

Attach this form to Form 760, 763, 760PY or 770

For calendar year 1997 or taxable year beginning _____, 1997 and ending _____, 19_____.

Name, Address, And Social Security Number (or FEIN)	
First Name, Middle Initial and Last Name (of Both if Joint) - OR - Name of Estate or Trust	Your Social Security Number or FEIN
If Estate or Trust, Name and Title of Fiduciary	Spouse's Number, if Joint Declaration
Present Home Address (Number and Street or Rural Route)	(For Office Use)
City, Town or Post Office and State	ZIP Code

PART I HOW TO COMPUTE YOUR UNDERPAYMENT	
If you meet either of the two exceptions in Part II which void the addition to tax, skip to line 7.	
1. Enter the amount of your 1997 Virginia income tax liability after nonrefundable credits. (If \$150 or less, you are not required to file Form 760F.)	1
2. Enter 66 ² / ₃ % (.666) of the amount on line 1.	2
3. Enter the amount of your 1996 income tax liability after nonrefundable credits.	3
4. Enter the amount from line 2 or line 3, whichever is less.	4
5. Enter the amount withheld and/or the amount of estimated tax paid or credited by January 15, 1998.	5
6. Underpayment of estimated tax (subtract the amount on line 5 from the amount on line 4).	6
PART II EXCEPTIONS WHICH VOID THE ADDITION TO TAX	
7. EXCEPTION 1: Tax on your 1996 Virginia income tax return.	7
8. EXCEPTION 2: Tax based on 1996 income using 1997 rates and exemptions (see instructions on back)	8
PART III HOW TO COMPUTE THE ADDITION TO TAX	
If you meet either of the two exceptions in Part II which void the addition to tax, do not complete Part III.	
9. Amount of underpayment from line 6.	9
10. Number of days after January 15, 1998, through the date the amount on line 9 was paid or May 1, 1998, whichever is earlier. If May 1 is earlier, enter 106.	10
11. Multiply line 10 by the daily interest rate, .00030 (11% per annum).	11
12. Addition to Tax Balance Due: Multiply the amount on line 9 by line 11 (see instructions on back)	12

1997 FORM 760F INSTRUCTIONS

DEFINITION OF FARMER OR FISHERMAN

For the purpose of the Virginia estimated income tax, "a farmer or fisherman" is an individual having an estimated Virginia gross income from self-employed farming or fishing for the taxable year which is at least two-thirds (66 $\frac{2}{3}$ %) of his total estimated Virginia gross income for the taxable year.

PURPOSE OF THIS FORM

If you are an individual taxpayer who is a qualified farmer or fisherman, you may use this form to determine whether your income tax was sufficiently paid throughout the year by withholding and/or by timely filed installment payments of estimated income taxes. If it was not, you may owe an addition to tax computed at the applicable daily interest rate. Form 760C is the equivalent form for individual taxpayers who are not farmers or fishermen.

If your Virginia adjusted gross income is below the FILING THRESHOLD, you are not required to complete this form because you were not required to file an income tax return. You must file a Virginia individual income tax return if your Virginia Adjusted Gross Income (VAGI) is greater than or equal to the filing threshold for your filing status. The filing threshold amount for a single individual is also applicable to dependent children. The filing threshold amounts are as follows:

Filing Status is:	And Your VAGI is Greater than or Equal to:
Single	\$5,000
Married, filing joint or combined return	\$8,000
Married, filing separate return	\$4,000

If your Virginia income tax liability is \$150 or less after subtracting your Virginia withholding and other tax credits (except estimated and extension payments), you do not have to complete this form; you do not owe an addition to tax.

If you meet both of the following tests, do not file this form because you do not owe an addition to tax.

1. Your gross income from self-employed farming and/or fishing is at least two-thirds of your annual gross income for the taxable year, and
2. You filed Form 760, Form 760S, Form 760PY, Form 763 or Form 770 and paid the entire tax due by March 1, 1998.

For assistance, contact the Commissioner of the Revenue, Director of Finance or Director of Tax Administration for your Virginia city or county; or the **Department of Taxation, P.O. Box 1115, Richmond, VA 23218-1115, or (804) 367-8031**. If you have a computer and have access to the World Wide Web, you can obtain most Virginia income tax forms by connecting to: <http://www.state.va.us/tax/tax.html>.

PART I HOW TO COMPUTE YOUR UNDERPAYMENT

Line 1. Amount of 1997 Virginia income tax liability after nonrefundable credits. To compute your tax liability:

- A. Forms 760 and 760PY - Subtract line 18(e) from line 17 of Form 760 or Form 760PY and enter the result; or
- B. Form 760S - Enter the amount from line 9 of Form 760S; or
- C. Form 763 - Subtract line 19(d) from line 18 on Form 763 and enter the result; or
- D. Form 770 - Subtract lines 5(d), (e), (f), (g), and (h) from line 4 on Form 770 and enter the result.

NOTE: You are not required to file Form 760F if the amount on line 1 is \$150 or less.

Line 2. Enter 66 $\frac{2}{3}$ % (.666) of the amount on line 1.

Line 3. Enter the amount of your 1996 income tax liability after nonrefundable credits.

Line 4. Enter the amount from line 2 or line 3, whichever is less.

Line 5. Enter the amount withheld and/or estimated tax paid or credited by January 15, 1998.

NOTE: Fiscal year taxpayers - If you filed your return on a fiscal year basis, change the dates to correspond to your fiscal year.

Line 6. Underpayment of estimated tax - Subtract the amount on line 5 from the amount on line 4.

PART II EXCEPTIONS WHICH VOID THE ADDITION TO TAX

If you underpaid your tax, complete this section to determine if you meet one of the exceptions on line 7 or line 8. If you meet either exception, complete the appropriate line on this form. If you do not meet either exception, complete PART III to compute the addition to tax.

Line 7. EXCEPTION 1: You qualify if (1) your withholding and/or timely estimated tax payments for the taxable year 1997 equal or exceed the tax shown on your return for the taxable year 1996 AND (2) if a Virginia return showing a tax liability was filed for 1996 AND (3) the return was for a period of twelve months. Income tax withheld during the year may be considered paid on the required installment date.

Line 8. EXCEPTION 2: You qualify if your withholding and/or timely estimated income tax payments (line 5 above) for the taxable year 1997 equal or exceed the amount that would be due by computing your 1996 tax using the 1997 rates and personal exemptions.

PART III HOW TO COMPUTE THE ADDITION TO TAX

Line 9. If line 6 is an underpayment, enter that amount here.

Line 10. Compute the number of days that the underpayment on line 9 was late.

NOTE: Fiscal year taxpayers - If you filed your return on a fiscal year basis, compute the number of days based on the due date of your income tax return.

Line 11. Multiply line 10 by the daily rate, .00030 (11% per annum).

NOTE: Fiscal year taxpayers - If you filed your return on a fiscal year basis, change the interest rate to correspond to the daily interest rate applicable to the due date of your income tax return.

Line 12. Addition to tax - Multiply the amount on line 9 by line 11.

Enter the amount from line 12 on the addition to tax line on your income tax return. If filing Form 760, 760S, 760PY or 763, also check the farmers and fishermen box in the signature section of the return. If filing Form 770, check the Form 760F box on the front of the return and enter the amount of addition to tax in the box below line 10 on Form 770. You may write one check for payment of the addition to tax and any amount you may owe on your income tax return.