different day. Division A on every other Monday, Division B on every other Wednesday and Division C on every other Friday. Z Co.'s payroll tax liability from July 15, 1990 through August 15, 1990 is:

Payroll Date	Payroll Tax Liability	Eighth-Monthly Period
July 16, 1990	55,000	E
July 18. 1990	50,000	E
July 20, 1990	65,000	F
July 30, 1990	55,000	H
August 1, 1990	40,000	I
August 3, 1990	65,000	I
August 13, 1990	55,000	L
August 15, 1990	40,000	L

Eighth-monthly period E's liability of $105,000 is due by Tuesday, July 24th. The three banking day rule applies. The next day rule is not effective until after July 31, 1990.

Eighth-monthly period F's liability of $65,000 is due by Wednesday, July 25th. The three banking day rule applies.

Eighth-monthly period H's liability of $55,000 is due by Friday. August 3rd. The three banking day rule applies.

Eighth-monthly period I's liability must be analyzed by day. Wednesday, August 1st's liability of $40,000 plus Friday, August 3rd's liability of $65,000 must be deposited on Monday, August 6th. This deposit is subject to the next banking day rule once the undeposited taxes are $100,000 or more.

Eighth-monthly period L's liability of $95,000 is due by Monday, August 20th. The three banking day rule applies.

General Instructions

Purpose of Form.—Use this form to report your tax liability (income tax withheld, backup withholding, plus both employee and employer social security taxes minus any advance earned income credit) by day for any eighth-monthly period in which your tax liability is $100,000 or more.

Who Must File.—Employers who have a tax liability of $100,000 or more for any eighth-monthly period must file this form along with **Form 941,** Employer's Quarterly Federal Tax Return, **Form 941E,** Quarterly Return of Withheld Federal Income Tax and Hospital Insurance (Medicare) Tax, **Form 941SS,** Employer's Quarterly Federal Tax Return, **Form 943,** Employer's Annual Tax Return for Agricultural Employees or **CT·1,** Employer's Annual Railroad Retirement and Unemployment Repayment Tax Return.

Specific Instructions

Completing the Supplemental Record of Federal Tax Liability.—When your undeposited payroll tax liability (including backup withholding) is $100,000 or more, you are required by section 6302(g) to deposit the tax on the next banking day. When your payroll tax liability for any eighth-monthly period is $100,000 or more, you must report your tax liability on Schedule B (Form 941) and you must leave the Record of Federal Tax Liability on the bottom of Form 941 (or Forms 941E, 941SS, or 943) blank. You must enter in column (2) your total payroll tax liability for each eighth-monthly period in which you have a liability. You must report your tax liability by day in columns (3) through (6) for each eighth-monthly period in which your total tax liability is $100,000 or more.

Example 1. Taxpayer A reports $60,000 of tax liability for eighth-monthly periods A, D, L, Q, and T and $110,000 for period I. Taxpayer A does not have any tax liability for the eighth-monthly periods not mentioned. Taxpayer A must leave the Record of Federal Tax Liability on the bottom of Form 941 blank and file Schedule B (Form 941) along with Form 941. Taxpayer A must only enter his/her payroll tax liability by day for eighth-monthly period I on Schedule B (Form 941). Taxpayer A must also enter the total liability in column (2) for eighth-monthly periods A, D, I, L, Q, and T

Example 2: Taxpayer B reports $45,000 of tax liability for every eighth-monthly period except for eighth-monthly periods D, L, and T, where $165,000 is reported for each period. Taxpayer B must leave the Record of Federal Tax Liability on the bottom of Form 941 blank and file Schedule B (Form 941) along with Form 941. Taxpayer B must enter his/her tax liability by day on Schedule B (Form 941) for eighth-monthly periods D, L, and T Taxpayer B must also enter the total liability in column (2) for eighth-monthly periods A through X.

Example 3: Taxpayer C reports $25,000 of tax liability for eighth-monthly periods A through X. Taxpayer C is not required to file Schedule B (Form 941) but instead must complete the Record of Federal Tax Liability on the bottom of Form 941.

Note: This is a record of when you were liable for taxes, NOT a record of when you made a deposit. Do NOT show Federal tax deposits on this form.