Forms & Instructions

California 540NR

2008 Nonresident or Part-Year Resident Booklet

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FRANCHISE TAX BOARD

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Important Due Dates

When the due date falls on a weekend or holiday, the deadline to file and pay without penalty is extended to the next business day.

April 15, 2009	Last day to file and pay the 2008 amount you owe to avoid penalties and interest.* See form FTB 3519 on page 59 for more information. *If you are living or traveling outside the United States on April 15, 2009, the due dates for filing your return and paying your tax are different. See form FTB 3519 on page 59 for more information.
October 15, 2009	Last day to file or e-file your 2008 return to avoid penalties and interest computed from the original due date of April 15, 2009.
April 15, 2009 June 15, 2009 September 15, 2009 January 15, 2010	Due dates for 2009 estimated tax payments. Generally, you do not have to make estimated tax payments if your California withholding in each payment period totals 90% of your required annual payment. Also, you do not have to make estimated tax payments if you will pay enough through withholding to keep the amount you owe with your return under $500 ($250 if married/registered domestic partner (RDP) filing separately). However, if you do not pay enough tax either through withholding or by making estimated tax payments, you may have an underpayment of estimated tax penalty. For more information call 800.338.0505, select personal income tax, then select frequently asked questions, and enter code **208**.

$$$ for You

Earned Income Tax Credit (EITC) – EITC reduces your federal tax obligation, or allows a refund if no federal tax is due. You qualify if:

- You earned less than $38,646 ($41,646 if married filing jointly) and you have qualifying children.
- You have no qualifying children and you earned less than $12,880 ($15,880 if married filing jointly).

Call the IRS at 800.829.4477, when instructed enter topic 601, see your federal income tax booklet, or go to the IRS website at **irs.gov** and search for **eitc assistant**. Currently, no comparable state credit exists.

Refund of Excess State Disability Insurance (SDI) – If you worked for at least two employers during 2008 who together paid more than $86,698 in wages may qualify for a refund of excess SDI. See the instructions on page 22.

Common Errors and How to Prevent Them

Help us process your return quickly and accurately. When we find an error, it requires us to stop to verify the information on the return, which slows processing. The most common errors consist of:

- Claiming the wrong amount of estimated tax payments
- Claiming the wrong amount of standard deduction or itemized deductions
- Making tax computation errors
- Calculating the wrong amount of total credits

To avoid errors and to help process your return faster, use these helpful hints when preparing your return.

Claiming Estimated Tax Payments:

- Verify the amount of estimated tax payments claimed on your return matches what you sent to the Franchise Tax Board (FTB) for that year. Go to our website at **ftb.ca.gov** and search for **myftb account** to view your total estimated tax payments before you file your return.
- Verify the overpayment amount from your 2007 tax return you requested to be applied to your 2008 estimated tax.
- If the FTB records do not match the amount of estimated tax payments claimed, a "Return Information Notice" will be sent explaining the difference.

Claiming standard deduction or itemized deductions:

- See Form 540NR, line 18 instructions and worksheets for the amount of standard deduction or itemized deductions you can claim.

Computing your Tax:

- Verify the total tax amount on Form 540NR, line 42 is calculated correctly.
- Go to our website at **ftb.ca.gov** and search for **tax calculator** to compute your tax with the tax calculator or with the tax tables.
- Locate the correct tax amount from the tax table (in this booklet) and transfer it to your return correctly.
- Verify any affected schedule to ensure that the total tax amount is correctly transferred over.

Calculating total credits:

- Verify the total credits on Long Form 540NR, line 36 to ensure the amount is calculated correctly.

By using the helpful hints above, you assist in preventing delays in processing your return and unnecessary account adjustments.

Do I Have to File?

Steps to Determine Filing Requirement (If you are a nonresident of California and received income in 2008 with sources in California, go to Step 1. For more details see page 6.)

Step 1: Is your gross income (gross income is computed under California law and consists of all income you received from all sources in the form of money, goods, property, and services, that is not exempt from tax) more than the amount shown in the California Gross Income chart on the next page for your filing status, age, and number of dependents? If yes, you have a filing requirement. If no, go to Step 2.

(continued on next page)

Do I Have to File? *(continued)*

Step 2: Is your adjusted gross income (adjusted gross income is computed under California law and consists of your federal adjusted gross income from all sources, reduced or increased by all California income adjustments) more than the amount shown in the California Adjusted Gross Income chart below for your filing status, age, and number of dependents? If yes, you have a filing requirement. If no, you do not have a filing requirement. (**Exception:** Married taxpayers who choose the married filing separately filing status, may have a tax liability in some cases even where combined income is under these amounts.) You may be eligible for the federal EITC; see page 2 for more information. If no, go to Step 3.

Step 3: If your income is less than the amounts on the chart you may still have a filing requirement. See "Requirements for Children with Investment Income" and "Other Situations When You Must File" on this page. Do those instructions apply to you? If yes, you have a filing requirement. If no, go to step 4.

Step 4: Are you married/RDP filing separately with separate property income? If no, you do not have a filing requirement. If yes, prepare a return. If you owe tax, you have a filing requirement.

Active duty military personnel, get FTB Pub. 1032, Tax Information for Military Personnel.

On 12/31/08, my filing status was:	**and on 12/31/08, my age was:** (If your 65th birthday is on January 1, 2009, you are considered to be age 65 on December 31, 2008)	**California Gross Income**			**California Adjusted Gross Income**		
		Dependents			**Dependents**		
		0	**1**	**2 or more**	**0**	**1**	**2 or more**
Single or Head of household	Under 65 65 or older	14,845 19,795	25,145 27,520	32,870 33,700	11,876 16,826	22,176 24,551	29,901 30,731
Married/RDP filing jointly Married/RDP filing separately (The income of both spouses/RDPs must be combined; both spouses/RDPs may be required to file a tax return even if only one spouse/RDP had income over the amounts listed.)	Under 65 (both spouses/RDPs) 65 or older (one spouse/RDP) 65 or older (both spouses/RDPs)	29,690 34,640 39,590	39,990 42,365 47,315	47,715 48,545 53,495	23,752 28,702 33,652	34,052 36,427 41,377	41,777 42,607 47,557
Qualifying widow(er)	Under 65 65 or older		25,145 27,520	32,870 33,700		22,176 24,551	29,901 30,731
Dependent of another person Any filing status	Any age	More than your standard deduction (Use the California Standard Deduction Worksheet for Dependents on page 19 to figure your standard deduction.)					

Requirements for Children with Investment Income

Federal law allows parents' election to report a child's interest and dividend income from a child age 18 and under or a student under age 24 on their return. California allows you to report your child's interest and dividend income on your return if they are under age 14. For each child under age 14 who received more than $1,800 of investment income in 2008, complete Form 540NR and form FTB 3800, Tax Computation for Children Under Age 14 with Investment Income, to figure the tax on a separate Form 540NR for your child.

If you qualify, you may elect to report your child's income of $9,000 or less (but not less than $900) on your return by completing form FTB 3803, Parents' Election to Report Child's Interest and Dividends. To make this election, your child's income must be **only** from interest and/or dividends. See "Order Forms and Publications" on page 63 or go to our website at **ftb.ca.gov**.

Other Situations When You Must File

If you have a tax liability for 2008 or owe any of the following taxes for 2008, you must file Long Form 540NR.

- Tax on a lump-sum distribution.
- Tax on a qualified retirement plan including an Individual Retirement Arrangement (IRA) or an Archer Medical Savings Account (MSA).
- Tax for children under age 14 who have investment income greater than $1,800 (see paragraph above).
- Alternative minimum tax.
- Recapture taxes.
- Deferred tax on certain installment obligations.
- Tax on an accumulation distribution from a trust.

Filing Status

Use the same filing status for California that you used for your federal income tax return, unless you are in a same-sex marriage (explained under What's New on page 4) or a registered domestic partner (RDP). If you are a same-sex married individual or an RDP and file single for federal, you must file married/RDP filing jointly or married/RDP filing separately for California. If you are a same-sex married individual or an RDP and file head of household for federal, you may file head of household for California only if you meet the requirements to be considered not in a domestic partnership.

Exception: If you file a joint return for federal, you may file separately for California if either spouse was:

- An active member of the United States armed forces or any auxiliary military branch during 2008.
- A nonresident for the entire year and had no income from California sources during 2008.

  Community Property States: If the spouse earning the California source income is domiciled in a community property state, community income will be split equally between the spouses. Both spouses will have California source income and they will not qualify for the nonresident spouse exception. If you had no federal filing requirement, use the same filing status for California you would have used to file a federal income tax return.

Registered Domestic Partners (RDP) – RDPs under California law must file their California income tax return using either the married/RDP filing jointly or married/RDP filing separately filing status. RDPs have the same legal benefits, protections, and responsibilities as married couples unless otherwise specified.

If you entered into a same sex legal union in another state, other than a marriage, and that union has been determined to be substantially equivalent to a California registered domestic partnership, you are required to file a California income tax return using either the married/RDP filing jointly or married/RDP filing separately filing status. For more information on what states have legal unions that are considered substantially equivalent, go to our website at **ftb.ca.gov** and search for **rdp**.

For purposes of California income tax, references to a spouse, a husband, or a wife also refer to a California registered domestic partner (RDP), unless otherwise specified. When we use the initials RDP they refer to both a California registered domestic "partner" and a California registered domestic "partnership," as applicable. For more information on RDPs, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

Single – If **any** of the following was true on December 31, 2008:

- You were never married or an RDP.
- You were divorced under a final decree of divorce, legally separated under a final decree of legal separation, or terminated your registered domestic partnership.
- You were widowed before January 1, 2008, and did not remarry or enter into another registered domestic partnership in 2008.

Married/RDP Filing Jointly – If **any** of the following is true:

- You were married or an RDP as of December 31, 2008, even if you did not live with your spouse/RDP at the end of 2008.
- Your spouse/RDP died in 2008 and you did not remarry or enter another registered domestic partnership in 2008.
- Your spouse/RDP died in 2009 before you filed a 2008 return.

Married/RDP Filing Separately

- Community property rules apply to the division of income if you use the married/RDP filing separately status. For more information, get FTB Pub. 1031, Guidelines for Determining Resident Status, FTB Pub. 737, Tax Information for Registered Domestic Partners, FTB Pub. 776, Tax Information for Same-Sex Married Couples, FTB Pub. 1051A, Guidelines for Married/RDP Filing Separate Returns, or FTB Pub. 1032, Tax Information for Military Personnel. See "Order Forms and Publications" on page 63.
- You cannot claim a personal exemption credit for your spouse/RDP even if your spouse/RDP had no income, is not filing a return, and is not claimed as a dependent on another person's return.
- You may be able to file as head of household if you had a child living with you and you lived apart from your spouse/RDP during the entire last six months of 2008.

Head of Household is for unmarried individuals and certain married individuals or RDPs living apart who provide a home for a specified relative. You are entitled to use head of household filing status only if ALL of the following apply:

- You were unmarried and not in a registered domestic partnership, or you met the requirements to be considered unmarried or considered not in a registered domestic partnership on December 31, 2008.
- You paid more than one-half the cost of keeping up your home for the year in 2008.

(continued on next page)

Do I Have to File? *(continued)*

- For more than half the year, your home was the main home for you and one of the specified relatives who by law can qualify you for head of household filing status.
- You were not a nonresident alien at any time during the year.

Beginning in 2005, for a child to qualify as your foster child for head of household purposes, the child must either be placed with you by an authorized placement agency or by order of a court.

If you are unmarried, your unmarried child no longer qualifies you for head of household filing status if he or she is 19 years of age or older, is not a student, and has gross income equal to or greater than the federal exemption amount ($3,500 in 2008). In addition, if you are unmarried, your unmarried child also no longer qualifies you for the status if he or she is under 19 years of age or a student under 24 and pays more than half of his or her own support.

For more information, go to our website at **ftb.ca.gov** or get FTB Pub. 1540, California Head of Household Filing Status Information. See code **934** on page 63 to order FTB Pub.1540 by telephone.

Qualifying Widow(er) with Dependent Child

Fill in the circle on line 5 and use the joint return tax rates for 2008 if **all five** of the following apply:

- Your spouse/RDP died in 2006 or 2007 and you did not remarry or enter into another registered domestic partnership in 2008.
- You have a child, stepchild, adopted child, or foster child whom you can claim as a dependent.
- This child lived in your home for all of 2008. Temporary absences, such as for vacation or school, count as time lived in the home.
- You paid over half the cost of keeping up your home for this child.
- You could have filed a joint return with your spouse/RDP the year he or she died, even if you actually did not do so.

What's New and Other Important Information for 2008

Differences between California and Federal Law

In general, California law conforms to the Internal Revenue Code (IRC) as of January 2005. However, there are continuing differences between California and federal law. When California conforms to federal tax law changes, we do not always adopt all of the changes made at the federal level. For more information, go to our website at **ftb.ca.gov** and search for **conformity**. Additional information can be found in FTB Pub. 1001, Supplemental Guidelines to California Adjustments, the instructions for California Schedule CA (540 or 540NR), and the Business Entity tax booklets.

The instructions provided with California tax forms are a summary of California tax law and are only intended to aid taxpayers in preparing their state income tax returns. We include information that is most useful to the greatest number of taxpayers in the limited space available. It is not possible to include all requirements of the California Revenue and Taxation Code (R&TC) in the tax booklets. Taxpayers should not consider the tax booklets as authoritative law.

2008 Tax Law Changes/What's New

Electronic Payments – Taxpayers are required to remit their payments electronically if they make an estimated or extension payment exceeding $20,000 for taxable year 2009 or the total tax liability shown on their original 2009 tax return exceeds $80,000. Once you meet the threshold, all payments regardless of amount, tax type or taxable year must be remitted electronically. Electronic payments can be made using Web Pay on FTB's website, by using electronic funds withdrawal (EFW) as part of the e-file return, or by using your credit card. For more information go to our website at **ftb.ca.gov** and search for **mandatory epay**.

Any taxpayer required to remit a payment electronically who makes a payment by other means, shall pay a penalty of one percent of the amount paid, unless it is shown that the failure to make a payment as required was for a reasonable cause and was not the result of willful neglect.

Net Operating Loss – For taxable years beginning in 2008 and 2009, California has suspended the net operating loss (NOL) carryover deduction. Taxpayers may continue to compute and carryover an NOL during the suspension period. However, taxpayers with net business income of less than $500,000 or with disaster loss carryovers are not affected by the NOL suspension rules.

The carryover period for suspended losses is extended by:

- Two years for losses incurred in taxable years beginning before January 1, 2008.
- One year for losses incurred in taxable years beginning on or after January 1, 2008, and before January 1, 2009.

Also, NOL carrybacks, NOL carryovers, and the number of taxable years to which the loss may be carried, are modified. For more information, see form FTB 3805V, Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations - Individuals.

Business tax credit limitation – For taxable years beginning on or after January 1, 2008, and before January 1, 2010, there is a limitation on the application of business tax credits for taxpayers whose net business income is $500,000 or more. The limitation is equal to 50 percent of the net tax before the application of any credits.

Third Party Designee – For taxable years beginning on or after January 1, 2008, you can designate a third party to discuss your tax return with the FTB. For more information, go to the instructions on page 25.

Conformity – For updates regarding the following federal acts, go to our website at **ftb.ca.gov** and search for **conformity**.

- Economic Stimulus Act of 2008
- Heroes Earnings and Assistance Relief Tax (HEART) Act of 2008

Rice Straw Credit – For taxable years beginning on or after January 1, 2008, the Rice Straw Credit has expired. Unused carryover credits are taken on form FTB 3540, Credit Carryover Summary.

Mortgage Forgiveness Debt Relief – California partially conforms to the federal Mortgage Forgiveness Debt Relief Act of 2007 (P.L. 110-142) for the 2007 and 2008 tax years. California limits the amount of qualified principal residence indebtedness to $800,000 ($400,000 for married/RDP filing separately)(the federal limit is $2,000,000/$1,000,000 for married filing separately) and debt relief to $250,000 ($125,000 for married/RDP filing separately). For more information, go to our website at **ftb.ca.gov** and search for **mortgage forgiveness**.

Estimated Tax Payments – Installments due for each taxable year beginning on or after January 1, 2009 are now required to be 30 percent of the required estimated tax liability for the 1st and 2nd required installments and 20 percent of the required estimated tax liability for the 3rd and 4th required installments. Prior to this law change, installments were made in four equal (25%) payments.

Taxpayers with adjusted gross income over $1,000,000 ($500,000 for married/RDP filing separately) may no longer compute estimate payments based on 100% of the tax shown on the return of the preceding year.

Taxpayers with a tax liability less than $500 ($250 for married/RDP filing separately) do not need to make estimated tax payments.

Voluntary Contributions – For taxable years beginning on or after January 1, 2008, you may contribute to the following new funds:

- California Ovarian Cancer Research Fund
- Municipal Shelter Spay-Neuter Fund
- California Cancer Research Fund
- ALS/Lou Gehrig's Disease Research Fund

Same-Sex Married Couples – Married couples must file their California income tax returns using either the married/RDP filing jointly or married/RDP filing separately filing status. Same-sex couple marriages performed in California on June 16, 2008 and before November 5, 2008 have been recognized as valid marriages for California purposes. For more information, get FTB Pub. 776, Tax Information for Same-Sex Married Couples.

Proposition 8 was approved by the voters on November 4, 2008, and it provides that "only marriage between a man and a woman is valid or recognized in California." Lawsuits challenging the Proposition have been filed. To find updates and information about the filing status to be used on your 2008 return, go to our website at **ftb.ca.gov** and search for **same sex married couples** or get FTB Pub. 776, Tax Information for Same-Sex Married Couples.

Group Nonresident Returns (also known as Composite Returns) – For taxable years beginning on or after January 1, 2009:

- Group nonresident returns may include less than two nonresident individuals.
- Nonresident individuals with more than $1,000,000 of California taxable income are eligible to be included in group nonresident returns.
- An additional one percent tax will be assessed on nonresident individuals who would have California taxable income over $1,000,000.

See FTB Pub. 1067, Guidelines for Filing a Group Form 540NR, for more information.

(continued on page 6)

Which Form Should I Use?

	Short Form 540NR	Long Form 540NR
Filing Status	Single, married/RDP filing jointly, head of household, qualifying widow(er)	Any filing status
Dependents	0-5 allowed	All dependents you are entitled to claim
Amount of Income	Total income of $100,000 or less	Any amount of income
Sources of Income	Only income from: • Wages, salaries, tips • Taxable interest • Unemployment compensation, Paid Family Leave Insurance California **does not** tax unemployment compensation	All sources of income
California Adjustments to Income	• Unemployment compensation • Military pay adjustment (R&TC Section 17140.5) • Paid Family Leave Insurance	All adjustments to income
Standard Deduction	Allowed	Allowed
Itemized Deductions	No itemized deductions	All itemized deductions
Payments	Only withholding on Form(s) W-2 or CA Sch W-2 and 1099's showing California tax withheld	• Withholding from all sources • Estimated tax payments • Payments made with extension vouchers • Excess state disability insurance (SDI) or voluntary plan disability insurance (VPDI)
Tax Credits	• Personal exemption credits up to 5 dependent exemption credits • Nonrefundable renter's credit	All tax credits
Other Taxes	Taxes computed using only the tax table	All taxes: • Tax computed using the tax table • Alternative minimum tax • Tax on early distributions from IRAs or other qualified retirement plans • Tax on distributions from MSAs and education IRAs • Tax for children under age 14 who have investment income of more than $1,800 • Tax on lump-sum distributions • Recapture taxes • Deferred tax on certain installment obligations • Tax on accumulation distributions of trusts • Mental Health Services Tax

What's New and Other Important Information for 2008 *(continued from page 4)*

Riverside County Wind Damage – For tax treatment information for victims of extremely strong and damaging winds that occurred in October 2007 in Riverside county, get FTB Pub. 1034, How to Claim a State Tax Deduction for Your Disaster Loss.

Humboldt County Fire and California Wildfires 2008 – For tax treatment information for victims of the Humboldt county fire that occurred in May 2008 or wildfires that occurred in Butte, Kern, Mariposa, Mendocino, Monterey, Plumas, Santa Barbara, Santa Clara, Santa Cruz, Shasta, and Trinity counties, get FTB Pub. 1034.

Inyo Complex Fire – For tax treatment information for victims of the Inyo Complex Fire and subsequent damage that occurred as a result of severe rainstorms in July 2008, get FTB Pub. 1034.

Southern California Wildfires 2008 – For tax treatment information for victims of the Tea Fire in Santa Barbara county, the Sayre fire in Los Angeles county, and Triangle Complex (formerly named Freeway Complex) fire in Orange and Riverside counties that occurred in November 2008, get FTB Pub. 1034.

Other Important Information

Round Cents to Dollars – Round cents to the nearest whole dollar. For example, round $50.50 up to $51 or round $25.49 down to $25. If you do not round, the FTB will disregard the cents. This helps process your return quickly and accurately.

Direct Deposit Refund – You can request a direct deposit refund on your tax return whether you e-file or file a paper return. Please be sure to fill in the routing and account numbers carefully and double-check the numbers for accuracy to avoid it being rejected by your bank.

MyFTB Account – Make tax time less taxing! Check MyFTB Account for information about your estimated tax payments, FTB issued 1099-Gs, 1099-INTs, California wage and withholding data, and more! Go to our website at **ftb.ca.gov** and search for **myftb account**.

Withholding on California Real Estate – For transactions occurring on or after January 1, 2007, that require withholding, a seller of California real estate may elect an alternative to withholding 3 1/3 percent of the total sales price. The seller may elect an alternative withholding amount based on the maximum tax rate for individuals, corporations, or banks and financial corporations, as applied to the gain on the sale. The seller is required to certify under penalty of perjury the alternative withholding amount to the FTB. For real estate installment sales, if a buyer receives seller's certification as to an alternative withholding election, the buyer would be required to withhold either the full alternative withholding amount at the time of sale or an alternative withholding percentage on the amount of each installment payment.

Tax Shelter – If the individual was involved in a reportable transaction, including a listed transaction, the individual may have a disclosure requirement. Attach the federal Form 8886, Reportable Transaction Disclosure Statement, to the back of the California return along with any other supporting schedules. If this is the first time the reportable transaction is disclosed on the return, send a duplicate copy of the federal Form 8886 to the address below. The FTB may impose penalties if the individual fails to file federal Form 8886, Form 8918, Material Advisor Disclosure Statement, or any other required information. A material advisor is required to provide a reportable transaction number to all taxpayers and material advisors for whom the material advisor acts as a material advisor.

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For more information, go to our website at **ftb.ca.gov** and search for **tax shelters**.

How Nonresidents and Part-Year Residents Are Taxed

General Information

Nonresidents of California who received California sourced income in 2008, or moved into or out of California in 2008, file either the Long or Short Form 540NR, California Nonresident or Part-Year Resident Income Tax Return. California taxes all income received while you resided in California and the income you received from California sources while a nonresident. See page 5 "Which Form Should I Use?" to determine which form to use (Long or Short Form 540NR).

If you file the Long Form 540NR, use Schedule CA (540NR), California Adjustments — Nonresidents or Part-Year Residents, column A through column D to compute your total adjusted gross income as if you were a resident of California for the entire year. Use column E to compute all items of total adjusted gross income you received while a resident of California and those you received from California sources while a nonresident. You determine your California tax by multiplying your California taxable income by an effective tax rate. The effective tax rate is the tax on total taxable income, taken from the tax table, divided by total taxable income. You may also qualify for California tax credits, which reduces the amount of California tax you owe.

If you file the Short Form 540NR, use line 13, line 14, and line 17 to compute your total adjusted gross income as if you were a resident of California for the entire year. Use line 21 to compute all items of total adjusted gross income you received while a resident of California and those you received from California sources while a nonresident.

If you were a resident of California for all of 2008 get a California Resident Personal Income Tax Booklet and file Form 540, California Resident Income Tax Return, Form 540A, California Resident Income Tax Return; or Form 540 2EZ, California Resident Income Tax Return.

For more information on the taxation of nonresidents and part-year residents, get FTB Pub. 1100, Taxation of Nonresidents and Individuals Who Change Residency. See "Where To Get Income Tax Forms and Publications" on page 62.

Pension Income of Retirees Who Move to Another State

Nonresidents of California Receiving a California Pension
California does not impose tax on retirement income attributable to services performed in California received by a nonresident after December 31, 1995.

California Residents Receiving an Out-of-State Pension
In general California residents are taxed on all income, including income from sources outside California. Therefore, a pension attributable to services performed outside California but received after you become a California resident is taxable.

For more information about pensions, get FTB Pub. 1005, Pension and Annuity Guidelines. See "Where to Get Income Tax Forms and Publications" on page 62.

Temporary and Transitory Absences from California

If domiciled in California and worked outside of California for an uninterrupted period of at least 546 consecutive days under an employment contract, you are considered a nonresident. This provision also applies to the spouse/RDP who accompanies the employed individual during those 546 consecutive days. However, you will not qualify under this provision if you are present in California for a total of more than 45 days during any taxable year covered by the contract, or if you have income from stocks, bonds, notes, or other intangible property in excess of $200,000 for any taxable year covered by the contract. For more information, get FTB Pub. 1031. See "Where To Get Income Tax Forms and Publications" on page 62.

Group Nonresident Return

Nonresident partners, nonresident members, and nonresident shareholders of a partnership, limited liability company (LLC), or S corporation that does business in California or has income from California sources may elect to file a group nonresident return on the Long Form 540NR. For more information get FTB Pub. 1067, Guidelines for Filing a Group Form 540NR. This publication includes form FTB 1067A, Nonresident Group Return Schedule, which must be attached to the front of the group Long Form 540NR. See "Where to Get Income Tax Forms and Publications" on page 62.

Military Servicemembers

Active duty military servicemembers refer to FTB Pub. 1032, Tax Information for Military Personnel. See "Where to Get Income Tax Forms and Publications" on page 62.

Servicemembers domiciled outside of California, and their spouses/RDPs, exclude the member's military compensation from gross income when computing the tax rate on nonmilitary income. Requirements for military servicemembers domiciled in California remain unchanged. Military servicemembers domiciled in California must include their military pay in total income. In addition, they must include their military pay in California source income when stationed in California. However, military pay is not California source income when a servicemember is permanently stationed outside of California.

Additional Information

California Sales And Use Tax

In general, the purchase of goods outside California that are brought into the state for storage, use, or other consumption may be subject to use tax. The use tax rate is the same as the sales tax rate in effect where the goods will be stored, used, or consumed; usually your residence address. The tax is based on the purchase price of the goods.

- **If you purchased goods from an out-of-state retailer** (such as a mail order firm) and sales tax would have been charged if you purchased the goods in California, you may owe the use tax on your purchase if the out-of-state retailer did not collect the California tax.
- **If you traveled to a foreign country and brought goods home with you, the use tax** will be based on the purchase price of the goods you listed on your U.S. Customs Declaration after deduction of the $800 per individual exemption allowable by law within any 30-day period. This deduction does not apply to goods sent or shipped to California by common carrier.

Your tax liability may be calculated by multiplying the use tax rate at your residence by the cost of the goods purchased. Send your payment to the STATE BOARD OF EQUALIZATION, PO BOX 942879, SACRAMENTO CA 94279-0001, with a brief statement listing your name, address, daytime telephone number, cost, and description of the goods purchased. The Board of Equalization Pamphlet 79-B contains additional information and a form you may use to report the tax. An electronic version of this pamphlet may be found on the Board of Equalization's website at **boe.ca.gov/pdf/pub79b.pdf**.

If you file a Schedule C (Form 1040), Profit or Loss From Business, with your federal income tax return and are in the business of selling tangible personal property, you may be required to obtain a seller's permit with the State Board of Equalization.

If you have any questions concerning the taxability of a purchase, or want information about obtaining a seller's permit, please contact the State Board of Equalization's toll-free number at 800.400.7115, to talk to a Customer Service Representative. Representatives are available from 8 a.m. to 5 p.m., Monday - Friday, except holidays.

Collection Fees

The FTB is required to assess collection and filing enforcement cost recovery fees on delinquent accounts.

Deceased Taxpayers

A final return must be filed for a person who died in 2008 if a return normally would be required. The administrator or executor, if one is appointed, or beneficiary must file the return. Please print "deceased" and the date of death next to the taxpayer's name at the top of the return.

If you are a surviving spouse/RDP and no administrator or executor has been appointed, file a joint return if you did not remarry or entered into another registered domestic partnership during 2008. Indicate next to your signature that you are the surviving spouse/RDP.

You may also file a joint return with an administrator or executor acting on behalf of the deceased taxpayer.

If you file a return and claim a refund due to a deceased taxpayer, you are certifying under penalty of perjury either that you are the legal representative of the deceased taxpayer's estate (in this case, attach certified copies of the letters of administration or letters testamentary) or that you are entitled to the refund as the deceased's surviving relative or sole beneficiary under the provisions of the California Probate Code. You must also attach a copy of federal Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, or a copy of the death certificate when you file a return and claim a refund due.

Innocent Spouse Relief

You may qualify for relief from liability for tax on a joint return if (1) you were granted Innocent Joint Filer relief by the IRS, (2) there is an understatement of tax because you are divorced, legally separated, terminated the registered domestic partnership, or no longer living with your spouse/RDP, **and** (3) given all the facts and circumstances, it would be unfair to hold you liable for the tax. For more information, get form FTB 705, Request for Innocent Spouse Relief Form and Brochure, by going to our website at **ftb.ca.gov** or call 916.845.7072 (not toll-free), Monday - Friday between 8 a.m. to 5 p.m., except holidays.

Registered Domestic Partners

If you are an RDP and need more information on how to file your return, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

Homeowner and Renter Assistance

This California program provides a once-a-year State payment to qualifying homeowners and renters based on the property tax they paid in the prior year. **Important update:** The state budget approved for the 2008/2009 fiscal year deleted funding for the Homeowner and Renter Assistance Program. Since there is no funding in the state budget for this program, 2008 claims cannot be paid.

The FTB will continue to accept 2008 claims and will hold them in the event that funding later becomes available. However, at this time there is no expectation that there will be any funds available to pay those claims.

The filing period for filing a 2008 claim began July 1, 2008, and ends June 30, 2009. For more information, call 800.868.4171 or go to our website at **ftb.ca.gov**.

Requesting a Copy of Your Tax Return

The FTB keeps personal income tax returns for three and one-half years from the original due date. To obtain a copy of your return, write a letter or complete form FTB 3516, Request for Copy of Personal Income Tax or Fiduciary Return. In most cases, a $20 fee is charged for each taxable year you request. However, no charge applies for victims of a designated California or federal disaster, or you request copies from a field office that assisted you in completing your return. See "Order Forms and Publications" on page 63.

Mello-Roos

You cannot deduct Mello-Roos taxes if they are assessed to fund local benefits and improvements that tend to increase the value of your property. Mello-Roos taxes may appear on your annual county property tax bill with other deductible property taxes. That does not mean you can deduct the Mello-Roos taxes. You may only be able to deduct a portion of the total property tax shown on your bill.

For more information you can:

- Contact your Mello-Roos District.
- Get federal Publication 17, Your Federal Income Taxes – Individuals, Chapter 22.

Vehicle License Fees for Federal Schedule A

On your federal Schedule A, you may deduct the California motor vehicle license fee listed on your Vehicle Registration Billing Notice from the Department of Motor Vehicles. The other fees listed on your billing notice such as registration fee, weight fee, and county fees are not deductible.

Voting Is Everybody's Business

You may register to vote if you meet these requirements:

- You are a United States citizen.
- You are a resident of California.
- You will be 18 years old by the date of the next election.
- You are not in prison or on parole for the conviction of a felony.

You need to re-register every time you move, change your name, or wish to change political parties. In order to vote in an election, you must be registered to vote at least 15 days before that election. To obtain a Voter Registration Card, call the California Secretary of State's office toll-free voter hotline at 800.345.VOTE or go to their website at **sos.ca.gov**

It's Your Right . . . Register and Vote

If You File Electronically

If you e-file your return, make sure all the amounts entered on the paper copy of your California return are correct before you sign form FTB 8453, California e-file Return Authorization for Individuals, or form FTB 8879, California e-file Signature Authorization for Individuals. If you are requesting direct deposit of a refund, make sure that your account and routing information is correct. Your return can be transmitted to the FTB by your preparer or e-file service only after you sign form FTB 8453 or FTB 8879. The preparer or e-file service must provide you with:

- A copy of form FTB 8453 or FTB 8879.
- Any original Form(s) W-2, Sch CA W-2G, 592-B, 593, 594, 1099-G, and any other Form(s) 1099 that you provided.
- A paper copy of your California tax return showing the data transmitted to the FTB.

You cannot retransmit an e-filed tax return once we've accepted the original. You can correct an error only by completing a Form 540X, Amended Individual Income Tax Return, and mailing the paper copy to us. See "Where To Get Income Tax Forms and Publications" on page 62.

Frequently Asked Questions

(Go to our website at ftb.ca.gov for more frequently asked questions.)

1. What if I can't file by April 15, 2009, and I think I owe tax?

You must pay 100% of the amount you owe by April 15, 2009, to avoid interest and penalties. If you cannot file because you have not received all your Form(s) W-2, estimate the amount of tax you owe by completing form FTB 3519, Payment for Automatic Extension for Individuals, on page 59. Mail it to the FTB with your payment by April 15, 2009, or pay on our website at **ftb.ca.gov**. Then, when you receive all your Form(s) W-2, complete and mail your return by October 15, 2009, (you must use Long Form 540NR).

2. I never received a Form W-2. What should I do?

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If not all your Forms W-2 were received by January 31, 2009, contact your employer. Only an employer issues or corrects a Form W-2. For more information, call 800.338.0505, select "Personal Income Tax," then "Frequently Asked Questions," and enter code **204** when instructed.

If you cannot get a copy of your Form(s) W-2, complete form FTB 3525, Substitute for Form W-2, Wage and Tax Statement, or Form 1099, Distributions from Pensions, Annuities, Retirement, or Profit Sharing Plans, IRAs, Insurance Contracts, etc. See "Where To Get Income Tax Forms and Publications" on page 62. For online wage and withholding information, go to our website at **ftb.ca.gov** and search for **myftb account**.

3. How can I get help?

Throughout California more than 1,500 sites provide trained volunteers offering free help during the tax filing season to persons who file simple federal and state income tax returns. Many military bases also provide this service for members of the U.S. Armed Forces. Go to our website at **ftb.ca.gov** and search for **vita** to find a list of participating locations or call the FTB at 800.852.5711 to find a location near you.

4. What do I do if I can't pay what I owe with my 2008 return?

Pay as much as possible when you file your return. If unable to pay your tax in full with your return, make a request for monthly payments. However, interest accrues and an underpayment penalty may be charged on the tax not paid by April 15, 2009, even if your request for monthly payments is approved. To make monthly payments, complete form FTB 3567, Installment Agreement Request, online or mail it to the address on the form. **Do not mail it with your return.**

The Installment Agreement Request might not be processed and approved until after your return is processed, and you may receive a bill before you receive approval of your request.

949

To order this form, go to our website at **ftb.ca.gov** or by phone, call 800.338.0505, select "Personal Income Tax," then select "Forms and Publications," and enter code **949** when instructed.

610

For information on how to pay by credit card, go to our website at **ftb.ca.gov** and search for **credit card**, or call 800.338.0505, select "Personal Income Tax," then select "Frequently Asked Questions," and enter code **610** when instructed.

5. How long will it take to get my refund?

112

If you e-file, you get the fastest possible refund. Your refund check is mailed within seven to ten calendar days (or if you request direct deposit, the refund posts to your checking or savings account within five to seven banking days) from the time the FTB receives your electronic return. For more information about e-file, go to our website at **ftb.ca.gov** and search for **e-file**, or call 800.338.0505, select "Personal Income Tax," then select "Frequently Asked Questions" and enter code **112** when instructed.

If you do not e-file your return, you will receive your refund check within six to eight weeks after you file your return. If you request direct deposit, the refund posts to your account within six to eight weeks after you file your return.

6. I expected my refund by now. How can I check on the status?

Go to our website at **ftb.ca.gov** and search for **refund status**. You will need your social security number (SSN) or individual taxpayer identification number(ITIN) and the refund amount from your return.

You can also call our automated phone service. See page 63.

7. I discovered an error on my tax return. What should I do?

If you discover an error on your California income tax return, after you filed it (paper or e-file), use Form 540X, Amended Individual Income Tax Return, to correct your return. Get Form 540X on our website at **ftb.ca.gov** or call 800.338.0505 and enter code **908**. You cannot e-file an amended return.

8. The Internal Revenue Service (IRS) made changes to my federal return. What should I do?

If your federal income tax return is examined and changed by the IRS and you owe additional tax, report these changes to the FTB within six months of the date of the final federal determination. If the changes the IRS made result in a refund due for California, claim a refund within two years of the date of the final federal determination. Either use Form 540X, to correct the California income tax return you already filed, or send a copy of the federal changes to:

ATTN RAR/VOL MS F310
FRANCHISE TAX BOARD
PO BOX 1998
RANCHO CORDOVA CA 95741-1998

or Fax the information to 916.843.2269.

If you have any questions relating to the IRS audit adjustments, call 916.845.4028 (not toll-free).

Regardless of which method you use to notify the FTB, you must include a copy of the final federal determination along with all data and schedules on which the federal adjustment was based. Get FTB Pub. 1008, Federal Tax Adjustments and Your Notification Responsibilities to California, for more information. See "Order Forms and Publications" on page 63.

File Form 540X only if the change affected your California tax liability.

9. How long should I keep my tax information?

Requests for information from you regarding your California income tax return usually occurs within the California statute of limitations period, which is usually the later of four years from the due date of the return or four years from the file date of the return. (**Exception:** An extended statute of limitations period may apply for California or federal tax returns that are related to or subject to a federal audit.)

Keep a copy of your return and the records that verify the income, deductions, adjustments, or credits reported on your return. Some records should be kept longer. For example, keep property records as long as needed to figure the basis of the property or records needed to verify carryover losses (e.g., net operating losses, capital losses, passive losses, casualty losses, etc.).

10. I will be moving after I file my return. How do I notify the FTB of my new address?

Notify the FTB of your new address by using form FTB 3533, Change of Address. This form is available on our website at **ftb.ca.gov** or you may call 800.852.5711, select "Personal Income Tax," then select option 6 to report a change of address.

After filing your return, report a change of address to us for up to four years, especially if you leave the state and no longer have a requirement to file a California return.

11. Are all domestic partners required to file joint or separate returns under the new law?

No, only domestic partners who are registered with the California Secretary of State are required to file using the married/RDP filing jointly or married/RDP filing separately filing status.

Instructions for Short Form 540NR
California Nonresident or Part-Year Resident Income Tax Return

References in these instructions are to the Internal Revenue Code (IRC) as of **January 1, 2005**, and the California Revenue and Taxation Code (R&TC).

Before You Begin

Complete your federal income tax return (Form 1040, Form 1040A, Form 1040EZ, Form 1040NR, or Form 1040NR-EZ) before you begin your Short Form 540NR, California Nonresident or Part-Year Resident Income Tax Return. You will use information from your federal income tax return to complete your Short Form 540NR. Complete and mail Short Form 540NR by April 15, 2009. If unable to mail your return by the due date, see page 2 for information.

To get forms and publications referred to in these instructions, go to our website at **ftb.ca.gov** or see "Where To Get Income Tax Forms and Publications" on page 62.

You cannot use Short Form 540NR if any of the items below apply to you. Instead use Long Form 540NR.

- Your filing status is married/RDP filing separately
- You or your spouse/RDP are 65 or older
- You are claiming more than five dependents
- Your total income is more than $100,000
- You have interest income from U.S. Obligations, U.S. Treasury Bills, Notes, Bonds, or other sources that is taxable for federal purposes and exempt for state purposes
- You qualify for the California refundable Child and Dependent Care Expenses Credit

✓Tip You may qualify for the federal earned income tax credit. See page 2 for more information. No comparable state credit exists.

Name(s) and Address

Print your first name, middle initial, last name, and address, in black or blue ink, in the spaces provided at the top of Short Form 540NR.

Private Mail Box
Include the Private Mail Box (PMB) in the address field. Write "PMB" first, then the box number. Example: 111 Main Street PMB 123.

Foreign Address
Enter the information in the following order: City, Country, Province/Region, and Postal Code. Follow the country's practice for entering the postal code. **Do not** abbreviate the country name.

Prior Name
If you or your spouse/RDP filed your 2007 tax return under a different name, write the last name **only** from the 2007 tax return.

Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN)

Enter your SSNs in the spaces provided. To protect your privacy, your SSN is not printed on the tax booklet cover with your name and address. If you file a joint return, enter the SSNs in the same order as the names.

If you do not have an SSN because you are a nonresident or a resident alien for federal tax purposes, and the IRS issued you an ITIN, enter the ITIN in the space provided for the SSN.

An ITIN is a tax processing number issued by the IRS to foreign nationals and others who have a federal tax filing requirement and do not qualify for an SSN. It is a nine-digit number that always starts with the number 9.

Filing Status

Line 1 through Line 5 – Filing Status
See page 3 for the requirements for each of the filing statuses. Then fill in the circle on the Short Form 540NR that applies to you**. If your filing status is married/RDP filing separately, use the Long Form 540NR.**

Nonresident Alien

A joint return may be filed if, in the case of a nonresident alien married/RDP to a United States citizen or resident, both spouses/RDPs elect to treat the nonresident alien spouse/RDP as a resident for tax purposes.

Residency

Complete the residency portion by filling in all circles that apply to you and your spouse/RDP, and provide the applicable information.

"Domicile" is the place where you voluntarily establish yourself and your family, not merely for a special or limited purpose, but with a present intention of making it your true, fixed, permanent home and principal establishment. It is the place where, whenever you are absent or away, you intend to return. Get FTB Pub. 1031, Guidelines for Determining Resident Status, for more information. See "Where To Get Income Tax Forms and Publications" on page 62.

Exemptions

Caution: If you or your spouse/RDP are 65 or older, use the Long Form 540NR.

Line 6 – Can be Claimed as Dependent
Completely fill in the circle on line 6 if someone else can claim you or your spouse/RDP as a dependent on his or her tax return, even if he or she chooses not to.

Line 7 – Personal Exemptions
Did you fill in the circle on line 6?

No Follow the instructions on Short Form 540NR, line 7.

Yes Ignore the instructions on Short Form 540NR, line 7. Instead, enter the amount shown below for your filing status:

- Single, enter -0-.
- Head of household, enter -0-.
- Married/RDP filing jointly and both you and your spouse/RDP can be claimed as dependents, enter -0-.
- Married/RDP filing jointly and only one spouse/RDP can be claimed as a dependent, enter 1.

Do not claim this credit if someone else can claim you as a dependent on his or her return.

Line 8 – Blind Exemptions
The first year you claim this exemption credit, attach a doctor's statement to the back of Short Form 540NR indicating that you or your spouse/RDP is visually impaired. Visually impaired means not capable of seeing better than 20/200 while wearing glasses or contact lenses, or if your field of vision is not more than 20 degrees.

An individual who is someone else's dependent may not claim this credit.

Line 10 – Dependent Exemptions
To claim an exemption credit for each of your dependents, write each dependent's name and relationship to you in the space provided. The persons you list as dependents must be the same persons you listed as dependents on your federal income tax return. Count the number of dependents listed and enter the total in the box on line 10. Multiply the number you entered by the pre-printed dollar amount and enter the result.

If you are claiming more than three dependents attach a separate schedule. If you are claiming more than five dependents, use Long Form 540NR.

Line 11 – Exemption Amount
Add line 7 through line 10 and enter the total amount of all exemptions – personal, blind, and dependent.

Total Taxable Income

Refer to your completed federal income tax return to complete this section. If your total income from federal Form 1040, line 37; Form 1040A, line 21; Form 1040EZ, line 4; Form 1040NR, line 35; or Form 1040NR-EZ, line 10 is more than $100,000, you cannot file this form. File the Long Form 540NR.

Line 12 – Total California Wages
Enter the total amount of your California wages from your Form(s) W-2 or CA Sch W-2. This amount is reported in box 16 of Form W-2 or CA Sch W-2, line 3.

Line 14 – California Adjustments To Income
California does not tax unemployment compensation or Paid Family Leave Insurance benefits. Enter the total of any unemployment compensation and/or Paid Family Leave Insurance benefits reported on federal Form(s) 1099-G, Certain Government Payments, and shown on your federal Form 1040EZ, line 3; Form 1040A, line 13; Form 1040, line 19; or Form 1040NR, line 20.

If you have interest income from U.S. Obligations, U.S. Treasury Bills, Notes, Bonds, or other sources that is taxable for federal purposes and exempt for state purposes, you cannot file this form. File the Long Form 540NR.

Military Pay Adjustment
Compensation for military service of a servicemember domiciled outside of California is exempt from California tax. It is excluded from adjusted gross income. If you are an active duty military servicemember domiciled outside of California, your active duty military pay is excluded from adjusted gross income.

To claim your adjustment, write "MPA" on the dotted line to the left of line 14. Add this amount to any unemployment compensation and/or Paid Family Leave Insurance benefits and enter on line 14. You will also exclude this amount from adjusted gross income on line 21. Attach a copy of your Form(s) W-2 or CA Sch W-2, reflecting your military compensation, to your tax return. See "Assembling Your Tax Return" on page 11.

Line 18 – California Standard Deduction
Did you fill in the circle on line 6? If yes, use the California Standard Deduction Worksheet for Dependents on page 19 of the Long Form 540NR instructions. If no, use the standard deduction amount for your filing status.

California Taxable Income

✓Tip e-file and you won't have to do the math. Go to our website at **ftb.ca.gov**.

Line 20 – Tax on Total Taxable Income
Figure the tax on the amount on line 19 (see California tax table that begins on page 31). Use the correct filing status and taxable income amount.

To automatically figure your tax or to verify your tax calculation, use our online tax calculator by going to our website at **ftb.ca.gov** and search for **tax calculator**.

Line 21 – California Adjusted Gross Income (If married/RDP filing jointly, each spouse/RDP reports income based on his or her residency status.)

Full-year nonresident – Enter your California wages from Form(s) W-2, box 16 or CA Sch W-2, line 3.

Part-year resident – Enter your:

- California wages from Form(s) W-2, box 16 or CA Sch W-2, line 3.
- Non-California wages received while you were a California resident from Form(s) W-2, box 16 or CA Sch W-2, line 3.
- Interest income received while you were a California resident.

Full-year resident – Enter your:

- California and non-California wages from all your Form(s) W-2, box 16 or CA Sch W-2, line 3.
- All of your interest income.

Line 23 – CA Tax Rate
In this computation, the Franchise Tax Board (FTB) rounds the tax rate to four digits after the decimal. If your computation is different, you may receive a notice due to the difference in rounding. Contact us at 800.852.5711 if you disagree with this notice.

Line 25 – CA Exemption Credit Percentage
Divide the California Taxable Income (line 22c) by Total Taxable Income (line 19). This percentage does not apply to the Nonrefundable Renter's Credit, Other State Tax Credit, or credits that are conditional upon a transaction occurring wholly within California. **If more than 1, enter 1.0000**.

Credits

Line 35 – Nonrefundable Renter's Credit
If you paid rent on your principal California residence in 2008, you may be eligible for a credit to reduce your tax. See page 57 to find out if you qualify.

Child and Dependent Care Credit – You may be eligible for the California refundable child and dependent care expenses credit. If you qualify for the credit, file the Long Form 540NR. See page 22, line 47 through line 50 for more information.

Payments

Line 43 – Income Tax Withheld
Enter your total California income tax withheld from your Form(s) W-2, box 17 or CA Sch W-2, box 17. Attach a copy of your Form(s) W-2 or CA Sch W-2, to your tax return. See "Assembling Your Tax Return" on page 11.

Contributions

Make contributions to the funds listed on Short Form 540NR, Side 2. For a description of the funds, see page 56.

Line 68 – Total Contributions
Add code 401 through code 414 Enter the result on line 68. If no contributions were designated, do not enter an amount on line 68. If you show an amount on line 54, subtract the amount contributed from the amount of overpaid tax. If you show an amount on line 55, add the amount contributed to your tax due.

If you have tax due and choose to make a voluntary contribution, it will increase the amount that you owe.

Amount You Owe

Line 69 – Amount You Owe
If you did not enter an amount on line 68, enter the amount from line 55 on line 69. This is the amount you owe with your Short Form 540NR.

If you entered an amount on line 68, add line 55 and line 68. Enter the total on line 69. This is the amount you owe with your Short Form 540NR.

If you have an amount on line 54 and line 68, subtract line 68 from line 54. If line 68 is more than line 54 enter the difference on line 69. This is the amount you owe with your Short Form 540NR.

Make your check or money order payable to the "Franchise Tax Board" for this amount, or see "Paying Your Taxes" on page 61. **Do not send cash.** Write your SSN or ITIN and "2008 Short Form 540NR" on the check or money order. Enclose, but do not staple, your payment with your return.

To avoid a late filing penalty, file your Short Form 540NR by the due date even if unable to pay the amount you owe. Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

Refund and Direct Deposit

Line 73 – Refund or No Amount Due
If you did not enter an amount on line 68, enter the amount from line 54.

If you entered an amount on line 68, subtract that amount from the amount on line 54. If the result is zero or more, enter the amount on line 73. If the result is less than zero, your contributions are more than your overpaid tax available on line 54. In this case, do not enter an amount on line 73. Enter the result on line 69 and see the instructions for line 69.

Line 74 and Line 75 – Direct Deposit of Refund
Direct deposit is fast, safe, and convenient. To have your refund directly deposited into your bank account, fill in the account information on Short Form 540NR, Side 2, line 74 and line 75. Fill in the routing and account numbers and indicate the account type. Verify routing and account numbers with your financial institution. See the illustration below. **Do not** attach a voided check or deposit slip.

Individual taxpayers may request that his or her refund be electronically deposited into more than one checking or savings account. This allows more options for managing your refund. For example, you can request part of your refund go to your checking account to use now and the rest to your savings account to save for later.

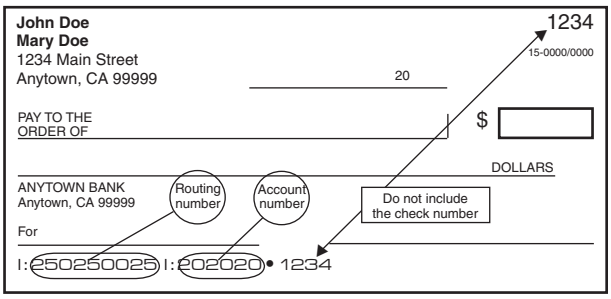
The routing number must be nine digits. The first two digits must be 01 through 12 or 21 through 32. On the sample check, the routing number is 250250025. The account number can be up to 17 characters and can include numbers and letters. Include hyphens, but omit spaces and special symbols. On the sample check, the account number is 202020.

Check the appropriate box for the type of account. Do not check more than one box for each line.

Enter the portion of your refund you want directly deposited into each account. Each deposit must be at least $1. The total of line 74 and line 75 must equal the total amount of your refund (line 73). If line 74 and line 75 do not equal line 73, the FTB will issue a paper check.

Caution: Check with your financial institution to make sure your deposit will be accepted and to get the correct routing and account numbers. The FTB is not responsible for a lost refund due to incorrect account information entered by you or your representative.

Some financial institutions will not allow a joint refund to be deposited to an individual account. If the direct deposit is rejected, the FTB will issue a paper check.



Sign Your Return

Sign your return in the designated space on Side 2. If you file a joint return, your spouse/RDP must sign the return also.

Joint Return. If you file a joint return, both you and your spouse/RDP are generally responsible for the tax and any interest or penalties due on the return. If one spouse/RDP neglects to pay the tax, the other spouse/RDP may have to pay. See "Innocent Spouse Relief" on page 7.

Paid Preparer Information. If you pay a person to prepare your return, that person signs and completes the area near the bottom of Side 2 and includes his or her SSN, PTIN, or FEIN. A paid preparer must give you two copies of your return: one to file with the FTB and one to keep for your records.

Third Party Designee. If you want to allow a friend, family member, or any other person you choose to discuss your 2008 tax return with the FTB, check the "Yes" box in the signature area of your return. Also print the designee's name and telephone number. If you want to allow the paid preparer who signed your return to discuss it with the FTB, enter "Preparer" in the space for the designee's name and print the preparer's telephone number.

If you check the "Yes" box, you and your spouse/RDP, if filing a joint return, are authorizing the FTB to call the designee to answer any questions that may arise during the processing of your return. You are also authorizing the designee to:

- Give the FTB any information that is missing from your return.
- Call the FTB for information about the processing of your return or the status of your refund or payments.
- Receive copies of notices or transcripts related to your return, upon request.
- Respond to certain FTB notices about math errors, offsets, and return preparation.

You are not authorizing the designee to receive any refund check, bind you to anything (including any additional tax liability), or otherwise represent you before the FTB. If you want to expand or change the designee's authorization, get form FTB 3520, Power of Attorney Declaration for the Franchise Tax Board.

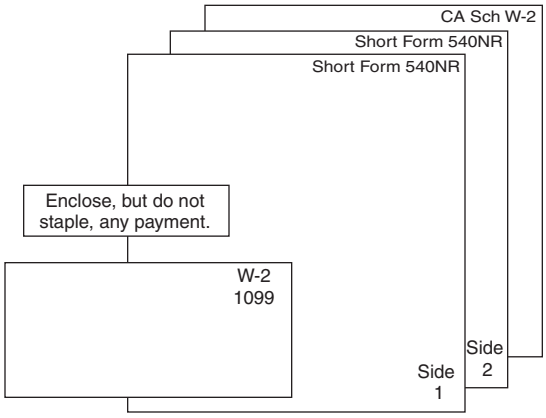
The authorization will automatically end no later than the due date (without regard to extensions) for filing your 2009 tax return. This is April 15, 2010, for most people. If you wish to revoke the authorization before it ends, notify us by telephone at 800.338.0505 or by writing to Franchise Tax Board, PO Box 942840, Sacramento, CA 94240-0040, include your name, SSN, and the designee's name and print the preparer's telephone number.

Power of Attorney. If another person prepared your return, he or she is not automatically granted access to your tax information in future dealings with us. At some point, you may wish to designate someone to act on your behalf in matters related or unrelated to your 2008 tax return (e.g., an audit examination). To protect your privacy, you must submit to us a legal document called a "Power of Attorney" (POA) authorizing another person to discuss or receive personal information about your income tax records.

For more information, get form FTB 1144 (pamphlet) and form FTB 3520 (POA form), from our website at **ftb.ca.gov**. See "Where To Get Income Tax Forms and Publications" on page 62.

Assembling Your Tax Return

Assemble your tax return in the order shown below.



Make sure to attach all federal Form(s) W-2 and 1099 you received to the front of your tax return. If you completed CA Sch W-2, attach CA Sch W-2 behind Side 2 of your tax return.

Do not attach a copy of your federal tax return or any other document to your Short Form 540NR unless specifically instructed. This will help us reduce government processing and storage costs.

Mailing Your Tax Return

If you have a refund, or if no amount due, mail your return to:

FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-0002

If you owe, mail your return to:

FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0001

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Visit our website:

ftb.ca.gov

Instructions for Long Form 540NR
California Nonresident or Part-Year Resident Income Tax Return

References in these instructions are to the Internal Revenue Code (IRC) as of **January 1, 2005**, and the California Revenue and Taxation Code (R&TC).

Before You Begin

Complete your federal income tax return (Form 1040, Form 1040A, Form 1040EZ, Form 1040NR, or Form 1040NR-EZ) before you begin your Long Form 540NR, California Nonresident or Part-Year Resident Income Tax Return. Use information from your federal income tax return to complete your Long Form 540NR. Complete and mail Long Form 540NR by April 15, 2009. If unable to mail your return by the due date see page 2.

To get forms and publications referred to in these instructions, go to our website at **ftb.ca.gov** or see "Where To Get Income Tax Forms and Publications" on page 62.

Important: Attach a copy of your federal income tax return, and all supporting federal forms and schedules, to Long Form 540NR.

✓Tip You may qualify for the federal earned income tax credit. See page 2 for more information. No comparable state credit exists.

Filling in Your Return

- Use black or blue ballpoint pen on the copy you send to the Franchise Tax Board (FTB).
- Enter your Social Security Number(s) (SSN) or Individual Taxpayer Identification Number(s) (ITIN) at the top of Long Form 540NR, Side 1.
- Print numbers and CAPITAL LETTERS between the combed lines. Be sure to line up dollar amounts.
- Round cents to the nearest whole dollar. For example, round $50.50 up to $51 or round $25.49 down to $25.
- If you do not have an entry for a line, leave it blank unless the instructions for a line specifically tell you to enter zero. Do **not** enter a dash or the word "NONE."

Name(s) and Address

Print your first name, middle initial, last name, and address in the spaces provided at the top of Long Form 540NR.

Private Mail Box
Include the Private Mail Box (PMB) in the address field. Write "PMB" first, then the box number. Example: 111 Main Street PMB 123.

Foreign Address
Enter the information in the following order: City, Country, Province/Region, and Postal Code. Follow the country's practice for entering the postal code. **Do not** abbreviate the country name.

Principal Business Activity (PBA) Code
For Schedule C business filers, please enter the numeric principal business activity code from federal Schedule C, line B in the field labeled "PBA Code" in the address area.

Prior Name
If you filed your 2007 tax return under a different last name, write the last name **only** from the 2007 return.

Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN)

Enter your SSNs in the spaces provided. To protect your privacy, your SSN is not printed on the tax booklet cover with your name and address. If you file a joint return, enter the SSNs in the same order as the names.

If you do not have an SSN because you are a nonresident or a resident alien for federal tax purposes, and the IRS issued you an ITIN, enter the ITIN in the space provided for the SSN.

An ITIN is a tax processing number issued by the IRS to foreign nationals and others who have a federal tax filing requirement and do not qualify for an SSN. It is a nine-digit number that always starts with the number 9.

Filing Status

Fill in only one of the circles for line 1 through line 5. Enter the required additional information if you filled in the circle on line 3 or line 5.

Usually, your California filing status must be the same as the filing status you used on your federal income tax return.

If you did not file a federal return because you did not have a federal filing requirement, use the filing status you would have used had you been required to file.

Nonresident Alien – A joint return may be filed if, in the case of a nonresident alien married to a United States citizen or resident, both spouses/RDPs elect to treat the nonresident alien spouse/RDP as a resident for tax purposes.

Exception for married taxpayers who file a joint federal income tax return – You may file separate California returns if either spouse was:

- An active member of the United States Armed Forces or any auxiliary military branch during 2008.
- A nonresident for the entire year and had no income from California sources during 2008.

  Community Property. If either spouse earned California source income while domiciled in a community property state, the community income will be split equally between the spouses. Both spouses will have California source income and they will **not** qualify for the nonresident spouse exception. For more information, get FTB Pub. 1031, Guidelines for Determining Resident Status, and FTB Pub. 1051A, Guidelines For Married/RDP Filing Separate Returns.

If you filed federal Form 1040NR or Form 1040NR-EZ, you do not qualify to use the head of household or married/RDP filing jointly filing statuses. Instead, use single, married/RDP filing separately, or qualifying widow(er) filing status, whichever applies to you.

If You Are Married or an RDP and File a Separate Return, enter your spouse's/RDP's full name on line 3 and SSN or ITIN in the space provided.

If You File as Head of Household, do not claim yourself or a nonrelative as the qualifying individual for head of household. Get FTB Pub. 1540, Tax Information for Head of Household Filing Status, for more information. See "Where To Get Income Tax Forms and Publications" on page 62.

Exemptions

Line 6 – Can be Claimed as a Dependent

Completely fill in the circle on line 6 if someone else can claim you or your spouse/RDP as a dependent on his or her tax return, even if he or she chooses not to.

Line 7 – Personal Exemptions

Did you fill in the circle on line 6?

No Follow the instructions on Long Form 540NR, line 7.

Yes Ignore the instructions on Long Form 540NR, line 7. Instead, enter the amount shown below for your filing status:

- Single or married/RDP filing separately, enter -0-.
- Head of household, enter -0-.
- Married/RDP filing jointly and both you and your spouse/RDP can be claimed as dependents, enter -0-.
- Married/RDP filing jointly and only one spouse/RDP can be claimed as a dependent, enter 1.

Do not claim this credit if someone else can claim you as a dependent on his or her return.

Line 8 – Blind Exemptions

The first year you claim this exemption credit, attach a doctor's statement to the back of Long Form 540NR indicating that you or your spouse/RDP is visually impaired. Visually impaired means not capable of seeing better than 20/200 while wearing glasses or contact lenses, or if your field of vision is not more than 20 degrees.

An individual who is someone else's dependent may not claim this credit.

Line 9 – Senior Exemptions

If you were 65 years of age or older by December 31, 2008*, you should claim an additional exemption credit on line 9. If you are married or an RDP, each

spouse/RDP 65 years of age or older should claim an additional credit. You may contribute all or part of this credit to the California Seniors Special Fund. See page 56 for information about this fund.

* If your 65th birthday is on January 1, 2009, you are considered to be age 65 on December 31, 2008.

An individual who is someone else's dependent may not claim this credit.

Line 10 – Dependent Exemptions

To claim an exemption credit for each of your dependents, write each dependent's name and relationship to you in the space provided. If you are claiming more than three dependents, attach a schedule. The persons you list as dependents must be the same persons you listed as dependents on your federal income tax return. Count the number of dependents listed and enter the total in the box on line 10. Multiply the number you entered by the pre-printed dollar amount and enter the result.

Line 11 – Exemption Amount

Add line 7 through line 10 and enter the total dollar amount of all exemptions for personal, blind, senior, and dependent.

Total Taxable Income

Refer to your completed federal income tax return to complete this section.

Line 12 – California Wages

Enter the total amount of your California wages from your Form(s) W-2, Wage and Tax Statement, or CA Sch W-2, Wage and Withholding Summary. This amount appears in box 16 of Form W-2 or line 3 of CA Sch W-2.

Line 13 – Federal AGI from Form 1040, line 37; 1040A, line 21; 1040EZ, line 4; 1040NR, line 35; or 1040NR-EZ, line 10

Same-sex married couples (SSMCs) or registered domestic partners (RDPs) who file a California tax return as married/RDP filing jointly and have no SSMC adjustments or RDP adjustments between federal and California, combine their individual AGIs from their federal tax returns filed with the Internal Revenue Service (IRS). Enter the combined AGI on Long Form 540NR, line 13.

SSMC adjustments and RDP adjustments include but are not limited to the following:

- Transfer of property between spouses/RDPs
- Capital loss
- Transactions between spouses/RDPs
- Sale of residence
- Dependent care assistance
- Investment interest
- Qualified residence interest acquisition loan & equity loan
- Expense depreciation property limits
- Individual Retirement Account
- Interest education loan
- Rental real estate passive loss
- Rollover of publicly traded securities gain into specialized small business investment companies

Same-sex married individuals filing as married/RDP filing separately, former spouses of a same-sex marriage filing separately, and SSMCs with SSMC adjustments will use the California SSMC Adjustments Worksheet in FTB Pub. 776, Tax Information for Same-Sex Married Couples, or complete a federal pro forma Form 1040. Transfer the amount from the California SSMC Adjustments Worksheet, line 37, column D, or federal pro forma Form 1040, line 37, to Long Form 540NR, line 13.

RDPs filing as married/RDP filing separately, former RDPs filing separately, and RDPs with RDP adjustments will use the California RDP Adjustments Worksheet in FTB Pub. 737, Tax Information for Registered Domestic Partners, or complete a federal pro forma Form 1040. Transfer the amount from the California RDP Adjustments Worksheet, line 37, column D, or federal pro forma Form 1040, line 37, to Long Form 540NR, line 13.

Line 14 – California Adjustments — Subtractions (from Schedule CA (540NR), line 37, column B)

Complete Schedule CA (540NR), California Adjustments – Nonresidents or Part-Year Residents, to find the amount to enter on Long Form 540NR, line 14. Follow the instructions for Schedule CA (540NR) beginning on page 41. Enter the amount from Schedule CA (540NR), line 37, column B on Long Form 540NR, line 14.

If the amount on Schedule CA (540NR) line 37, column B is a negative number, do not transfer it to Long Form 540NR, line 14 as a negative number. Instead, transfer the number as a positive number to Long Form 540NR, line 16.

Line 15 – Subtotal

Subtract the amount on line 14 from the amount on line 13. Enter the result on line 15. If the amount on line 13 is less than zero, combine the amounts on line 13 and line 14 and enter the amount in parentheses. For example: "(12,325)."

Line 16 – California Adjustments — Additions (from Schedule CA (540NR), line 37, column C)

Complete Schedule CA (540NR), to find the amount to enter on Long Form 540NR, line 16. Follow the instructions for Schedule CA (540NR) beginning on page 41. Enter the amount from Schedule CA (540NR), line 37, column C on Long Form 540NR, line 16.

If the amount on Schedule CA (540NR) line 37, column C is a negative number, do not transfer it to Long Form 540NR, line 16 as a negative number. Instead, transfer the number as a positive number to Long Form 540NR, line 14.

Line 17 – Adjusted Gross Income From All Sources

Combine line 15 and line 16. This amount should match the amount on Schedule CA (540NR), line 37, column D.

Line 18 – California Itemized Deductions or California Standard Deduction

Decide whether to itemize your deductions, such as charitable contributions, medical expenses, etc., or take the standard deduction. Your California income tax will be less if you take the **larger** of your California:

- Itemized deductions (total itemized deductions allowed under California law).
- Standard deduction.

On federal tax returns, individual taxpayers who claim the standard deduction are allowed an additional deduction for state and local real estate taxes paid. For California, deductions for state and local real estate taxes paid are only allowed for those individual taxpayers who itemized their deductions.

If married or an RDP and filing separate Long Form 540NR, you and your spouse/RDP must either both itemize your deductions or both take the standard deduction.

Also, if someone else can claim you as a dependent, you may claim the greater of the standard deduction or your itemized deductions. To figure your standard deduction, see the California Standard Deduction Worksheet for Dependents on the next page.

Itemized deductions. Figure your California itemized deductions by completing Schedule CA (540NR), Part III, line 38 through line 44. Enter the result on Long Form 540NR, line 18.

If you did not itemize deductions on your federal income tax return but will itemize deductions for your Long Form 540NR, first complete a sample federal Schedule A, Itemized Deductions. Then complete Schedule CA (540NR), Part III, line 38 through line 44.

Standard deduction. Find your standard deduction on the California Standard Deduction Chart for Most People below. If you filled in the circle on Long Form 540NR, line 6, use the California Standard Deduction Worksheet for Dependents, on the next page, instead.

California Standard Deduction Chart for Most People

Do not use this chart if your parent, or someone else, can claim you (or your spouse/RDP) as a dependent on his or her tax return.

Your Filing Status	Enter On Line 18
1 – Single	$3,692
2 – Married/RDP filing jointly	$7,384
3 – Married/RDP filing separately	$3,692
4 – Head of household	$7,384
5 – Qualifying widow(er)	$7,384

The California standard deduction amounts are less than the federal standard deduction amounts.

California Standard Deduction Worksheet for Dependents

Use this worksheet only if your parent, or someone else, can claim you (or your spouse/RDP) as a dependent on his or her tax return. **Use whole dollars only.**

1. Enter your earned income from: line 1 of the "Standard Deduction Worksheet for Dependents" in the instructions for federal Form 1040; Form 1040A; or from line A of the worksheet on the back of Form 1040EZ . . . . . 1 _____
2. Minimum standard deduction 2 $900.00
3. Enter the **larger** of line 1 or line 2 here . . . . . 3 _____
4. Enter the amount shown for your filing status:
   - Single or married/RDP filing separately, enter $3,692
   - Married/RDP filing jointly, head of household, or qualifying widow(er), enter $7,384

   . . . . . 4 _____
5. **Standard deduction.** Enter the **smaller** of line 3 or line 4 here and on the Short or Long Form 540NR, line 18 . . . . . 5 _____

Line 19 – Taxable Income

Capital Construction Fund (CCF). If you claim a deduction on your federal Form 1040, line 43 for a contribution made to a CCF set up under the Merchant Marine Act of 1936, reduce the amount you contributed on line 19 by the amount of the deduction. Next to line 19, enter "CCF" and the amount of the deduction. For details, see federal Publication 595, Capital Construction Fund for Commercial Fishermen.

California Taxable Income

When you figure your tax, use the correct filing status and taxable income amount.

Line 20 – Tax

✓Tip e-file and you won't have to do the math. Go to our website at **ftb.ca.gov**.

To figure your tax on the amount on line 19, use one of the following methods and fill in the matching circle on line 20:

- **Tax Table.** If your taxable income on line 19 is $100,000 or less, use the tax table beginning on page 31. Use the correct filing status column in the tax table.
- **Tax Rate Schedules.** If your taxable income on line 19 is over $100,000, use the tax rate schedules on page 36.
- **FTB 3800.** Generally, you use form FTB 3800, Tax Computation for Children Under Age 14 with Investment Income, to figure the tax on a separate Long Form 540NR for your child who was under age 14 on January 1, 2009, and who had more than $1,800 of investment income. Attach form FTB 3800 to the child's Long Form 540NR.
- **FTB 3803.** If, as a parent, you elect to report your child's interest and dividend income of $9,000 or less (but not less than $900) on your return, complete form FTB 3803, Parents' Election to Report Child's Interest and Dividends. File a separate form FTB 3803 for each child whose income you elect to include on your Long Form 540NR. Add the amount of tax, if any, from each form FTB 3803, line 9, to the amount of your tax from the tax table or tax rate schedules and enter the result on Long Form 540NR, line 20. Attach form(s) FTB 3803 to your return.

To prevent possible delays in processing your return or refund, enter the correct tax amount on this line. To automatically figure your tax or to verify your tax calculation, use our online tax calculator. Go to our website at **ftb.ca.gov** and search for **tax calculator**.

Line 21 – CA Adjusted Gross Income

Complete Schedule CA (540NR), line 45 to determine your California adjusted gross income. Follow the instructions for Schedule CA (540NR) beginning on page 41. Enter on Long Form 540NR, line 21 the amount from Schedule CA (540NR), line 45.

Line 23 – CA Tax Rate

In this computation, the FTB rounds the tax rate to four digits after the decimal. If your computation is different, you may receive a notice due to the difference in rounding. Contact us at 800.852.5711 if you disagree with this notice.

Line 25a – CA Exemption Credit Percentage

Divide the California Taxable Income (line 22) by Total Taxable Income (line 19). This percentage does not apply to the Nonrefundable Renter's Credit, Other State Tax Credit, or credits that are conditional upon a transaction occurring wholly within California. **If more than 1, enter 1.0000.**

Line 25b – CA Prorated Exemption Credits

Use your exemption credits to reduce your tax. If your federal adjusted gross income (AGI) on line 13 is more than the amount listed below for your filing status, your credits will be limited.

If your filing status is:	Is Long Form 540NR, line 13 more than:
Single or married/RDP filing separately	$163,187
Married/RDP filing jointly or qualifying widow(er)	$326,379
Head of household	$244,785

Yes Complete the AGI Limitation Worksheet on this page.
No Multiply line 11 by line 25a.

AGI Limitation Worksheet

Use whole dollars only

a Enter the amount from Long Form 540NR, line 13, or RDP recalculated AGI . . . . . **a**_____

b Enter the amount for your filing status on line b:
- Single or married/RDP filing separately. . . $163,187
- Married/RDP filing jointly or qualifying widow(er) $326,379
- Head of household. $244,785

. . . **b**_____

c Subtract line b from line a . . . . . **c**_____

d Divide line c by $2,500 ($1,250 if married/RDP filing separately). If the result is not a whole number, round it to the next higher whole number . . . . . **d**_____

e Multiply line d by $6 . . . . . **e**_____

f Add the numbers from the boxes on Long Form 540NR, line 7, line 8, and line 9 (not the dollar amounts). . . . . **f**_____

g Multiply line e by line f. . . . . **g**_____

h Add the total **dollar amounts** from Long Form 540NR, line 7, line 8, and line 9 . . . . . **h**_____

i Subtract line g from line h. If zero or less enter -0-. . . . . **i**_____

j Enter the number from the box on Long Form 540NR, line 10 (not the dollar amount) . . . . . **j**_____

k Multiply line e by line j. . . . . **k**_____

l Enter the **dollar amount** (that you filled in) from Long Form 540NR, line 10 . . . . . **l**_____

m Subtract line k from line l. If zero or less, enter -0- . . . . . **m**_____

n Add line i and line m. Enter the result here . . . . . **n**_____

o Multiply the amount on line n by the CA Exemption Credit Percentage on Long Form 540NR, line 25a. Enter the result here and on Long Form 540NR, line 25b . . . . . **o**_____

Line 26 – Tax from Schedule G-1 and Form FTB 5870A

If you received a qualified lump-sum distribution in 2008 and you were born before January 2, 1936, get Schedule G-1, Tax on Lump-Sum Distributions, to figure your tax by special methods that may result in less tax.

If you received accumulation distributions from foreign trusts or from certain domestic trusts, get form FTB 5870A, Tax on Accumulation Distribution of Trusts, to figure the additional tax.

To get these forms, see "Order Forms and Publications" on page 63.

Special Credits and Nonrefundable Renter's Credit

A variety of California tax credits are available to reduce your tax if you qualify. To figure and claim most credits, complete a separate form or schedule and attach it to your Long Form 540NR. (**Note:** If your net business income is $500,000 or more and you have business tax credits, complete Schedule P (540NR), Alternative Minimum Tax and Credit Limitations – Nonresidents or Part-Year Residents. See "Order Forms and Publications" on page 63.) The Credit Chart on page 58 describes the credits and provides the name, credit code, and number of the required form, schedule, worksheet, or certificate you need to complete. Many credits are limited to a certain percentage or a certain dollar amount. In addition, the total amount you may claim for all credits is limited by tentative minimum tax (TMT). Answer the following questions before you claim credits on your tax return.

1. Do you qualify to claim the nonrefundable renter's credit? Complete the qualification record on page 57.)

   Check ☐ **Yes** or ☐ **No,** then go to Question 2.

2. Are you claiming any other special credit listed in the Credit Chart on page 58?

   No If you checked "Yes" for Question 1 and entered an amount on Long Form 540NR, line 35, go to line 36. If you checked "No" for Question 1, skip to the instructions for line 37.

   Yes Figure your credit using the form, schedule, worksheet, or certificate identified in the Credit Chart. Then go to Box A below to see if the total amount you may claim for all credits is limited by TMT. If you checked "Yes" for Question 1, verify that you entered your nonrefundable renter's credit on line 35.

Box A – Did you complete federal Schedule C, D, E, or F **and** claim or receive any of the following (**Note:** If your business gross receipts are less than $1,000,000 from all trades or businesses, you do not have to report AMT. For more information, see line 39 instructions, on page 21.):

- Accelerated depreciation in excess of straight-line
- Intangible drilling costs
- Depletion
- Circulation expenditures
- Research and experimental expenditures
- Mining exploration/development costs
- Amortization of pollution control facilities
- Income/loss from tax shelter farm activities
- Income/loss from passive activities
- Income from long-term contracts using the percentage of completion method
- Pass-through AMT adjustment from an estate or trust reported on Schedule K-1 (541)
- Excluded gain on the sale of qualified small business stock

Yes Get and complete Schedule P (540NR). See "Order Forms and Publications" on page 63.
No Go to Box B.

Box B – Did you claim or receive any of the following:

- Investment interest expense ☎ **226**
- Income from incentive stock options in excess of the amount reported on your return ☎ **225**
- Income from installment sales of certain property

Yes Get and complete Schedule P (540NR). See "Order Forms and Publications" on page 63.
No Go to Box C.

Box C – If your filing status is: Is Long Form 540NR, line 17 more than:

- Single or head of household. $225,050
- Married/RDP filing jointly or qualifying widow(er) $300,065
- Married/RDP filing separately. $150,031

Yes Get and complete Schedule P (540NR). See "Order Forms and Publications" on page 63.
No Your credits are not limited. Go to the instructions for the Long Form 540NR, line 32, on page 21.

Carryovers: If you claim a credit with carryover provisions and the amount of the credit available this year exceeds your tax, carry over any excess credit to future years until the credit is used (unless the carryover period is a fixed number of years). If you claim a credit carryover from an expired credit, use form FTB 3540, Credit Carryover Summary, to figure the amount of the credit.

If you need to complete Schedule P (540NR) **and** if you claim any of the credits on line 28 through line 30, do not enter an amount on line 28 through line 30. Instead, enter the total amount of these credits from Schedule P (540NR), Part III, Section A1, line 4 through line 11, on Long Form 540NR, line 31. Do not follow the instructions for line 31. Write "Schedule P (540NR)" to the left of the amount entered on line 31.

Line 28 – Credit for Joint Custody Head of Household — Code 170

You may **not** claim this credit if you used the head of household, married/RDP filing jointly, or the qualifying widow(er) filing status.

Claim the credit if unmarried and not an RDP at the end of 2008 (or if married or an RDP, you lived apart from your spouse/RDP for all of 2008 and you used the married/RDP filing separately filing status); and if you furnished more than one-half the household expenses for your home that also served as the main home of your child, step-child, or grandchild for at least 146 days but not more than 219 days of your taxable year. If the child is married or an RDP, you must be entitled to claim a dependent exemption for the child.

Also, the custody arrangement for the child must be part of a decree of dissolution or legal separation or part of a written agreement between the parents where the proceedings have been initiated, but a decree of dissolution or legal separation has not yet been issued.

If your Federal AGI is more than $163,187, subtract line n from the AGI Limitation Worksheet on page 19 from line 20 of the Long Form 540NR and enter this amount on line 1 of the worksheet below to calculate your credit.

Use the worksheet below to figure this credit **using whole dollars only**:

1. Subtract line 11 from line 20 on Long Form 540NR and enter the result here	**1** _____	
2. Enter the amount from Long Form 540NR, line 26	**2** _____	
3. Add line 1 and line 2	**3** _____	
4. Credit percentage — 30%.	**4** _____	
5. Credit amount. Multiply line 3 by line 4.		x .30
Enter on this line the result or $393, whichever is less. Enter this amount on line 28 of the Long Form 540NR, Side 1	**5** _____	

If you qualify for both the Credit for Joint Custody Head of Household and the Credit for Dependent Parent, you are only allowed to claim one or the other, not both. Select the credit that will allow the maximum benefit.

Line 29 – Credit for Dependent Parent — Code 173

You may **not** claim this credit if you used the single, head of household, qualifying widow(er), or married/RDP filing jointly filing status.

If you qualify for both the Credit for Joint Custody Head of Household and the Credit for Dependent Parent, you are only allowed to claim one or the other, not both. Select the credit that will allow the maximum benefit.

Claim this credit only if all of the following apply:

- You were married or an RDP at the end of 2008 and you used the married/RDP filing separately filing status.
- Your spouse/RDP was not a member of your household during the last six months of the year.
- You furnished over one-half the household expenses for your dependent mother's or father's home, whether or not she or he lived in your home.

To figure the amount of this credit, use the worksheet for the credit for joint custody head of household, on this page.

On the last line of the worksheet, enter the result or $393, whichever is less. Enter this amount on line 29 of the Long Form 540NR, Side 1.

Line 30 – Credit for Senior Head of Household — Code 163

Claim this credit if you:

- Were 65 years of age or older on December 31, 2008*.
- Qualified as a head of household in 2006 or 2007 by providing a household for a qualifying individual who died during 2006 or 2007.

- Did not have adjusted gross income over $63,831 for 2008.

*If your 65th birthday is on January 1, 2009, you are considered to be age 65 on December 31, 2008.

If you meet all the conditions listed, you do not need to qualify to use the head of household filing status for 2008 in order to claim this credit.

Use the worksheet below to figure this credit **using whole dollars only**:

1. Enter the amount from Long Form 540NR, line 19 . . . . . **1** _____
2. Credit percentage — 2% . . . . . **2** x .02
3. Credit amount. Multiply line 1 by line 2. Enter on this line the result or $1,203, whichever is less. Enter this amount on line 30 of the Long Form 540NR, Side 1 . . . . . **3** _____

Line 31 – Credit Percentage and Credit Amount

Complete the worksheet below to compute your credit percentage and the allowable prorated credit to enter on line 31 **using whole dollars only**. If you completed Schedule P (540NR), see the instructions above the Line 28 instructions, on page 20.

Part I – Credit Percentage

1. Divide Long Form 540NR, line 22 by line 19. Enter the result here and on Long Form 540NR, line **31a** . . . . . **1** _ . _ _ _ _

Part II – Credit Amount

Credit for Joint Custody Head of Household

1. Enter the amount from Long Form 540NR, line 28 . . . . . **1**_____
2. Credit Percentage from Part I, line 1 . . . . . **2 x** _____
3. Multiply line 1 by line 2 . . . . . **3**_____
4. **Enter the lesser of the amount from line 3 or $393** . . . . . **4**_____

Credit for Dependent Parent

5. Enter the amount from Long Form 540NR, line 29 . . . . . **5**_____
6. Credit Percentage from Part I, line 1 . . . . . **6 x** _____
7. Multiply line 5 by line 6 . . . . . **7**_____
8. **Enter the lesser of the amount on line 7 or $393** . . . . . **8** _____

Credit for Senior Head of Household

9. Enter the amount from Long Form 540NR, line 30 . . . . . **9**_____
10. Credit Percentage from Part I, line 1 . . . . . **10 x** _____
11. Multiply line 9 by line 10 . . . . . **11**_____
12. **Enter the lesser of the amount on line 11 or $1,203** . . . . . **12**_____

Total Prorated Credits

13. Add line 4, line 8, and line 12. Enter the result here and on Long Form 540NR, line 31 . . . . . **13**_____

Line 32 through Line 34 – Additional Special Credits

A code number identifies each credit. To claim only one or two credits, enter the credit name, code number, and amount of the credit on line 32 and line 33. To claim more than two credits, get Schedule P (540NR) complete Part III to list the additional credits. See "Where To Get Income Tax Forms and Publications" on page 62. List two of the credits on line 32 and line 33. Enter on line 34 the total of any remaining credits from Schedule P (540NR).

Attach Schedule P (540NR) and any required supporting schedules or statements to your Long Form 540NR.

Credit for Child Adoption Costs — Code 197

For the year in which an adoption decree or an order of adoption is entered (e.g. adoption is final), claim a credit for 50% of the cost of adopting a child who was both:

- A citizen or legal resident of the United States
- In the **custody** of a California public agency or a California political subdivision

You may treat a prior unsuccessful attempt to adopt a child (even when the costs were incurred in a prior year) and a later successful adoption of a different child as one effort when computing the cost of adopting the child. Include the following costs if directly related to the adoption process:

- Fees for Department of Social Services or a licensed adoption agency
- Medical expenses not reimbursed by insurance
- Travel expenses for the adoptive family

Note:

- This credit does not apply when a child is adopted from another country or another state, or who was not in the custody of a California public agency or a California political subdivision.
- Any deduction for the expenses used to claim this credit must be reduced by the amount of the child adoption costs credit claimed.

Use the following worksheet to figure this credit **using whole dollars only**. If more than one adoption qualifies for this credit, complete a separate worksheet for each adoption. The maximum credit is limited to $2,500 per minor child.

1. Enter qualifying costs for the child . . . . . **1** _____
2. Credit percentage — 50% . . . . . **2** x .50
3. Credit amount. Multiply line 1 by line 2. Do not enter more than $2,500 . . . . . **3** _____

Your allowable credit is limited to $2,500 for 2008. You may carryover the excess credit to future years until the credit is used.

Line 35 – Nonrefundable Renter's Credit

Did you pay rent for at least six months in 2008 on your principal residence located in California?

Yes You may qualify to claim this credit which may reduce your tax. Complete the qualification record on page 57.

No Go to line 36.

Line 37

Subtract the amount on line 36 from the amount on line 27. Enter the result on line 37. If the amount on line 36 is more than the amount on line 27, enter -0-. If you owe interest on deferred tax from installment obligations, include the additional tax, if any, in the amount you enter on line 37. Write "IRC Section 453 interest" or "IRC Section 453A interest" and the amount on the dotted line to the left of the amount on line 37.

Other Taxes

Attach the specific form or statement required for each item below.

Line 39 – Alternative Minimum Tax (AMT)

If you claim certain types of deductions, exclusions, and credits, you may owe AMT if your total income is more than:

- $80,017 married/RDP filing jointly or qualifying widow(er)
- $60,014 single or head of household
- $40,007 married/RDP filing separately

A child under age 14 may owe AMT if the sum of the amount on line 19 (taxable income) and any preference items listed on Schedule P (540NR) and included on the return is more than the sum of $5,500 plus the child's earned income.

AMT income does not include income, adjustments, and items of tax preference related to any trade or business of a qualified taxpayer who has gross receipts, less returns and allowances, during the taxable year of less than $1,000,000 from **all** trades or businesses.

Get Schedule P (540NR) for more information. See "Where To Get Income Tax Forms and Publications" on page 62.

Line 40 – Mental Health Services Tax

If your taxable income or nonresident CA source taxable income is more than $1,000,000, compute the Mental Health Services tax below **using whole dollars only**:

A.	Taxable income from Long Form 540NR, line 22	_____
B.	Less	$(1,000,000)
C.	Subtotal	_____
D.	Multiply line C by 1%	x .01
E.	Mental Health Services Tax - Enter this amount here and on Long Form 540NR, line 40	_____

Line 41 – Other Taxes and Credit Recapture

If you received an early distribution of a qualified retirement plan and were required to report additional tax on your federal return, you may also be required to report additional tax on your California tax return. Get form FTB 3805P, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts. If required to report additional tax, report it on line 41 and write "FTB 3805P" to the left of the amount.

California conforms to federal law for income received under IRC Section 409A on a nonqualified deferred compensation (NQDC) plan and discounted stock options and stock appreciation rights. Income received under IRC Section 409A is subject to an additional 20% tax plus interest. Include the additional tax, if any, on line 41. Write "NQDC" on the dotted line to the left of the amount.

If you used form(s)

- FTB 3501, Employer Child Care Program/Contribution Credit
- FTB 3805Z, Enterprise Zone Deduction and Credit Summary
- FTB 3806, Los Angeles Revitalization Zone Deduction and Credit Summary
- FTB 3807, Local Agency Military Base Recovery Area Deduction and Credit Summary
- FTB 3808, Manufacturing Enhancement Area Credit Summary
- FTB 3809, Targeted Tax Area Deduction and Credit Summary

Include the additional tax, if any, on line 41. Write the form number on the dotted line to the left of the amount on line 41.

Payments

Have your Form(s) W-2 (or CA Sch W-2), W-2G, Certain Gambling Winnings, 1099-MISC, Miscellaneous Income, 1099-R, Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., 592-B, Nonresident Withholding Tax Statement, 593, Real Estate Withholding Tax Statement, and 594, Notice to Withhold Tax at Source, before you begin this section.

If you received wages and do not have a Form W-2, see page 8, Question 2.

Line 43 – California Income Tax Withheld

Enter the total California income tax withheld from your Form(s):

- W-2, box 17 (or CA Sch W-2)
- W-2G, box 14
- 1099-MISC, box 16
- 1099-R, box 10

Do not include city, local, or county tax withheld or tax withheld by other states. Do not include nonresident or real estate withholding from Form(s) 592-B, 593, or 594 on this line. Do not include nonconsenting nonresident (NCNR) member's tax from Schedule K-1 (568), line 15e as withholding. See line 44. If you had California tax withheld and did not receive Form(s) W-2 or 1099, contact the entity that paid the income.

If you received Form(s) 1099-MISC or 1099-R showing California income tax withheld, include in the total on line 43 the amount(s) withheld and attach a copy of the Form(s) 1099 to your return.

Generally, tax should not be withheld on Form 1099-MISC. If you want to pre-pay tax on income reported on Form 1099-MISC, use Form 540-ES, Estimated Tax for Individuals.

Line 44 – Nonresident Withholding

If you were a nonresident who received California source income or sold California real estate, enter the total California tax withheld from your Form(s) 592-B, 593, or 594. Attach a copy of Form(s) 592-B, 593, or 594 to the lower front of Long Form 540NR, Side 1.

Do not include withholding from other forms on this line. Do not include NCNR member's tax from Schedule K-1 (568), line 15e as withholding. If you had California income tax withheld and did not receive Form(s) W-2 or 1099, contact the entity that paid the income.

Line 45 – 2008 CA Estimated Tax and Other Payments

Enter the total of any:

- California estimated tax payments you made using Form 540-ES or Web Pay for 2008.
- Overpayment from your 2007 California income tax return that you applied to your 2008 estimated tax.
- Payment you sent with form FTB 3519, Payment for Automatic Extension for Individuals.
- California estimated tax payments made on your behalf by an estate or trust on Schedule K-1 (541) or an S Corporation on Schedule K-1(100S).

If you are including NCNR tax, write "LLC" on the dotted line to the left of the amount on line 45, and attach Schedule K-1 (568) with the amount of the NCNR tax claimed.

If you and your spouse/RDP paid joint estimated taxes but are now filing separate income tax returns, either of you may claim the entire amount paid, or each may claim part of the joint estimated tax payments. If you want the estimated tax payments to be divided, notify the FTB before you file the tax returns so the payments can be applied to the proper account. The FTB will accept in writing, any divorce agreement (or court-ordered settlement) or a statement showing the allocation of the payments along with a notarized signature of both taxpayers.

Send statements to:

JOINT ESTIMATED CREDIT ALLOCATION MS F225
TAXPAYER SERVICES CENTER
FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO, CA 94240-0040

To view payments made or get your current account balance, go to our website at **ftb.ca.gov** and search for **myftb account**.

If you or your spouse/RDP made separate estimated tax payments, but are now filing a joint income tax return, add the amounts you each paid. Attach a statement to the front of your Long Form 540NR explaining that payments were made under both SSNs.

You do not have to make estimated tax payments if you are a nonresident or new resident of California in 2009 and did not have a California tax liability in 2008.

Line 46 – Excess California SDI (or VPDI) Withheld

You may be entitled to claim a credit for excess State Disability Insurance (SDI) or Voluntary Plan Disability Insurance (VPDI) only if you meet all of the following conditions:

- You had **two or more** California employers during 2008.
- You received more than $86,698 in wages.
- The amounts of SDI (or VPDI) withheld appear on your Forms W-2 or CA Sch W-2. Be sure to attach your Forms W-2 (or CA Sch W-2) to your Long Form 540NR.

If SDI (or VPDI) was withheld from your wages by a single employer, at a rate of more than 0.8% of your gross wages, you may not claim excess SDI (or VPDI) on your Long Form 540NR. Contact the employer for a refund.

To determine the amount to enter on line 46, complete the Excess SDI (or VPDI) Worksheet below. If married/RDP filing jointly, figure the amount of excess SDI (or VPDI) separately for each spouse/RDP.

Excess SDI (or VPDI) Worksheet

Use whole dollars only

Follow the instructions below to figure the amount of income tax to enter on Long Form 540NR, line 46. If you are married or an RDP and file a joint return, you must figure the amount of excess SDI (or VPDI) separately for each spouse/RDP.

		You	Your Spouse/ RDP
1.	Add amounts of SDI (or VPDI) withheld shown on your Forms W-2. Enter the total here 1		
2.	2008 SDI (or VPDI) limit 2	$693.58	$693.58
3.	Excess SDI (or VPDI) withheld. Subtract line 2 from line 1. Enter the results here. Combine the amounts on line 3 and enter the total, in **whole dollars only** on Long Form 540NR, line 46 3		

If zero or less, enter -0- on line 46.

Line 47 through Line 50 – Child and Dependent Care Expenses Credit

Claim this credit if you paid someone to care for your child under the age of 13, other dependent who is physically or mentally incapable of caring for him or herself, or spouse/RDP if physically or mentally incapable of caring for him or herself. To claim this credit, your federal adjusted gross income must be $100,000 or less. Complete and attach form FTB 3506, Child and Dependent Care Expenses Credit.

The care must have been provided in California. You must have California-sourced income (wages earned working in California or self-employment income from California business activities).

A servicemember's active duty military pay is considered earned income, regardless of whether the servicemember is domiciled in California. Get FTB Pub. 1032, Tax Information for Military Personnel, for more information.

Line 47 and Line 48

Enter the qualifying person's SSN. Do not enter more than one qualifying person's SSN on line 47 or line 48 from form FTB 3506, Part III, line 2. If you have more than two qualifying persons, enter only the first two qualifying persons listed on form FTB 3506, Part III, line 2.

Line 49

Enter the credit amount allowed from form FTB 3506, Part III, line 8.

Line 50

Enter the credit amount allowed from form FTB 3506, Part III, line 12. See "Where To Get Income Tax Forms and Publications" on page 62.

Line 51

For the Claim of Right credit, follow the reporting instructions in Schedule CA (540NR) under the Claim of Right.

Claim of Right: If you are claiming the tax credit on your California return, include the amount of the credit in the total for this line. Write in "IRC 1341" and the amount of the credit to the left of the amount column.

To determine if you are entitled to this deduction, refer to your prior year California Form 540/540A, Form 540NR (Long or Short), Schedule CA (540), or Schedule CA (540NR), column E, to verify the amount was included in your CA taxable income. If the amount repaid under a "Claim of Right" was not originally taxed by California, you are not entitled to claim the deduction.

Overpaid Tax or Tax Due

If you received a refund for 2007, you may receive a Form 1099-G, Certain Government Payments. The refund amount reported on your Form 1099-G will be different from the amount shown on your tax return if you claimed the Child and Dependent Care Expenses Credit. This is because the credit is not part of the refund from withholding or estimated tax payments.

To avoid a delay in the processing of your return, enter the correct amounts on line 52 through line 55.

Line 52 – Overpaid Tax

If the amount on line 51 is more than the amount on line 42, subtract the amount on line 42 from the amount on line 51. Enter the result on line 52. Your payments and credits are more than your tax.

Line 53 – Amount You Want Applied to Your 2009 Estimated Tax

Apply all or part of the amount on line 52 to your estimated tax for 2009. Enter on line 53 the amount of line 52 you want applied to 2009.

An election to apply an overpayment against estimated tax is binding. Once the election is made, the overpayment cannot be applied to a deficiency after the due date of the return.

Line 54 – Overpaid Tax Available This Year

If you entered an amount on line 53, subtract it from the amount on line 52. Enter the result on line 54. You may have this entire amount refunded to you or make contributions to the California Seniors Special Fund or make other voluntary contributions from this amount. If you make a contribution, skip line 55 and go to the instructions for contributions.

Line 55 – Tax Due

If the amount on line 51 is less than the amount on line 42, subtract the amount on line 51 from the amount on line 42. Enter the result on line 55. Your tax is more than your payments and credits.

There is a penalty for not paying enough tax during the year. You may have to pay a penalty if:

- The tax due on line 55 is $200 or more ($100 or more if married/RDP filing separately).
- The amount of state income tax withheld on line 43 is less than 90% of the amount of your total tax on line 42.

If you owe a penalty, the FTB will figure the penalty and send you a bill.

Contributions

Make voluntary contributions of $1 or more in whole dollar amounts for code 400 through code 414. The amount you contribute either reduces your overpaid tax or increases your tax due. Contribute only to the funds listed on page 56. No changes can be made to contributions after you file your return.

Code 400– Contribution to California Seniors Special Fund

If you and/or your spouse/RDP are 65 years of age or older and claim the Senior Exemption Credit on line 9, you may make a combined total contribution of up to $198 or $99 per spouse/RDP. Contributions entered on code 400 will be distributed to The Area Agency on Aging Council of California (TACC) to provide advice on and sponsorship of Senior Citizen issues. Any excess contributions not required by TACC will be distributed to senior citizen service organizations throughout California for meals, adult day care, and transportation.

Use the worksheet on this page to figure your contribution:

1. If you contribute, enter $99; if you and your spouse/RDP contribute, enter $198 . . . . . 1 _____
2. Enter the ratio from Long Form 540NR, line 25a . . . . . 2 _____
3. Contribution amount. Multiply line 1 by line 2. Enter the result (rounded to the nearest whole dollar) here. . . . . 3 _____

You may contribute any amount up to the amount on line 3. Enter your contribution on line 57.

Line 68 – Total Contributions

Add code 400 through code 414. Enter the result on line 68. If you show an amount on line 54, you must subtract the amount you contribute from the amount of overpaid tax. If you show an amount on line 55, you must add your total contributions to your tax due.

Amount You Owe

Add or subtract correctly to figure the amount you owe.

Line 69 – Amount You Owe

If you did not enter an amount on line 68, enter the amount from line 55 on line 69. This is the amount you owe with your Long Form 540NR.

If you entered an amount on line 68, add that amount to the amount on line 55. Enter the result on line 69. This is the amount you owe with your Long Form 540NR.

If you have an amount on line 54 and line 68, subtract line 68 from line 54. If line 68 is more than line 54 enter the difference on line 69.

To avoid a late filing penalty, file your Long Form 540NR by the extended due date even if unable to pay the amount you owe.

Do not combine your 2008 tax payment and any 2009 estimated tax payment in the same check or money order. Prepare two separate checks or money orders and mail each in a separate envelope.

Payment Options

- **Electronic Funds Withdrawal** – Instead of paying by check or money order, you may use this convenient option if you e-file. Provide your bank information, amount you want to pay, and the date you want the balance due to be withdrawn from your account. Your tax preparation software will offer this option.
- **Web Pay** – Pay the amount you owe using our secure online payment service. Go to our website at **ftb.ca.gov** and search for **web pay.**
- **Credit Card** – Whether you e-file or file by mail, you can use your Discover/Novus, MasterCard, Visa, or American Express card to pay your personal income taxes. If you pay by credit card, do not mail form FTB 3519 to us. Call 800.272.9829 or go to the Official Payments Corp. website at **officialpayments.com**, and use the jurisdiction code 1555. Official Payments Corp. charges a convenience fee for using this service.
- **Check or Money Order** – Make your check or money order payable to the "Franchise Tax Board." **Do not send cash.** Write your SSN or ITIN and "2008 Long Form 540NR" on the check or money order. Enclose, but do **not** staple, your payment with your return.

  Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution. **Do not** combine your 2008 tax payment and any 2009 estimated tax payment in the same check. Prepare two separate checks and mail each in a separate envelope.

  A penalty may be imposed if your check is returned by your bank for insufficient funds.

  If you enter an amount on line 70 or line 71, see the instructions for line 72 for information about how to prepare your check or money order.

Paying by Credit Card – Whether you e-file or file by mail, use your Discover/Novus, MasterCard, Visa, or American Express card to pay your personal income taxes (tax return balance due, extension payment, estimated tax payment, or tax due with bill notice). **There is a convenience fee for this service.** This fee is paid directly to Official Payments Corp. based on the amount of your tax payment.

Convenience Fee

- 2.5% of the tax amount charged (rounded to the nearest cent)
- Minimum fee: $1

Example: Tax Payment = $754.00 Convenience Fee = $18.85

When will my payments be effective?
Your payment is effective on the date you charge it.

What if I change my mind?
If you pay your tax liability by credit card and later reverse the credit card transaction, you may be subject to penalties, interest, and other fees imposed by the FTB for nonpayment or late payment of your tax liability.

How do I use my credit card to pay my income tax bill?
Once you have determined the type of payment and how much you owe, the following information is needed:

- Your Discover/Novus, MasterCard, Visa, or American Express card
- Credit card number
- Expiration date
- Amount you are paying
- Your and your spouse's/RDP's SSN (or ITIN)
- First 4 letters of your and your spouse's/RDP's last name
- Taxable year
- Home phone number (including area code)
- ZIP Code for address where your monthly credit card bill is sent
- FTB Jurisdiction Code: 1555

Go to the Official Payments Corp. website at **officialpayments.com** and select **Payment Center**, or use the toll-free number at 800.2PAY.TAX or 800.272.9829. Follow the recorded instructions. Official Payments Corp. provides customer assistance Monday through Friday, 5 a.m. to 5:30 p.m. PST. Official Payments Corp. will tell you the convenience fee before you complete your transaction. Decide whether to complete the transaction at that time.

Payment Date : _____ Confirmation Number: _____

If you cannot pay the full amount shown on Long Form 540NR, line 69, see the information regarding monthly payments on page 8, question 4.

Interest and Penalties

If you file your return or pay your tax after the original due date, you may owe interest and penalties on the tax due.

Do not reduce the amount on line 52 or increase the amount on line 55 by any penalty or interest amounts. Enter on Long Form 540NR, line 70 the amount of interest and penalties.

Line 70 – Interest and Penalties

Interest. Interest will be charged on any late filing or late payment penalty from the original due date of the return to the date paid. In addition, if other penalties are not paid within **15** days, interest will be charged from the date of the billing notice until the date of payment. Interest compounds daily and the interest rate is adjusted twice a year. The FTB website has a chart of interest rates in effect since 1976. Go to **ftb.ca.gov** and search for **interest**.

Late Filing of Return. The maximum total penalty is 25% of the tax not paid if the return is filed after October 15, 2009. The minimum penalty for filing a return more than 60 days late is $100 or 100% of the balance of tax due, whichever is less.

Late Payment of Tax. If you fail to pay your total tax liability by April 15, 2009, you will incur a late payment penalty plus interest. If you have paid at least 90% of the tax shown on the return by the original due date of the return, we will waive the penalty based on reasonable cause. However, the imposition of interest is mandatory. If, after April 15, 2009, you find that your estimate of tax due was too low, pay the additional tax as soon as possible to avoid or minimize further accumulation of penalties and interest. If you do not file your tax return by October 15, 2009, you will incur a late filing penalty plus interest from the original due date of the return. The penalty is 5% of the tax not paid when due plus 1/2% for each month, or part of a month, the tax remains unpaid.

Other Penalties. We may impose other penalties if a payment is returned for insufficient funds. We may also impose penalties for negligence, substantial understatement of tax, and fraud.

Line 71 – Underpayment of Estimated Tax

You may be subject to an estimated tax penalty if any of the following is true:

- Your withholding and credits are less than 90% of your current tax year liability.
- Your withholding and credits are less than 100% of your prior year tax liability (110% if AGI is more than $150,000 or $75,000 if married/RDP filing separately).
- You did not pay enough through withholding to keep the amount you owe with your return under $200.

Is line 55 less than $200 ($100 if married/RDP filing separately)?

Yes **Stop**. You are not subject to an estimated payment penalty.
No Continue. You may be subject to an estimate payment penalty.

Is line 55 less than 10% of the amount on line 37 (excluding the tax on lump-sum distributions on line 26)?

Yes **Stop**. You are not subject to an estimate payment penalty.
No You may be subject to an estimate payment penalty, see form FTB 5805, Underpayment of Estimated Tax by Individuals and Fiduciaries (or form FTB 5805F, Underpayment of Estimated Tax by Farmers and Fishermen).

If you complete one of these forms, enter the amount of the penalty on line 71 and fill in the correct circle on line 71. Complete and attach the form if you claim a waiver, use the annualized income installment method, or pay tax according to the schedule for farmers and fishermen, even if no penalty is owed.

See "Important due dates" on page 2 for more information on estimated tax payments and how to avoid the underpayment penalty.

There will be a waiver of penalties imposed for the underpayment of tax with respect to any law enacted during the 2008 tax year. To request a waiver of underpayment of estimated tax penalty, get form FTB 5805 or form FTB 5805F. See "Where To Get Income Tax Forms and Publications" on page 62.

Line 72 – Total Amount Due

Is there an amount on line 69?

Yes Add line 69, line 70, and line 71. Enter the result on line 72. For payment options, see line 69 instructions.
No Go to line 73.

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

Line 73 – Refund or No Amount Due

Did you report amounts on line 68, line 70, or line 71?

No Enter the amount from line 54 on line 73. This is your refund amount. If it is less than $1, attach a written statement to your Long Form 540NR requesting the refund.
Yes Combine the amounts from line 68, line 70, and line 71. If the result is:

- More than line 54, subtract line 54 from the sum of line 68, line 70, and line 71 and enter the result on line 72. This is your total amount due. For payment options, see line 69 instructions.
- Less than line 54, subtract the sum of line 68, line 70, and line 71 from line 54 and enter on line 73. This is your refund amount.

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If the result is less than zero, your contributions are more than your overpaid tax available on line 54. In this case, do not enter an amount on line 73. Instead, enter the result on line 69 and see the instructions for line 69.

Want a fast refund? Get your refund in 10 days or less when you e-file your return!

Direct Deposit (Refund Only)

Line 74 and Line 75 – Direct Deposit of Refund

Direct deposit is fast, safe, and convenient. To have your refund directly deposited into your bank account, fill in the account information on Long Form 540NR, Side 2, line 74 and line 75. Fill in the routing and account numbers and indicate the account type. Verify routing and account numbers with your financial institution. **Do not** attach a voided check or deposit slip. See the illustration on the next page.

Individual taxpayers may request that his or her refund be electronically deposited into more than one checking or savings account. This allows more options for managing your refund. For example, you can request part of your refund go to your checking account to use now and the rest to your savings account to save for later.

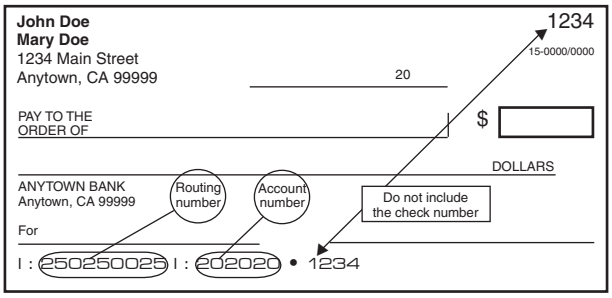
The routing number must be nine digits. The first two digits must be 01 through 12 or 21 through 32. On the sample check, the routing number is 250250025. The account number can be up to 17 characters and can include numbers and letters. Include hyphens but omit spaces and special symbols. On the sample check, the account number is 202020.

Check the appropriate box for the type of account. Do not check more than one box for each line.

Enter the portion of your refund you want directly deposited into each account. Each deposit must be at least $1. The total of line 74 and line 75 must equal the total amount of your refund on line 73. If line 74 and line 75 do not equal line 73, the FTB will issue a paper check.

Caution: Check with your financial institution to make sure your deposit will be accepted and to get the correct routing and account numbers. The FTB is not responsible for a lost refund due to incorrect account information entered by you or your representative.

Some financial institutions will not allow a joint refund to be deposited to an individual account. If the direct deposit is rejected, the FTBd will issue a paper check.



Sign Your Return

Sign your return in the designated space on Side 2. If you file a joint return, your spouse/RDP must sign the return also.

Joint Return. If you file a joint return, both you and your spouse/RDP are generally responsible for the tax and any interest or penalties due on the return. This means that if one spouse/RDP does not pay the tax due, the other spouse/RDP may have to pay the tax due. See Innocent Spouse Relief, on page 7.

Paid Preparer's Information. If you pay a person to prepare your Long Form 540NR, that person signs and completes the area at the bottom of Side 2 including an identification number (SSN, FEIN, or PTIN). A paid preparer must give you two copies of your return: one to file with the FTB, and one to keep for your records.

Third Party Designee. If you want to allow a friend, family member, or any other person you choose to discuss your 2008 tax return with the FTB, check the "Yes" box in the signature area of your return. Also print the designee's name and telephone number. If you want to allow the paid preparer who signed your return to discuss it with the FTB, enter "Preparer" in the space for the designee's name and print the preparer's telephone number.

If you check the "Yes" box, you, and your spouse/RDP if filing a joint return, are authorizing the FTB to call the designee to answer any questions that may arise during the processing of your return. You are also authorizing the designee to:

- Give the FTB any information that is missing from your return.
- Call the FTB for information about the processing of your return or the status of your refund or payments.
- Receive copies of notices or transcripts related to your return, upon request.
- Respond to certain FTB notices about math errors, offsets, and return preparation.

You are not authorizing the designee to receive any refund check, bind you to anything (including any additional tax liability), or otherwise represent you before the FTB. If you want to expand or change the designee's authorization, get form FTB 3520, Power of Attorney Declaration for the Franchise Tax Board.

The authorization will automatically end no later than the due date (without regard to extensions) for filing your 2009 tax return. This is April 15, 2010, for most people. If you wish to revoke the authorization before it ends, notify us by telephone at 800.338.0505 or by writing to Franchise Tax Board, PO Box 942840, Sacramento, CA 94240-0040, include your name, SSN, and the designee's name.

Power of Attorney. If another person prepared your return, he or she is not automatically granted access to your tax information in future dealings with us. At some point, you may wish to designate someone to act on your behalf in matters related or unrelated to your 2008 tax return (e.g., an audit examination). To protect your privacy, you must submit to us a legal document called a "Power of Attorney" (POA) authorizing another person to discuss or receive personal information about your income tax records.

For more information, get form FTB 1144 (pamphlet) and form FTB 3520 (POA form), available at **ftb.ca.gov**. See "Where To Get Income Tax Forms and Publications" on page 62.

Check Your Social Security Number (or ITIN). Verify that you have written your social security number (or ITIN) in the spaces provided at the top of Long Form 540NR. If you file a joint return, verify that you and your spouse's/RDP's numbers are entered in the same order as your names.

Form(s) W-2, W-2G, 1099, 592-B, 593, and 594. Attach all the Form(s) W-2 and W-2G you received to the front of your return. Also, attach any Form(s) 1099, 592-B, 593, and 594 showing California income tax withheld. If you completed CA Sch W-2, attach CA Sch W-2 behind side 2 of the tax return.

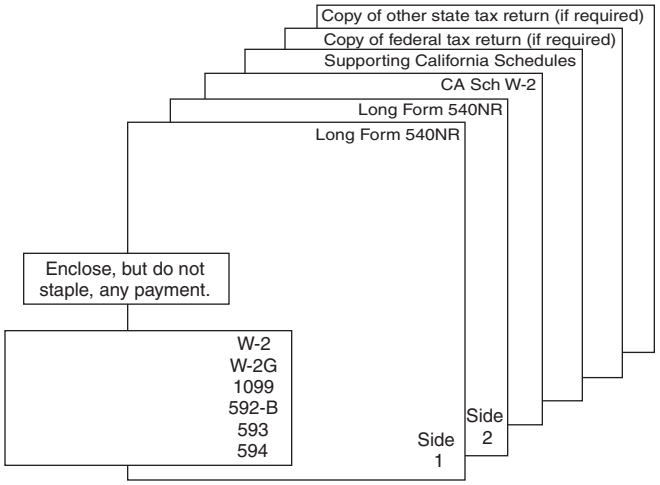
If you cannot get a copy of your Form W-2, complete form FTB 3525, Substitute for Form W-2, Wage and Tax Statement, or Form 1099-R, Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc. See "Where To Get Income Tax Forms and Publications" on page 62.

If you forget to send your Form(s) W-2 (or any other withholding form(s)) with your income tax return, do not send it separately. Wait until the FTB requests it from you.

Important: Attach a copy of your federal income tax return, and all supporting federal forms and schedules to the back of Long Form 540NR.

Assembling Your Tax Return

Assemble your tax return in the order shown below.



Mailing Your Tax Return

If you have a refund, or if no amount due, mail your return to:

FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-0002

If you owe, mail your return to:

FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0001

Marketing
page

2008 California Tax Table

To Find Your Tax:

- Read down the column labeled "If Your Taxable Income Is …" to find the range that includes your taxable income from Long or Short Form 540NR, line 19.
- Read across the columns labeled "The Tax For Filing Status" until you find the tax that applies for your taxable income and filing status.

Filing status: 1 or 3 (Single; Married/RDP Filing Separately)					2 or 5 (Married/RDP Filing Jointly; Qualifying Widow(er))					4 (Head of Household)				
If Your Taxable Income Is …		The Tax For Filing Status			If Your Taxable Income Is …		The Tax For Filing Status			If Your Taxable Income Is …		The Tax For Filing Status		
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is
$1	$50	$0	$0	$0	6,451	6,550	65	65	65	12,951	13,050	188	130	130
51	150	1	1	1	6,551	6,650	66	66	66	13,051	13,150	190	131	131
151	250	2	2	2	6,651	6,750	67	67	67	13,151	13,250	192	132	132
251	350	3	3	3	6,751	6,850	68	68	68	13,251	13,350	194	133	133
351	450	4	4	4	6,851	6,950	69	69	69	13,351	13,450	196	134	134
451	550	5	5	5	6,951	7,050	70	70	70	13,451	13,550	198	135	135
551	650	6	6	6	7,051	7,150	71	71	71	13,551	13,650	200	136	136
651	750	7	7	7	7,151	7,250	72	72	72	13,651	13,750	202	137	137
751	850	8	8	8	7,251	7,350	74	73	73	13,751	13,850	204	138	138
851	950	9	9	9	7,351	7,450	76	74	74	13,851	13,950	206	139	139
951	1,050	10	10	10	7,451	7,550	78	75	75	13,951	14,050	208	140	140
1,051	1,150	11	11	11	7,551	7,650	80	76	76	14,051	14,150	210	141	141
1,151	1,250	12	12	12	7,651	7,750	82	77	77	14,151	14,250	212	142	142
1,251	1,350	13	13	13	7,751	7,850	84	78	78	14,251	14,350	214	143	143
1,351	1,450	14	14	14	7,851	7,950	86	79	79	14,351	14,450	216	145	145
1,451	1,550	15	15	15	7,951	8,050	88	80	80	14,451	14,550	218	147	147
1,551	1,650	16	16	16	8,051	8,150	90	81	81	14,551	14,650	220	149	149
1,651	1,750	17	17	17	8,151	8,250	92	82	82	14,651	14,750	222	151	151
1,751	1,850	18	18	18	8,251	8,350	94	83	83	14,751	14,850	224	153	153
1,851	1,950	19	19	19	8,351	8,450	96	84	84	14,851	14,950	226	155	155
1,951	2,050	20	20	20	8,451	8,550	98	85	85	14,951	15,050	228	157	157
2,051	2,150	21	21	21	8,551	8,650	100	86	86	15,051	15,150	230	159	159
2,151	2,250	22	22	22	8,651	8,750	102	87	87	15,151	15,250	232	161	161
2,251	2,350	23	23	23	8,751	8,850	104	88	88	15,251	15,350	234	163	163
2,351	2,450	24	24	24	8,851	8,950	106	89	89	15,351	15,450	236	165	165
2,451	2,550	25	25	25	8,951	9,050	108	90	90	15,451	15,550	238	167	167
2,551	2,650	26	26	26	9,051	9,150	110	91	91	15,551	15,650	240	169	169
2,651	2,750	27	27	27	9,151	9,250	112	92	92	15,651	15,750	242	171	171
2,751	2,850	28	28	28	9,251	9,350	114	93	93	15,751	15,850	244	173	173
2,851	2,950	29	29	29	9,351	9,450	116	94	94	15,851	15,950	246	175	175
2,951	3,050	30	30	30	9,451	9,550	118	95	95	15,951	16,050	248	177	177
3,051	3,150	31	31	31	9,551	9,650	120	96	96	16,051	16,150	250	179	179
3,151	3,250	32	32	32	9,651	9,750	122	97	97	16,151	16,250	252	181	181
3,251	3,350	33	33	33	9,751	9,850	124	98	98	16,251	16,350	254	183	183
3,351	3,450	34	34	34	9,851	9,950	126	99	99	16,351	16,450	256	185	185
3,451	3,550	35	35	35	9,951	10,050	128	100	100	16,451	16,550	258	187	187
3,551	3,650	36	36	36	10,051	10,150	130	101	101	16,551	16,650	260	189	189
3,651	3,750	37	37	37	10,151	10,250	132	102	102	16,651	16,750	262	191	191
3,751	3,850	38	38	38	10,251	10,350	134	103	103	16,751	16,850	264	193	193
3,851	3,950	39	39	39	10,351	10,450	136	104	104	16,851	16,950	266	195	195
3,951	4,050	40	40	40	10,451	10,550	138	105	105	16,951	17,050	268	197	197
4,051	4,150	41	41	41	10,551	10,650	140	106	106	17,051	17,150	272	199	199
4,151	4,250	42	42	42	10,651	10,750	142	107	107	17,151	17,250	276	201	201
4,251	4,350	43	43	43	10,751	10,850	144	108	108	17,251	17,350	280	203	203
4,351	4,450	44	44	44	10,851	10,950	146	109	109	17,351	17,450	284	205	205
4,451	4,550	45	45	45	10,951	11,050	148	110	110	17,451	17,550	288	207	207
4,551	4,650	46	46	46	11,051	11,150	150	111	111	17,551	17,650	292	209	209
4,651	4,750	47	47	47	11,151	11,250	152	112	112	17,651	17,750	296	211	211
4,751	4,850	48	48	48	11,251	11,350	154	113	113	17,751	17,850	300	213	213
4,851	4,950	49	49	49	11,351	11,450	156	114	114	17,851	17,950	304	215	215
4,951	5,050	50	50	50	11,451	11,550	158	115	115	17,951	18,050	308	217	217
5,051	5,150	51	51	51	11,551	11,650	160	116	116	18,051	18,150	312	219	219
5,151	5,250	52	52	52	11,651	11,750	162	117	117	18,151	18,250	316	221	221
5,251	5,350	53	53	53	11,751	11,850	164	118	118	18,251	18,350	320	223	223
5,351	5,450	54	54	54	11,851	11,950	166	119	119	18,351	18,450	324	225	225
5,451	5,550	55	55	55	11,951	12,050	168	120	120	18,451	18,550	328	227	227
5,551	5,650	56	56	56	12,051	12,150	170	121	121	18,551	18,650	332	229	229
5,651	5,750	57	57	57	12,151	12,250	172	122	122	18,651	18,750	336	231	231
5,751	5,850	58	58	58	12,251	12,350	174	123	123	18,751	18,850	340	233	233
5,851	5,950	59	59	59	12,351	12,450	176	124	124	18,851	18,950	344	235	235
5,951	6,050	60	60	60	12,451	12,550	178	125	125	18,951	19,050	348	237	237
6,051	6,150	61	61	61	12,551	12,650	180	126	126	19,051	19,150	352	239	239
6,151	6,250	62	62	62	12,651	12,750	182	127	127	19,151	19,250	356	241	241
6,251	6,350	63	63	63	12,751	12,850	184	128	128	19,251	19,350	360	243	243
6,351	6,450	64	64	64	12,851	12,950	186	129	129	19,351	19,450	364	245	245

Continued on next page.

2008 California Tax Table – Continued

Filing status: 1 or 3 (Single; Married/RDP Filing Separately) 2 or 5 (Married/RDP Filing Jointly; Qualifying Widow(er)) 4 (Head of Household)

If Your Taxable Income Is …		The Tax For Filing Status			If Your Taxable Income Is …		The Tax For Filing Status			If Your Taxable Income Is …		The Tax For Filing Status		
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is
19,451	**19,550**	368	247	247	**26,451**	**26,550**	648	387	387	**33,451**	**33,550**	1,062	527	527
19,551	**19,650**	372	249	249	**26,551**	**26,650**	652	389	389	**33,551**	**33,650**	1,068	529	529
19,651	**19,750**	376	251	251	**26,651**	**26,750**	656	391	391	**33,651**	**33,750**	1,074	531	531
19,751	**19,850**	380	253	253	**26,751**	**26,850**	660	393	393	**33,751**	**33,850**	1,080	533	533
19,851	**19,950**	384	255	255	**26,851**	**26,950**	666	395	395	**33,851**	**33,950**	1,086	535	535
19,951	**20,050**	388	257	257	**26,951**	**27,050**	672	397	397	**33,951**	**34,050**	1,092	537	537
20,051	**20,150**	392	259	259	**27,051**	**27,150**	678	399	399	**34,051**	**34,150**	1,098	541	541
20,151	**20,250**	396	261	261	**27,151**	**27,250**	684	401	401	**34,151**	**34,250**	1,104	545	545
20,251	**20,350**	400	263	263	**27,251**	**27,350**	690	403	403	**34,251**	**34,350**	1,110	549	549
20,351	**20,450**	404	265	265	**27,351**	**27,450**	696	405	405	**34,351**	**34,450**	1,116	553	553
20,451	**20,550**	408	267	267	**27,451**	**27,550**	702	407	407	**34,451**	**34,550**	1,122	557	557
20,551	**20,650**	412	269	269	**27,551**	**27,650**	708	409	409	**34,551**	**34,650**	1,128	561	561
20,651	**20,750**	416	271	271	**27,651**	**27,750**	714	411	411	**34,651**	**34,750**	1,134	565	565
20,751	**20,850**	420	273	273	**27,751**	**27,850**	720	413	413	**34,751**	**34,850**	1,140	569	569
20,851	**20,950**	424	275	275	**27,851**	**27,950**	726	415	415	**34,851**	**34,950**	1,146	573	573
20,951	**21,050**	428	277	277	**27,951**	**28,050**	732	417	417	**34,951**	**35,050**	1,152	577	577
21,051	**21,150**	432	279	279	**28,051**	**28,150**	738	419	419	**35,051**	**35,150**	1,158	581	581
21,151	**21,250**	436	281	281	**28,151**	**28,250**	744	421	421	**35,151**	**35,250**	1,164	585	585
21,251	**21,350**	440	283	283	**28,251**	**28,350**	750	423	423	**35,251**	**35,350**	1,170	589	589
21,351	**21,450**	444	285	285	**28,351**	**28,450**	756	425	425	**35,351**	**35,450**	1,176	593	593
21,451	**21,550**	448	287	287	**28,451**	**28,550**	762	427	427	**35,451**	**35,550**	1,182	597	597
21,551	**21,650**	452	289	289	**28,551**	**28,650**	768	429	429	**35,551**	**35,650**	1,188	601	601
21,651	**21,750**	456	291	291	**28,651**	**28,750**	774	431	431	**35,651**	**35,750**	1,194	605	605
21,751	**21,850**	460	293	293	**28,751**	**28,850**	780	433	433	**35,751**	**35,850**	1,200	609	609
21,851	**21,950**	464	295	295	**28,851**	**28,950**	786	435	435	**35,851**	**35,950**	1,206	613	613
21,951	**22,050**	468	297	297	**28,951**	**29,050**	792	437	437	**35,951**	**36,050**	1,212	617	617
22,051	**22,150**	472	299	299	**29,051**	**29,150**	798	439	439	**36,051**	**36,150**	1,218	621	621
22,151	**22,250**	476	301	301	**29,151**	**29,250**	804	441	441	**36,151**	**36,250**	1,224	625	625
22,251	**22,350**	480	303	303	**29,251**	**29,350**	810	443	443	**36,251**	**36,350**	1,230	629	629
22,351	**22,450**	484	305	305	**29,351**	**29,450**	816	445	445	**36,351**	**36,450**	1,236	633	633
22,451	**22,550**	488	307	307	**29,451**	**29,550**	822	447	447	**36,451**	**36,550**	1,242	637	637
22,551	**22,650**	492	309	309	**29,551**	**29,650**	828	449	449	**36,551**	**36,650**	1,248	641	641
22,651	**22,750**	496	311	311	**29,651**	**29,750**	834	451	451	**36,651**	**36,750**	1,254	645	645
22,751	**22,850**	500	313	313	**29,751**	**29,850**	840	453	453	**36,751**	**36,850**	1,260	649	649
22,851	**22,950**	504	315	315	**29,851**	**29,950**	846	455	455	**36,851**	**36,950**	1,266	653	653
22,951	**23,050**	508	317	317	**29,951**	**30,050**	852	457	457	**36,951**	**37,050**	1,272	657	657
23,051	**23,150**	512	319	319	**30,051**	**30,150**	858	459	459	**37,051**	**37,150**	1,278	661	661
23,151	**23,250**	516	321	321	**30,151**	**30,250**	864	461	461	**37,151**	**37,250**	1,284	665	665
23,251	**23,350**	520	323	323	**30,251**	**30,350**	870	463	463	**37,251**	**37,350**	1,291	669	669
23,351	**23,450**	524	325	325	**30,351**	**30,450**	876	465	465	**37,351**	**37,450**	1,299	673	673
23,451	**23,550**	528	327	327	**30,451**	**30,550**	882	467	467	**37,451**	**37,550**	1,307	677	677
23,551	**23,650**	532	329	329	**30,551**	**30,650**	888	469	469	**37,551**	**37,650**	1,315	681	681
23,651	**23,750**	536	331	331	**30,651**	**30,750**	894	471	471	**37,651**	**37,750**	1,323	685	685
23,751	**23,850**	540	333	333	**30,751**	**30,850**	900	473	473	**37,751**	**37,850**	1,331	689	689
23,851	**23,950**	544	335	335	**30,851**	**30,950**	906	475	475	**37,851**	**37,950**	1,339	693	693
23,951	**24,050**	548	337	337	**30,951**	**31,050**	912	477	477	**37,951**	**38,050**	1,347	697	697
24,051	**24,150**	552	339	339	**31,051**	**31,150**	918	479	479	**38,051**	**38,150**	1,355	701	701
24,151	**24,250**	556	341	341	**31,151**	**31,250**	924	481	481	**38,151**	**38,250**	1,363	705	705
24,251	**24,350**	560	343	343	**31,251**	**31,350**	930	483	483	**38,251**	**38,350**	1,371	709	709
24,351	**24,450**	564	345	345	**31,351**	**31,450**	936	485	485	**38,351**	**38,450**	1,379	713	713
24,451	**24,550**	568	347	347	**31,451**	**31,550**	942	487	487	**38,451**	**38,550**	1,387	717	717
24,551	**24,650**	572	349	349	**31,551**	**31,650**	948	489	489	**38,551**	**38,650**	1,395	721	721
24,651	**24,750**	576	351	351	**31,651**	**31,750**	954	491	491	**38,651**	**38,750**	1,403	725	725
24,751	**24,850**	580	353	353	**31,751**	**31,850**	960	493	493	**38,751**	**38,850**	1,411	729	729
24,851	**24,950**	584	355	355	**31,851**	**31,950**	966	495	495	**38,851**	**38,950**	1,419	733	733
24,951	**25,050**	588	357	357	**31,951**	**32,050**	972	497	497	**38,951**	**39,050**	1,427	737	737
25,051	**25,150**	592	359	359	**32,051**	**32,150**	978	499	499	**39,051**	**39,150**	1,435	741	741
25,151	**25,250**	596	361	361	**32,151**	**32,250**	984	501	501	**39,151**	**39,250**	1,443	745	745
25,251	**25,350**	600	363	363	**32,251**	**32,350**	990	503	503	**39,251**	**39,350**	1,451	749	749
25,351	**25,450**	604	365	365	**32,351**	**32,450**	996	505	505	**39,351**	**39,450**	1,459	753	753
25,451	**25,550**	608	367	367	**32,451**	**32,550**	1,002	507	507	**39,451**	**39,550**	1,467	757	757
25,551	**25,650**	612	369	369	**32,551**	**32,650**	1,008	509	509	**39,551**	**39,650**	1,475	761	761
25,651	**25,750**	616	371	371	**32,651**	**32,750**	1,014	511	511	**39,651**	**39,750**	1,483	765	765
25,751	**25,850**	620	373	373	**32,751**	**32,850**	1,020	513	513	**39,751**	**39,850**	1,491	769	769
25,851	**25,950**	624	375	375	**32,851**	**32,950**	1,026	515	515	**39,851**	**39,950**	1,499	773	773
25,951	**26,050**	628	377	377	**32,951**	**33,050**	1,032	517	517	**39,951**	**40,050**	1,507	777	777
26,051	**26,150**	632	379	379	**33,051**	**33,150**	1,038	519	519	**40,051**	**40,150**	1,515	781	781
26,151	**26,250**	636	381	381	**33,151**	**33,250**	1,044	521	521	**40,151**	**40,250**	1,523	785	785
26,251	**26,350**	640	383	383	**33,251**	**33,350**	1,050	523	523	**40,251**	**40,350**	1,531	789	789
26,351	**26,450**	644	385	385	**33,351**	**33,450**	1,056	525	525	**40,351**	**40,450**	1,539	793	793

Continued on next page.

2008 California Tax Table – Continued

Filing status: 1 or 3 (Single; Married/RDP Filing Separately) 2 or 5 (Married/RDP Filing Jointly; Qualifying Widow(er)) 4 (Head of Household)

If Your Taxable Income Is …		The Tax For Filing Status			If Your Taxable Income Is …		The Tax For Filing Status			If Your Taxable Income Is …		The Tax For Filing Status		
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is
40,451	**40,550**	1,547	797	797	**47,451**	**47,550**	2,113	1,077	1,150	**54,451**	**54,550**	2,764	1,374	1,576
40,551	**40,650**	1,555	801	801	**47,551**	**47,650**	2,122	1,081	1,156	**54,551**	**54,650**	2,773	1,380	1,584
40,651	**40,750**	1,563	805	805	**47,651**	**47,750**	2,132	1,085	1,162	**54,651**	**54,750**	2,783	1,386	1,592
40,751	**40,850**	1,571	809	809	**47,751**	**47,850**	2,141	1,089	1,168	**54,751**	**54,850**	2,792	1,392	1,600
40,851	**40,950**	1,579	813	813	**47,851**	**47,950**	2,150	1,093	1,174	**54,851**	**54,950**	2,801	1,398	1,608
40,951	**41,050**	1,587	817	817	**47,951**	**48,050**	2,160	1,097	1,180	**54,951**	**55,050**	2,811	1,404	1,616
41,051	**41,150**	1,595	821	821	**48,051**	**48,150**	2,169	1,101	1,186	**55,051**	**55,150**	2,820	1,410	1,624
41,151	**41,250**	1,603	825	825	**48,151**	**48,250**	2,178	1,105	1,192	**55,151**	**55,250**	2,829	1,416	1,632
41,251	**41,350**	1,611	829	829	**48,251**	**48,350**	2,188	1,109	1,198	**55,251**	**55,350**	2,839	1,422	1,640
41,351	**41,450**	1,619	833	833	**48,351**	**48,450**	2,197	1,113	1,204	**55,351**	**55,450**	2,848	1,428	1,648
41,451	**41,550**	1,627	837	837	**48,451**	**48,550**	2,206	1,117	1,210	**55,451**	**55,550**	2,857	1,434	1,656
41,551	**41,650**	1,635	841	841	**48,551**	**48,650**	2,215	1,121	1,216	**55,551**	**55,650**	2,866	1,440	1,664
41,651	**41,750**	1,643	845	845	**48,651**	**48,750**	2,225	1,125	1,222	**55,651**	**55,750**	2,876	1,446	1,672
41,751	**41,850**	1,651	849	849	**48,751**	**48,850**	2,234	1,129	1,228	**55,751**	**55,850**	2,885	1,452	1,680
41,851	**41,950**	1,659	853	853	**48,851**	**48,950**	2,243	1,133	1,234	**55,851**	**55,950**	2,894	1,458	1,688
41,951	**42,050**	1,667	857	857	**48,951**	**49,050**	2,253	1,137	1,240	**55,951**	**56,050**	2,904	1,464	1,696
42,051	**42,150**	1,675	861	861	**49,051**	**49,150**	2,262	1,141	1,246	**56,051**	**56,150**	2,913	1,470	1,704
42,151	**42,250**	1,683	865	865	**49,151**	**49,250**	2,271	1,145	1,252	**56,151**	**56,250**	2,922	1,476	1,712
42,251	**42,350**	1,691	869	869	**49,251**	**49,350**	2,281	1,149	1,258	**56,251**	**56,350**	2,932	1,482	1,720
42,351	**42,450**	1,699	873	873	**49,351**	**49,450**	2,290	1,153	1,264	**56,351**	**56,450**	2,941	1,488	1,728
42,451	**42,550**	1,707	877	877	**49,451**	**49,550**	2,299	1,157	1,270	**56,451**	**56,550**	2,950	1,494	1,736
42,551	**42,650**	1,715	881	881	**49,551**	**49,650**	2,308	1,161	1,276	**56,551**	**56,650**	2,959	1,500	1,744
42,651	**42,750**	1,723	885	885	**49,651**	**49,750**	2,318	1,165	1,282	**56,651**	**56,750**	2,969	1,506	1,752
42,751	**42,850**	1,731	889	889	**49,751**	**49,850**	2,327	1,169	1,288	**56,751**	**56,850**	2,978	1,512	1,760
42,851	**42,950**	1,739	893	893	**49,851**	**49,950**	2,336	1,173	1,294	**56,851**	**56,950**	2,987	1,518	1,768
42,951	**43,050**	1,747	897	897	**49,951**	**50,050**	2,346	1,177	1,300	**56,951**	**57,050**	2,997	1,524	1,776
43,051	**43,150**	1,755	901	901	**50,051**	**50,150**	2,355	1,181	1,306	**57,051**	**57,150**	3,006	1,530	1,784
43,151	**43,250**	1,763	905	905	**50,151**	**50,250**	2,364	1,185	1,312	**57,151**	**57,250**	3,015	1,536	1,792
43,251	**43,350**	1,771	909	909	**50,251**	**50,350**	2,374	1,189	1,318	**57,251**	**57,350**	3,025	1,542	1,800
43,351	**43,450**	1,779	913	913	**50,351**	**50,450**	2,383	1,193	1,324	**57,351**	**57,450**	3,034	1,548	1,808
43,451	**43,550**	1,787	917	917	**50,451**	**50,550**	2,392	1,197	1,330	**57,451**	**57,550**	3,043	1,554	1,816
43,551	**43,650**	1,795	921	921	**50,551**	**50,650**	2,401	1,201	1,336	**57,551**	**57,650**	3,052	1,560	1,824
43,651	**43,750**	1,803	925	925	**50,651**	**50,750**	2,411	1,205	1,342	**57,651**	**57,750**	3,062	1,566	1,832
43,751	**43,850**	1,811	929	929	**50,751**	**50,850**	2,420	1,209	1,348	**57,751**	**57,850**	3,071	1,572	1,840
43,851	**43,950**	1,819	933	934	**50,851**	**50,950**	2,429	1,213	1,354	**57,851**	**57,950**	3,080	1,578	1,848
43,951	**44,050**	1,827	937	940	**50,951**	**51,050**	2,439	1,217	1,360	**57,951**	**58,050**	3,090	1,584	1,856
44,051	**44,150**	1,835	941	946	**51,051**	**51,150**	2,448	1,221	1,366	**58,051**	**58,150**	3,099	1,590	1,864
44,151	**44,250**	1,843	945	952	**51,151**	**51,250**	2,457	1,225	1,372	**58,151**	**58,250**	3,108	1,596	1,872
44,251	**44,350**	1,851	949	958	**51,251**	**51,350**	2,467	1,229	1,378	**58,251**	**58,350**	3,118	1,602	1,880
44,351	**44,450**	1,859	953	964	**51,351**	**51,450**	2,476	1,233	1,384	**58,351**	**58,450**	3,127	1,608	1,888
44,451	**44,550**	1,867	957	970	**51,451**	**51,550**	2,485	1,237	1,390	**58,451**	**58,550**	3,136	1,614	1,896
44,551	**44,650**	1,875	961	976	**51,551**	**51,650**	2,494	1,241	1,396	**58,551**	**58,650**	3,145	1,620	1,904
44,651	**44,750**	1,883	965	982	**51,651**	**51,750**	2,504	1,245	1,402	**58,651**	**58,750**	3,155	1,626	1,912
44,751	**44,850**	1,891	969	988	**51,751**	**51,850**	2,513	1,249	1,408	**58,751**	**58,850**	3,164	1,632	1,920
44,851	**44,950**	1,899	973	994	**51,851**	**51,950**	2,522	1,253	1,414	**58,851**	**58,950**	3,173	1,638	1,928
44,951	**45,050**	1,907	977	1,000	**51,951**	**52,050**	2,532	1,257	1,420	**58,951**	**59,050**	3,183	1,644	1,936
45,051	**45,150**	1,915	981	1,006	**52,051**	**52,150**	2,541	1,261	1,426	**59,051**	**59,150**	3,192	1,650	1,944
45,151	**45,250**	1,923	985	1,012	**52,151**	**52,250**	2,550	1,265	1,432	**59,151**	**59,250**	3,201	1,656	1,952
45,251	**45,350**	1,931	989	1,018	**52,251**	**52,350**	2,560	1,269	1,438	**59,251**	**59,350**	3,211	1,662	1,960
45,351	45,450	1,939	993	1,024	**52,351**	**52,450**	2,569	1,273	1,444	**59,351**	**59,450**	3,220	1,668	1,968
45,451	**45,550**	1,947	997	1,030	**52,451**	**52,550**	2,578	1,277	1,450	**59,451**	**59,550**	3,229	1,674	1,976
45,551	**45,650**	1,955	1,001	1,036	**52,551**	**52,650**	2,587	1,281	1,456	**59,551**	**59,650**	3,238	1,680	1,984
45,651	**45,750**	1,963	1,005	1,042	**52,651**	**52,750**	2,597	1,285	1,462	**59,651**	**59,750**	3,248	1,686	1,992
45,751	**45,850**	1,971	1,009	1,048	**52,751**	**52,850**	2,606	1,289	1,468	**59,751**	**59,850**	3,257	1,692	2,000
45,851	**45,950**	1,979	1,013	1,054	**52,851**	**52,950**	2,615	1,293	1,474	**59,851**	**59,950**	3,266	1,698	2,008
45,951	**46,050**	1,987	1,017	1,060	**52,951**	**53,050**	2,625	1,297	1,480	**59,951**	**60,050**	3,276	1,704	2,016
46,051	**46,150**	1,995	1,021	1,066	**53,051**	**53,150**	2,634	1,301	1,486	**60,051**	**60,150**	3,285	1,710	2,024
46,151	**46,250**	2,003	1,025	1,072	**53,151**	**53,250**	2,643	1,305	1,492	**60,151**	**60,250**	3,294	1,716	2,032
46,251	**46,350**	2,011	1,029	1,078	**53,251**	**53,350**	2,653	1,309	1,498	**60,251**	**60,350**	3,304	1,722	2,040
46,351	**46,450**	2,019	1,033	1,084	**53,351**	**53,450**	2,662	1,313	1,504	**60,351**	**60,450**	3,313	1,728	2,048
46,451	**46,550**	2,027	1,037	1,090	**53,451**	**53,550**	2,671	1,317	1,510	**60,451**	**60,550**	3,322	1,734	2,056
46,551	**46,650**	2,035	1,041	1,096	**53,551**	**53,650**	2,680	1,321	1,516	**60,551**	**60,650**	3,331	1,740	2,064
46,651	**46,750**	2,043	1,045	1,102	**53,651**	**53,750**	2,690	1,326	1,522	**60,651**	**60,750**	3,341	1,746	2,072
46,751	**46,850**	2,051	1,049	1,108	**53,751**	**53,850**	2,699	1,332	1,528	**60,751**	**60,850**	3,350	1,752	2,080
46,851	**46,950**	2,059	1,053	1,114	**53,851**	**53,950**	2,708	1,338	1,534	**60,851**	**60,950**	3,359	1,758	2,088
46,951	**47,050**	2,067	1,057	1,120	**53,951**	**54,050**	2,718	1,344	1,540	**60,951**	**61,050**	3,369	1,764	2,096
47,051	**47,150**	2,076	1,061	1,126	**54,051**	**54,150**	2,727	1,350	1,546	**61,051**	**61,150**	3,378	1,770	2,104
47,151	**47,250**	2,085	1,065	1,132	**54,151**	**54,250**	2,736	1,356	1,552	**61,151**	**61,250**	3,387	1,776	2,112
47,251	**47,350**	2,095	1,069	1,138	**54,251**	**54,350**	2,746	1,362	1,560	**61,251**	**61,350**	3,397	1,782	2,120
47,351	**47,450**	2,104	1,073	1,144	**54,351**	**54,450**	2,755	1,368	1,568	**61,351**	**61,450**	3,406	1,788	2,128

Continued on next page.

2008 California Tax Table – Continued

Filing status: 1 or 3 (Single; Married/RDP Filing Separately) 2 or 5 (Married/RDP Filing Jointly; Qualifying Widow(er)) 4 (Head of Household)

If Your Taxable Income Is …		The Tax For Filing Status			If Your Taxable Income Is …		The Tax For Filing Status			If Your Taxable Income Is …		The Tax For Filing Status		
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is
61,451	**61,550**	3,415	1,794	2,136	**68,451**	**68,550**	4,066	2,214	2,754	**75,451**	**75,550**	4,717	2,655	3,405
61,551	**61,650**	3,424	1,800	2,144	**68,551**	**68,650**	4,075	2,220	2,763	**75,551**	**75,650**	4,726	2,663	3,414
61,651	**61,750**	3,434	1,806	2,152	**68,651**	**68,750**	4,085	2,226	2,772	**75,651**	**75,750**	4,736	2,671	3,423
61,751	**61,850**	3,443	1,812	2,160	**68,751**	**68,850**	4,094	2,232	2,782	**75,751**	**75,850**	4,745	2,679	3,433
61,851	**61,950**	3,452	1,818	2,168	**68,851**	**68,950**	4,103	2,238	2,791	**75,851**	**75,950**	4,754	2,687	3,442
61,951	**62,050**	3,462	1,824	2,176	**68,951**	**69,050**	4,113	2,244	2,800	**75,951**	**76,050**	4,764	2,695	3,451
62,051	**62,150**	3,471	1,830	2,184	**69,051**	**69,150**	4,122	2,250	2,810	**76,051**	**76,150**	4,773	2,703	3,461
62,151	**62,250**	3,480	1,836	2,192	**69,151**	**69,250**	4,131	2,256	2,819	**76,151**	**76,250**	4,782	2,711	3,470
62,251	**62,350**	3,490	1,842	2,200	**69,251**	**69,350**	4,141	2,262	2,828	**76,251**	**76,350**	4,792	2,719	3,479
62,351	**62,450**	3,499	1,848	2,208	**69,351**	**69,450**	4,150	2,268	2,838	**76,351**	**76,450**	4,801	2,727	3,489
62,451	**62,550**	3,508	1,854	2,216	**69,451**	**69,550**	4,159	2,274	2,847	**76,451**	**76,550**	4,810	2,735	3,498
62,551	**62,650**	3,517	1,860	2,224	**69,551**	**69,650**	4,168	2,280	2,856	**76,551**	**76,650**	4,819	2,743	3,507
62,651	**62,750**	3,527	1,866	2,232	**69,651**	**69,750**	4,178	2,286	2,865	**76,651**	**76,750**	4,829	2,751	3,516
62,751	**62,850**	3,536	1,872	2,240	**69,751**	**69,850**	4,187	2,292	2,875	**76,751**	**76,850**	4,838	2,759	3,526
62,851	**62,950**	3,545	1,878	2,248	**69,851**	**69,950**	4,196	2,298	2,884	**76,851**	**76,950**	4,847	2,767	3,535
62,951	**63,050**	3,555	1,884	2,256	**69,951**	**70,050**	4,206	2,304	2,893	**76,951**	**77,050**	4,857	2,775	3,544
63,051	**63,150**	3,564	1,890	2,264	**70,051**	**70,150**	4,215	2,310	2,903	**77,051**	**77,150**	4,866	2,783	3,554
63,151	**63,250**	3,573	1,896	2,272	**70,151**	**70,250**	4,224	2,316	2,912	**77,151**	**77,250**	4,875	2,791	3,563
63,251	**63,350**	3,583	1,902	2,280	**70,251**	**70,350**	4,234	2,322	2,921	**77,251**	**77,350**	4,885	2,799	3,572
63,351	**63,450**	3,592	1,908	2,288	**70,351**	**70,450**	4,243	2,328	2,931	**77,351**	**77,450**	4,894	2,807	3,582
63,451	**63,550**	3,601	1,914	2,296	**70,451**	**70,550**	4,252	2,334	2,940	**77,451**	**77,550**	4,903	2,815	3,591
63,551	**63,650**	3,610	1,920	2,304	**70,551**	**70,650**	4,261	2,340	2,949	**77,551**	**77,650**	4,912	2,823	3,600
63,651	**63,750**	3,620	1,926	2,312	**70,651**	**70,750**	4,271	2,346	2,958	**77,651**	**77,750**	4,922	2,831	3,609
63,751	**63,850**	3,629	1,932	2,320	**70,751**	**70,850**	4,280	2,352	2,968	**77,751**	**77,850**	4,931	2,839	3,619
63,851	**63,950**	3,638	1,938	2,328	**70,851**	**70,950**	4,289	2,358	2,977	**77,851**	**77,950**	4,940	2,847	3,628
63,951	**64,050**	3,648	1,944	2,336	**70,951**	**71,050**	4,299	2,364	2,986	**77,951**	**78,050**	4,950	2,855	3,637
64,051	**64,150**	3,657	1,950	2,345	**71,051**	**71,150**	4,308	2,370	2,996	**78,051**	**78,150**	4,959	2,863	3,647
64,151	**64,250**	3,666	1,956	2,354	**71,151**	**71,250**	4,317	2,376	3,005	**78,151**	**78,250**	4,968	2,871	3,656
64,251	**64,350**	3,676	1,962	2,363	**71,251**	**71,350**	4,327	2,382	3,014	**78,251**	**78,350**	4,978	2,879	3,665
64,351	**64,450**	3,685	1,968	2,373	**71,351**	**71,450**	4,336	2,388	3,024	**78,351**	**78,450**	4,987	2,887	3,675
64,451	**64,550**	3,694	1,974	2,382	**71,451**	**71,550**	4,345	2,394	3,033	**78,451**	**78,550**	4,996	2,895	3,684
64,551	**64,650**	3,703	1,980	2,391	**71,551**	**71,650**	4,354	2,400	3,042	**78,551**	**78,650**	5,005	2,903	3,693
64,651	**64,750**	3,713	1,986	2,400	**71,651**	**71,750**	4,364	2,406	3,051	**78,651**	**78,750**	5,015	2,911	3,702
64,751	**64,850**	3,722	1,992	2,410	**71,751**	**71,850**	4,373	2,412	3,061	**78,751**	**78,850**	5,024	2,919	3,712
64,851	**64,950**	3,731	1,998	2,419	**71,851**	**71,950**	4,382	2,418	3,070	**78,851**	**78,950**	5,033	2,927	3,721
64,951	**65,050**	3,741	2,004	2,428	**71,951**	**72,050**	4,392	2,424	3,079	**78,951**	**79,050**	5,043	2,935	3,730
65,051	**65,150**	3,750	2,010	2,438	**72,051**	**72,150**	4,401	2,430	3,089	**79,051**	**79,150**	5,052	2,943	3,740
65,151	**65,250**	3,759	2,016	2,447	**72,151**	**72,250**	4,410	2,436	3,098	**79,151**	**79,250**	5,061	2,951	3,749
65,251	**65,350**	3,769	2,022	2,456	**72,251**	**72,350**	4,420	2,442	3,107	**79,251**	**79,350**	5,071	2,959	3,758
65,351	**65,450**	3,778	2,028	2,466	**72,351**	**72,450**	4,429	2,448	3,117	**79,351**	**79,450**	5,080	2,967	3,768
65,451	**65,550**	3,787	2,034	2,475	**72,451**	**72,550**	4,438	2,454	3,126	**79,451**	**79,550**	5,089	2,975	3,777
65,551	**65,650**	3,796	2,040	2,484	**72,551**	**72,650**	4,447	2,460	3,135	**79,551**	**79,650**	5,098	2,983	3,786
65,651	**65,750**	3,806	2,046	2,493	**72,651**	**72,750**	4,457	2,466	3,144	**79,651**	**79,750**	5,108	2,991	3,795
65,751	**65,850**	3,815	2,052	2,503	**72,751**	**72,850**	4,466	2,472	3,154	**79,751**	**79,850**	5,117	2,999	3,805
65,851	**65,950**	3,824	2,058	2,512	**72,851**	**72,950**	4,475	2,478	3,163	**79,851**	**79,950**	5,126	3,007	3,814
65,951	**66,050**	3,834	2,064	2,521	**72,951**	**73,050**	4,485	2,484	3,172	**79,951**	**80,050**	5,136	3,015	3,823
66,051	**66,150**	3,843	2,070	2,531	**73,051**	**73,150**	4,494	2,490	3,182	**80,051**	**80,150**	5,145	3,023	3,833
66,151	**66,250**	3,852	2,076	2,540	**73,151**	**73,250**	4,503	2,496	3,191	**80,151**	**80,250**	5,154	3,031	3,842
66,251	**66,350**	3,862	2,082	2,549	**73,251**	**73,350**	4,513	2,502	3,200	**80,251**	**80,350**	5,164	3,039	3,851
66,351	**66,450**	3,871	2,088	2,559	**73,351**	**73,450**	4,522	2,508	3,210	**80,351**	**80,450**	5,173	3,047	3,861
66,451	**66,550**	3,880	2,094	2,568	**73,451**	**73,550**	4,531	2,514	3,219	**80,451**	**80,550**	5,182	3,055	3,870
66,551	**66,650**	3,889	2,100	2,577	**73,551**	**73,650**	4,540	2,520	3,228	**80,551**	**80,650**	5,191	3,063	3,879
66,651	**66,750**	3,899	2,106	2,586	**73,651**	**73,750**	4,550	2,526	3,237	**80,651**	**80,750**	5,201	3,071	3,888
66,751	**66,850**	3,908	2,112	2,596	**73,751**	**73,850**	4,559	2,532	3,247	**80,751**	**80,850**	5,210	3,079	3,898
66,851	**66,950**	3,917	2,118	2,605	**73,851**	**73,950**	4,568	2,538	3,256	**80,851**	**80,950**	5,219	3,087	3,907
66,951	**67,050**	3,927	2,124	2,614	**73,951**	**74,050**	4,578	2,544	3,265	**80,951**	**81,050**	5,229	3,095	3,916
67,051	**67,150**	3,936	2,130	2,624	**74,051**	**74,150**	4,587	2,550	3,275	**81,051**	**81,150**	5,238	3,103	3,926
67,151	**67,250**	3,945	2,136	2,633	**74,151**	**74,250**	4,596	2,556	3,284	**81,151**	**81,250**	5,247	3,111	3,935
67,251	**67,350**	3,955	2,142	2,642	**74,251**	**74,350**	4,606	2,562	3,293	**81,251**	**81,350**	5,257	3,119	3,944
67,351	**67,450**	3,964	2,148	2,652	**74,351**	**74,450**	4,615	2,568	3,303	**81,351**	**81,450**	5,266	3,127	3,954
67,451	**67,550**	3,973	2,154	2,661	**74,451**	**74,550**	4,624	2,575	3,312	**81,451**	**81,550**	5,275	3,135	3,963
67,551	**67,650**	3,982	2,160	2,670	**74,551**	**74,650**	4,633	2,583	3,321	**81,551**	**81,650**	5,284	3,143	3,972
67,651	**67,750**	3,992	2,166	2,679	**74,651**	**74,750**	4,643	2,591	3,330	**81,651**	**81,750**	5,294	3,151	3,981
67,751	**67,850**	4,001	2,172	2,689	**74,751**	**74,850**	4,652	2,599	3,340	**81,751**	**81,850**	5,303	3,159	3,991
67,851	**67,950**	4,010	2,178	2,698	**74,851**	**74,950**	4,661	2,607	3,349	**81,851**	**81,950**	5,312	3,167	4,000
67,951	**68,050**	4,020	2,184	2,707	**74,951**	**75,050**	4,671	2,615	3,358	**81,951**	**82,050**	5,322	3,175	4,009
68,051	**68,150**	4,029	2,190	2,717	**75,051**	**75,150**	4,680	2,623	3,368	**82,051**	**82,150**	5,331	3,183	4,019
68,151	**68,250**	4,038	2,196	2,726	**75,151**	**75,250**	4,689	2,631	3,377	**82,151**	**82,250**	5,340	3,191	4,028
68,251	**68,350**	4,048	2,202	2,735	**75,251**	**75,350**	4,699	2,639	3,386	**82,251**	**82,350**	5,350	3,199	4,037
68,351	**68,450**	4,057	2,208	2,745	**75,351**	**75,450**	4,708	2,647	3,396	**82,351**	**82,450**	5,359	3,207	4,047

Continued on next page.

2008 California Tax Table – Continued

Filing status: 1 or 3 (Single; Married/RDP Filing Separately) 2 or 5 (Married/RDP Filing Jointly; Qualifying Widow(er)) 4 (Head of Household)

If Your Taxable Income Is …		The Tax For Filing Status			If Your Taxable Income Is …		The Tax For Filing Status			If Your Taxable Income Is …		The Tax For Filing Status		
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is
82,451	**82,550**	5,368	3,215	4,056	**88,951**	**89,050**	5,973	3,735	4,660	**95,451**	**95,550**	6,577	4,273	5,265
82,551	**82,650**	5,377	3,223	4,065	**89,051**	**89,150**	5,982	3,743	4,670	**95,551**	**95,650**	6,586	4,282	5,274
82,651	**82,750**	5,387	3,231	4,074	**89,151**	**89,250**	5,991	3,751	4,679	**95,651**	**95,750**	6,596	4,291	5,283
82,751	**82,850**	5,396	3,239	4,084	**89,251**	**89,350**	6,001	3,759	4,688	**95,751**	**95,850**	6,605	4,301	5,293
82,851	**82,950**	5,405	3,247	4,093	**89,351**	**89,450**	6,010	3,767	4,698	**95,851**	**95,950**	6,614	4,310	5,302
82,951	**83,050**	5,415	3,255	4,102	**89,451**	**89,550**	6,019	3,775	4,707	**95,951**	**96,050**	6,624	4,319	5,311
83,051	**83,150**	5,424	3,263	4,112	**89,551**	**89,650**	6,028	3,783	4,716	**96,051**	**96,150**	6,633	4,329	5,321
83,151	**83,250**	5,433	3,271	4,121	**89,651**	**89,750**	6,038	3,791	4,725	**96,151**	**96,250**	6,642	4,338	5,330
83,251	**83,350**	5,443	3,279	4,130	**89,751**	**89,850**	6,047	3,799	4,735	**96,251**	**96,350**	6,652	4,347	5,339
83,351	**83,450**	5,452	3,287	4,140	**89,851**	**89,950**	6,056	3,807	4,744	**96,351**	**96,450**	6,661	4,356	5,349
83,451	**83,550**	5,461	3,295	4,149	**89,951**	**90,050**	6,066	3,815	4,753	**96,451**	**96,550**	6,670	4,366	5,358
83,551	**83,650**	5,470	3,303	4,158	**90,051**	**90,150**	6,075	3,823	4,763	**96,551**	**96,650**	6,679	4,375	5,367
83,651	**83,750**	5,480	3,311	4,167	**90,151**	**90,250**	6,084	3,831	4,772	**96,651**	**96,750**	6,689	4,384	5,376
83,751	**83,850**	5,489	3,319	4,177	**90,251**	**90,350**	6,094	3,839	4,781	**96,751**	**96,850**	6,698	4,394	5,386
83,851	**83,950**	5,498	3,327	4,186	**90,351**	**90,450**	6,103	3,847	4,791	**96,851**	**96,950**	6,707	4,403	5,395
83,951	**84,050**	5,508	3,335	4,195	**90,451**	**90,550**	6,112	3,855	4,800	**96,951**	**97,050**	6,717	4,412	5,404
84,051	**84,150**	5,517	3,343	4,205	**90,551**	**90,650**	6,121	3,863	4,809	**97,051**	**97,150**	6,726	4,422	5,414
84,151	**84,250**	5,526	3,351	4,214	**90,651**	**90,750**	6,131	3,871	4,818	**97,151**	**97,250**	6,735	4,431	5,423
84,251	**84,350**	5,536	3,359	4,223	**90,751**	**90,850**	6,140	3,879	4,828	**97,251**	**97,350**	6,745	4,440	5,432
84,351	**84,450**	5,545	3,367	4,233	**90,851**	**90,950**	6,149	3,887	4,837	**97,351**	**97,450**	6,754	4,449	5,442
84,451	**84,550**	5,554	3,375	4,242	**90,951**	**91,050**	6,159	3,895	4,846	**97,451**	**97,550**	6,763	4,459	5,451
84,551	**84,650**	5,563	3,383	4,251	**91,051**	**91,150**	6,168	3,903	4,856	**97,551**	**97,650**	6,772	4,468	5,460
84,651	**84,750**	5,573	3,391	4,260	**91,151**	**91,250**	6,177	3,911	4,865	**97,651**	**97,750**	6,782	4,477	5,469
84,751	**84,850**	5,582	3,399	4,270	**91,251**	**91,350**	6,187	3,919	4,874	**97,751**	**97,850**	6,791	4,487	5,479
84,851	**84,950**	5,591	3,407	4,279	**91,351**	**91,450**	6,196	3,927	4,884	**97,851**	**97,950**	6,800	4,496	5,488
84,951	**85,050**	5,601	3,415	4,288	**91,451**	**91,550**	6,205	3,935	4,893	**97,951**	**98,050**	6,810	4,505	5,497
85,051	**85,150**	5,610	3,423	4,298	**91,551**	**91,650**	6,214	3,943	4,902	**98,051**	**98,150**	6,819	4,515	5,507
85,151	**85,250**	5,619	3,431	4,307	**91,651**	**91,750**	6,224	3,951	4,911	**98,151**	**98,250**	6,828	4,524	5,516
85,251	**85,350**	5,629	3,439	4,316	**91,751**	**91,850**	6,233	3,959	4,921	**98,251**	**98,350**	6,838	4,533	5,525
85,351	**85,450**	5,638	3,447	4,326	**91,851**	**91,950**	6,242	3,967	4,930	**98,351**	**98,450**	6,847	4,542	5,535
85,451	**85,550**	5,647	3,455	4,335	**91,951**	**92,050**	6,252	3,975	4,939	**98,451**	**98,550**	6,856	4,552	5,544
85,551	**85,650**	5,656	3,463	4,344	**92,051**	**92,150**	6,261	3,983	4,949	**98,551**	**98,650**	6,865	4,561	5,553
85,651	**85,750**	5,666	3,471	4,353	**92,151**	**92,250**	6,270	3,991	4,958	**98,651**	**98,750**	6,875	4,570	5,562
85,751	**85,850**	5,675	3,479	4,363	**92,251**	**92,350**	6,280	3,999	4,967	**98,751**	**98,850**	6,884	4,580	5,572
85,851	**85,950**	5,684	3,487	4,372	**92,351**	**92,450**	6,289	4,007	4,977	**98,851**	**98,950**	6,893	4,589	5,581
85,951	**86,050**	5,694	3,495	4,381	**92,451**	**92,550**	6,298	4,015	4,986	**98,951**	**99,050**	6,903	4,598	5,590
86,051	**86,150**	5,703	3,503	4,391	**92,551**	**92,650**	6,307	4,023	4,995	**99,051**	**99,150**	6,912	4,608	5,600
86,151	**86,250**	5,712	3,511	4,400	**92,651**	**92,750**	6,317	4,031	5,004	**99,151**	**99,250**	6,921	4,617	5,609
86,251	**86,350**	5,722	3,519	4,409	**92,751**	**92,850**	6,326	4,039	5,014	**99,251**	**99,350**	6,931	4,626	5,618
86,351	**86,450**	5,731	3,527	4,419	**92,851**	**92,950**	6,335	4,047	5,023	**99,351**	**99,450**	6,940	4,635	5,628
86,451	**86,550**	5,740	3,535	4,428	**92,951**	**93,050**	6,345	4,055	5,032	**99,451**	**99,550**	6,949	4,645	5,637
86,551	**86,650**	5,749	3,543	4,437	**93,051**	**93,150**	6,354	4,063	5,042	**99,551**	**99,650**	6,958	4,654	5,646
86,651	**86,750**	5,759	3,551	4,446	**93,151**	**93,250**	6,363	4,071	5,051	**99,651**	**99,750**	6,968	4,663	5,655
86,751	**86,850**	5,768	3,559	4,456	**93,251**	**93,350**	6,373	4,079	5,060	**99,751**	**99,850**	6,977	4,673	5,665
86,851	**86,950**	5,777	3,567	4,465	**93,351**	**93,450**	6,382	4,087	5,070	**99,851**	**99,950**	6,986	4,682	5,674
86,951	**87,050**	5,787	3,575	4,474	**93,451**	**93,550**	6,391	4,095	5,079	**99,951**	**100,000**	6,993	4,689	5,681
87,051	**87,150**	5,796	3,583	4,484	**93,551**	**93,650**	6,400	4,103	5,088					
87,151	**87,250**	5,805	3,591	4,493	**93,651**	**93,750**	6,410	4,111	5,097					
87,251	**87,350**	5,815	3,599	4,502	**93,751**	**93,850**	6,419	4,119	5,107					
87,351	**87,450**	5,824	3,607	4,512	**93,851**	**93,950**	6,428	4,127	5,116					
87,451	**87,550**	5,833	3,615	4,521	**93,951**	**94,050**	6,438	4,135	5,125					
87,551	**87,650**	5,842	3,623	4,530	**94,051**	**94,150**	6,447	4,143	5,135					
87,651	**87,750**	5,852	3,631	4,539	**94,151**	**94,250**	6,456	4,152	5,144					
87,751	**87,850**	5,861	3,639	4,549	**94,251**	**94,350**	6,466	4,161	5,153					
87,851	**87,950**	5,870	3,647	4,558	**94,351**	**94,450**	6,475	4,170	5,163					
87,951	**88,050**	5,880	3,655	4,567	**94,451**	**94,550**	6,484	4,180	5,172					
88,051	**88,150**	5,889	3,663	4,577	**94,551**	**94,650**	6,493	4,189	5,181					
88,151	**88,250**	5,898	3,671	4,586	**94,651**	**94,750**	6,503	4,198	5,190					
88,251	**88,350**	5,908	3,679	4,595	**94,751**	**94,850**	6,512	4,208	5,200					
88,351	**88,450**	5,917	3,687	4,605	**94,851**	**94,950**	6,521	4,217	5,209					
88,451	**88,550**	5,926	3,695	4,614	**94,951**	**95,050**	6,531	4,226	5,218					
88,551	**88,650**	5,935	3,703	4,623	**95,051**	**95,150**	6,540	4,236	5,228					
88,651	**88,750**	5,945	3,711	4,632	**95,151**	**95,250**	6,549	4,245	5,237					
88,751	**88,850**	5,954	3,719	4,642	**95,251**	**95,350**	6,559	4,254	5,246					
88,851	**88,950**	5,963	3,727	4,651	**95,351**	**95,450**	6,568	4,263	5,256					

OVER $100,000 YOU MUST COMPUTE YOUR TAX USING THE TAX RATE SCHEDULES.

2008 California Tax Rate Schedules

✓Tip Go to our website at **ftb.ca.gov** to e-file and eliminate the math. Or search our website for **tax calculator** to figure your tax online.

Use only if your taxable income on Form 540NR, line 19 is more than $100,000. If $100,000 or less, use the Tax Table.

Schedule X –
Use if your filing status is
Single or Married/RDP Filing Separately

If the amount on Long Form 540NR, line 19 is over –	But not over –	Enter on Long Form 540NR, line 20		of the amount over –
$ 0	$ 7,168	$ 0.00	+ 1.0%	$ 0.00
7,168	16,994	71.68	+ 2.0%	7,168
16,994	26,821	268.20	+ 4.0%	16,994
26,821	37,233	661.28	+ 6.0%	26,821
37,233	47,055	1,286.00	+ 8.0%	37,233
47,055	AND OVER	2,071.76	+ 9.3%	47,055

Schedule Y –
Use if your filing status is
Married/RDP Filing Jointly or Qualifying Widow(er) with Dependent Child

$ 0	$ 14,336	$ 0.00	+ 1.0%	$ 0.00
14,336	33,988	143.46	+ 2.0%	14,336
33,988	53,642	536.40	+ 4.0%	33,988
53,642	74,466	1,322.56	+ 6.0%	53,642
74,466	94,110	2,572.00	+ 8.0%	74,466
94,110	AND OVER	4,143.52	+ 9.3%	94,110

Schedule Z –
Use if your filing status is
Head of Household

$ 0	$ 14,345	$ 0.00	+ 1.0%	$ 0.00
14,345	33,989	143.45	+ 2.0%	14,345
33,989	43,814	536.33	+ 4.0%	33,989
43,814	54,225	929.33	+ 6.0%	43,814
54,225	64,050	1,553.99	+ 8.0%	54,225
64,050	AND OVER	2,339.99	+ 9.3%	64,050

How to Figure Tax Using the 2008 California Tax Rate Schedules

Example: Chris and Pat Anderson are filing a joint return using Long Form 540NR. Their taxable income on Long Form 540NR, line 19 is $125,000.

Step 1: Using Schedule Y, they find the taxable income range that includes their taxable income of $125,000. See the boxed range in the sample below.

Schedule Y –
Use if your filing status is
Married/RDP Filing Jointly or Qualifying Widow(er) with Dependent Child

If the amount on Long Form 540NR, line 19 is: over –	But not over –	Enter on Long Form 540NR, line 20		of the amount over –
$ 0	$ 14,336	$ 0.00	+ 1.0%	$ 0.00
14,336	33,988	143.46	+ 2.0%	14,336
33,988	53,642	536.40	+ 4.0%	33,988
53,642	74,466	1,322.56	+ 6.0%	53,642
74,466	94,110	2,572.00	+ 8.0%	74,466
94,110	AND OVER	4,143.52	+ 9.3%	94,110

		Example	Your Income
Step 2:	They subtract the amount at the beginning of their range from their taxable income.	$125,000 - 94,110 $ 30,890	$ - $
Step 3:	They multiply the result from Step 2 by the percentage for their range.	$30,890 x .093 $2,872.77	$ x $
Step 4:	They round the amount from Step 3 to two decimals (if necessary) and add it to the tax amount for their income range. After rounding the result, they will enter $7,016 on Long Form 540NR, line 20. For information on rounding, see "Filling in Your Return" on page 17.	$4,143.52 + 2,872.77 $7,016.29	$ + $

TAXABLE YEAR

CALIFORNIA SCHEDULE

2008

Wage and Withholding Summary

W-2

Important: Attach this schedule directly behind Side 2 of your tax return.

Name(s) as shown on return	SSN or ITIN

Attach your Form(s) W-2 to the front of your income tax return, or complete CA Sch W-2. Use this schedule to transfer information from your Form(s) W-2. If you need more space, complete a separate CA Sch W-2. If you complete a CA Sch W-2, **do not submit your Form(s) W-2.** Keep them for your records. Transfer the amounts from your Form(s) W-2 to the appropriate boxes on this schedule. If Form(s) W-2 contain data from multiple states, you **cannot** use this form. The shaded areas need to be completed to ensure excess SDI/VPDI claims.

Taxpayer W-2 information. (Transfer amounts from your Form(s) W-2 to the appropriate boxes below.) Complete a box for each Form W-2 you receive.

1st W-2

Social Security Number (**box a**)	— —
Employer ID Number (EIN) (**box b**)	
State & Employer's State ID Number (**box 15**)	
Employer Name (**box c**)	
State Wages, Tips, etc. (**box 16**)	
CA State Income Tax (**box 17**)	
Social Security Wages (**box 3**)	
SDI/VPDI (Local Income Tax) (**box 14 or 19**)	

2nd W-2

Social Security Number (**box a**)	— —
Employer ID Number (EIN) (**box b**)	
State & Employer's State ID Number (**box 15**)	
Employer Name (**box c**)	
State Wages, Tips, etc. (**box 16**)	
CA State Income Tax (**box 17**)	
Social Security Wages (**box 3**)	
SDI/VPDI (Local Income Tax) (**box 14 or 19**)	

3rd W-2

Social Security Number (**box a**)	— —
Employer ID Number (EIN) (**box b**)	
State & Employer's State ID Number (**box 15**)	
Employer Name (**box c**)	
State Wages, Tips, etc. (**box 16**)	
CA State Income Tax (**box 17**)	
Social Security Wages (**box 3**)	
SDI/VPDI (Local Income Tax) (**box 14 or 19**)	

4th W-2

Social Security Number (**box a**)	— —
Employer ID Number (EIN) (**box b**)	
State & Employer's State ID Number (**box 15**)	
Employer Name (**box c**)	
State Wages, Tips, etc. (**box 16**)	
CA State Income Tax (**box 17**)	
Social Security Wages (**box 3**)	
SDI/VPDI (Local Income Tax) (**box 14 or 19**)	

Spouse/RDP W-2 information. (Transfer amounts from your Form(s) W-2 to the appropriate boxes below.) Complete a box for each Form W-2 you receive.

1st W-2

Social Security Number (**box a**)	— —
Employer ID Number (EIN) (**box b**)	
State & Employer's State ID Number (**box 15**)	
Employer Name (**box c**)	
State Wages, Tips, etc. (**box 16**)	
CA State Income Tax (**box 17**)	
Social Security Wages (**box 3**)	
SDI/VPDI (Local Income Tax) (**box 14 or 19**)	

2nd W-2

Social Security Number (**box a**)	— —
Employer ID Number (EIN) (**box b**)	
State & Employer's State ID Number (**box 15**)	
Employer Name (**box c**)	
State Wages, Tips, etc. (**box 16**)	
CA State Income Tax (**box 17**)	
Social Security Wages (**box 3**)	
SDI/VPDI (Local Income Tax) (**box 14 or 19**)	

3rd W-2

Social Security Number (**box a**)	— —
Employer ID Number (EIN) (**box b**)	
State & Employer's State ID Number (**box 15**)	
Employer Name (**box c**)	
State Wages, Tips, etc. (**box 16**)	
CA State Income Tax (**box 17**)	
Social Security Wages (**box 3**)	
SDI/VPDI (Local Income Tax) (**box 14 or 19**)	

4th W-2

Social Security Number (**box a**)	— —
Employer ID Number (EIN) (**box b**)	
State & Employer's State ID Number (**box 15**)	
Employer Name (**box c**)	
State Wages, Tips, etc. (**box 16**)	
CA State Income Tax (**box 17**)	
Social Security Wages (**box 3**)	
SDI/VPDI (Local Income Tax) (**box 14 or 19**)	

1. Total state wages from the Form(s) W-2 for taxpayer (Add box 16 from all Form(s) W-2 for taxpayer)
   For nonresidents or part-year residents, enter your total California wages from all your Form(s) W-2 for taxpayer (Add box 16 from all Form(s) W-2 for taxpayer). . . . . . $_____
2. Total state wages from the Form(s) W-2 for spouse/RDP (Add box 16 from all Form(s) W-2 for spouse/RDP)
   For nonresidents or part-year residents, enter the total California wages from all Form(s) W-2 for spouse/RDP (Add box 16 from all Form(s) W-2 for spouse/RDP). . . . . . $_____
3. Total California Wages from all Form(s) W-2 . **(Add line 1 and line 2, enter here and on Form 540 2EZ, line 9; Forms 540/540A, or Form 540NR (Long or Short), line 12. If completing Form 540X, report any W-2 income on line 1a, column B, that was not reported on the original tax return.)**. . . . . $_____

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ftb.ca.gov

Instructions for Schedule CA (540NR)

References to these instructions are to the Internal Revenue Code (IRC) as of **January 1, 2005**, and the California Revenue and Taxation Code (R&TC).

What's New

Conformity

For updates regarding the following federal acts, go to our website at **ftb.ca.gov** and search for **conformity**.

- Economic Stimulus Act of 2008
- Heroes Earnings Assistance and Relief Tax (HEART) Act of 2008

Net Operating Loss – For taxable years beginning in 2008 and 2009, California has suspended the net operating loss (NOL) carryover deduction. Taxpayers may continue to compute and carryover an NOL during the suspension period. **However**, taxpayers with net business income of less than $500,000 or with disaster loss carryovers are not affected by the NOL suspension rules.

The carryover period for suspended losses is extended by:

- Two years for losses incurred in taxable years beginning before January 1, 2008.
- One year for losses incurred in taxable years beginning on or after January 1, 2008, and before January 1, 2009.

Also, NOL carrybacks, NOL carryovers, and the number of taxable years to which the loss may be carried, are modified. For more information, see form FTB 3805V, Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations - Individuals.

Mortgage Forgiveness Debt Relief – California partially conforms to the federal Mortgage Forgiveness Debt Relief Act of 2007 (P.L. 110-142) for the 2007 and 2008 tax years. California limits the amount of qualified principal residence indebtedness to $800,000 ($400,000 for married/RDP filing separately)(the federal limit is $2,000,000/$1,000,000 for MFS) and debt relief to $250,000 ($125,000 for married/RDP filing separately). Go to our website at **ftb.ca.gov** for more information on claiming debt relief.

Same-Sex Married Couples (SSMCs) – Married couples must file their California income tax returns using either the married/RDP filing jointly or married/RDP filing separately filing status. Same-sex couple marriages performed in California on June 16, 2008 and before November 5, 2008 have been recognized as valid marriages for California purposes. For more information, get FTB Pub. 776, Tax Information for Same-Sex Married Couples.

Proposition 8 was approved by the voters on November 4, 2008, and it provides that "only marriage between a man and a woman is valid or recognized in California." Lawsuits challenging the Proposition have been filed. To find updates and information about the filing status to be used on your 2008 return, go to our website at **ftb.ca.gov** and search for **same sex married couples** or get FTB Pub. 776, Tax Information for Same-Sex Married Couples.

General Information

In general, California law conforms to the Internal Revenue Code (IRC) as of January 2005. However, there are continuing differences between California and federal law. When California conforms to federal tax law changes, we do not always adopt all of the changes made at the federal level. For more information, go to our website at **ftb.ca.gov** and search for **conformity**. Additional information can be found in FTB Pub. 1001, Supplemental Guidelines to California Adjustments, and the Business Entity tax booklets.

The instructions provided with California tax forms are a summary of California tax law and are only intended to aid taxpayers in preparing their state income tax returns. We include information that is most useful to the greatest number of taxpayers in the limited space available. It is not possible to include all requirements of the California Revenue and Taxation Code (R&TC) in the tax booklets. Taxpayers should not consider the tax booklets as authoritative law.

Registered Domestic Partners (RDP) – RDPs under California law must file their California income tax returns using either the married/RDP filing jointly or married/RDP filing separately filing status. RDPs have the same legal benefits, protections, and responsibilities as married couples unless otherwise specified.

If you entered into in a same sex legal union in another state, other than a marriage, and that union has been determined to be substantially equivalent to a California registered domestic partnership, you are required to file a California income tax return using either the married/RDP filing jointly or married/RDP filing separately filing status. For more information on what states have legal unions that are considered substantially equivalent, go to our website at **ftb.ca.gov** and search for **RDP**.

For purposes of California income tax, references to a spouse, a husband, or a wife also refer to a California registered domestic partner (RDP), unless otherwise specified. When we use the initials RDP they refer to both a California registered domestic "partner" and a California registered domestic "partnership," as applicable. For more information on RDPs, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

Military Personnel – Servicemembers domiciled outside of California and their spouses may exclude the servicemember's military compensation from gross income when computing the tax rate on nonmilitary income. Requirements for military servicemembers domiciled in California remain unchanged. Military servicemembers domiciled in California must include their military pay in total income. In addition, they must include their military pay in California source income when stationed in California. However, military pay is not California source income when a servicemember is permanently stationed outside of California. For more information, get FTB Pub. 1032, Tax Information for Military Personnel.

Amended Returns – If you are an active duty military servicemember domiciled outside California and you included your military compensation in income from all sources, you may file an amended return for tax years with an open statute of limitations. Get FTB Pub. 1032 and Form 540X, Amended Individual Income Tax Return, for more information.

Round Cents to Dollars – Round cents to the nearest whole dollar. For example, round $50.50 up to $51 or round $25.49 down to $25. If you do not round, the Franchise Tax Board (FTB) will disregard the cents. This helps process your return quickly and accurately.

Part-Year Residents – Complete the Part-Year Resident Worksheet on page 50 to determine the amounts to enter on Part II, line 7 through line 22a, column E.

Avoid common mistakes on this schedule.

Column A – Copy the amounts from your federal return. Use the (a) amounts on line 9 and the (b) amounts on line 15, line 16, and line 20, from your federal return. Form 1040, line 37, should equal Long Form 540NR, line 13, federal AGI.

Column B (line 7 - line 21) – Subtract income that is not taxable to a California resident such as California lottery winnings and social security benefits. **Do not use column B to deduct** income that was earned while a nonresident of California or from sources outside of California. There **must** be a difference in state and federal tax law. Generally, if a full-year California resident cannot subtract the income in column B, a nonresident or part-year resident may not subtract the income in column B either.

Column C (line 7 - line 21) – Add income that was not taxed on your federal return but is taxable to a California resident such as foreign income or interest/dividends from non-California municipal bonds.

Column D – Combine the columns (column A - column B + column C). Line 37, column D, should equal Long Form 540NR, line 17. The amounts in this column represent income earned from all sources as if you were a full-year California resident, after applying California and federal law differences.

Column E – Enter all income from all sources while a resident of California and income from California sources while a nonresident. Enter on line 45 the amount from Schedule CA (540NR), line 37.

Purpose

Use Schedule CA (540NR), California Adjustments - Nonresidents or Part-Year Residents, to determine California taxable income by doing the following:

- Identify the domiciles and also, current and past residency information.
- Enter the amounts of income and deductions reported on your federal income tax return.
- Adjust the income and deductions reported on your federal return for differences in California and federal law.
- Determine the portion of income reported on your federal return that was earned or received while you were a California resident.

- Determine the portion of income reported on your federal return that was earned or received from California sources while you were a nonresident.
- Determine your allowable standard deduction or itemized deductions.

Specific Line Instructions for Part I Residency Information

Answer all the questions in this part for you and your spouse/RDP. If a question does not apply, enter "N/A" on the line for the answer. For more information get:

- FTB Pub. 1031, Guidelines for Determining Resident Status
- FTB Pub. 1032, Tax Information for Military Personnel

Line 1 – Domicile and military
If you served in the military, your state of domicile is generally the state where you were living when you first entered military service. If you were not in the military, your domicile is the place you consider your permanent home, the place to which you, whenever absent, intend to return.

Line 5 – The number of days I spent in California
The total number of days in California should include all days in California for any purpose including residency, business, and vacation.

Specific Line Instructions for Part II Income Adjustment Schedule

Column A — Federal Amounts

Enter all the amounts shown on your federal return on the corresponding lines in column A.

If married/RDP filing separately under either exception described in the instructions for Long Form 540NR, enter in column A the amounts you would have reported on a separate federal return. Attach a statement to the return showing how the income and expenses were split between you and your spouse/RDP.

Line 7 through Line 21
Enter on line 7 through line 21 the same amounts you entered on federal Form 1040, line 7 through line 21; Form 1040A, line 7 through line 14b; Form 1040EZ, line 1, line 2, and line 3; or Form 1040NR, line 8 through line 21 for the same types of income.

Same-Sex Married Couples and Registered Domestic Partners – SSMCs and RDPs will compute their limitations based on the combined federal adjusted gross income (AGI) of each spouse's or partner's individual tax return filed with the Internal Revenue Service (IRS). For column A, line 7 through line 21, combine your federal amounts from each spouse's or partner's individual federal tax return. For more information on SSMCs, get FTB Pub. 776, or RDPs, get FTB Pub. 737.

The combined federal AGI used to compute limitations is different from the recalculated federal AGI used on Form 540NR, line 13. In situations where SSMCs have no SSMC adjustments or RDPs have no RDP adjustments, these amounts may be the same.

Line 22a – Total
Combine the amounts on line 7 through line 21. Enter the total on line 22a. This number should be the same as the amount on federal Form 1040, line 22; Form 1040A, line 15; Form 1040EZ, line 4; or Form 1040NR, line 23.

Line 22b – Balance Carried Forward
Enter on line 22b the total from Side 1, line 22a, column A.

Line 23 through Line 35
Enter the same amounts you entered on federal Form 1040, line 23 through line 35; Form 1040A, line 16 through line 19; or Form 1040NR, line 24 through line 33.

Line 31a and Line 31b
Enter on line 31a the same amount entered on federal Form 1040, line 31a. Enter on line 31b the social security number (SSN) or individual taxpayer identification number (ITIN) and last name of the person to whom you paid alimony.

Line 36
Add line 23 through line 35. This amount should be the same as the amount on federal Form 1040, line 36; Form 1040A, line 20; or Form 1040NR, line 34. However, if you made any of the adjustments described in the instructions for federal Form 1040, line 36, or if you claimed the foreign housing deduction from federal Form 2555, Foreign Earned Income, or Form 2555-EZ, Foreign Earned Income Exclusion, enter the amount from Form 1040, line 36 on this line.

If you used Form 1040NR and reported an amount on Form 1040NR, line 30 for excluded scholarship and fellowship grants, enter the amount from Form 1040NR, line 34 on this line.

Line 37 – Total
Subtract line 36 from line 22b. This amount should be the same as the amount on Long Form 540NR, line 13; federal Form 1040, line 37; Form 1040A, line 21; Form 1040EZ, line 4; or Form 1040NR, line 35.

Column B and Column C — Subtractions and Additions

Use these columns to enter subtractions and additions to federal amounts in column A that are necessary because of the differences between California and federal law. Enter all amounts on line 7 through line 36 as positive numbers.

Do not deduct income that was earned while a nonresident of California or from sources outside of California. There **must** be a difference in tax law. Generally, if a California resident cannot subtract the income in column B, a nonresident or part-year resident may not subtract income from column B.

If you are a nonresident alien, use column B and column C to adjust federal AGI to include income from all sources, even if you were not required to report it on your federal return. California does not have special rules limiting total AGI from all sources to U.S. source or effectively connected income of nonresident aliens.

You may need one of the following FTB publications to complete column B and column C:

- 1001, Supplemental Guidelines to California Adjustments
- 1005, Pension and Annuity Guidelines
- 1031, Guidelines for Determining Resident Status
- 1032, Tax Information for Military Personnel
- 1100, Taxation of Nonresidents and Individuals Who Change Residency

To get forms and publications, go to our website at **ftb.ca.gov** or see page 62 of your 2008 California 540NR Nonresident or Part-Year Resident Booklet.

Line 7 – Wages, Salaries, Tips, etc.
Generally, no adjustments are made on this line. If you did not receive any of the following types of income, make no entry on this line in either column B or column C.

Military Pay Adjustment. Compensation for military service of a servicemember domiciled outside of California is exempt from California tax. It is excluded from adjusted gross income from all sources. For more information, get FTB Pub. 1032.

Active duty military servicemembers domiciled outside of California, may claim an adjustment for active duty military pay.

To claim the adjustment, write "MPA" to the left of column A and enter the amount of your active duty military pay in column B. Exclude this amount from column E. Attach a copy of your federal Form W-2, Wage and Tax Statement, reflecting your military compensation, to your return.

Sick pay received under the Federal Insurance Contributions Act and Railroad Retirement Act. California excludes these items from income. Enter in column B the amount of these benefits included in the amount in column A.

Ride-sharing fringe benefit differences. Under federal law, qualified transportation benefits are excluded from gross income. Under the California R&TC, there are no monthly limits for the exclusion of these benefits and California's definitions are more expansive. Enter the amount of ridesharing benefits received and included in federal income on line 7, column B.

Foreign Income. If you excluded income exempted by U.S. tax treaties on your federal Form 1040 (unless specifically exempt for state purposes), enter the excluded amount in column C. If you claimed foreign earned income or housing cost exclusion on your federal Form 1040 (under IRC Section 911), see the instructions for line 21.

Exclusion for compensation from exercising a California Qualified Stock Option (CQSO). To claim this exclusion:

- Your earned income is $40,000 or less from the corporation granting the CQSO.
- The market value of the options granted to you must be less than $100,000.

- The total number of shares must be 1,000 or less.
- The corporation issuing the stock must designate that the stock issued is a CQSO at the time the option is granted.

If you included in federal income an amount qualifying for this exclusion, enter that amount in column B.

Compensation of merchant seamen, military servicemembers, rail, motor, and aircraft carriers. Exclude the following from gross income: compensation for the performance of duties of certain merchant seamen, rail carriers, motor carriers, aircraft carriers, and military servicemembers.

Line 8 – Taxable Interest Income
If you did not receive any of the kinds of income listed below, make no entry on this line in either column B or column C.

Enter in column B, the interest that you received from:

- U.S. saving bonds (except for interest from series EE U.S. savings bonds issued after 1989 that qualified for the Education Savings Bond Program exclusion).
- U.S. Treasury Bills, notes, and bonds.
- Any other bonds or obligations of the United States and its territories.
- Interest from Ottoman Turkish Empire settlement payments.
- Interest income from children age 14 through 18, and students under age 24. For more information, get FTB Pub. 1001.
- Interest income from children under age 14, included on the parent's or child's federal return and reported on the California return by the opposite taxpayer.

Certain mutual funds pay "exempt-interest dividends." If the mutual fund has at least 50% of its assets invested in tax-exempt U.S. obligations and/or in California or its municipal obligations, that amount of dividend is exempt from California tax. The proportion of dividends tax-exempt will be shown on your annual statement or statement issued with Form 1099-INT, Interest Income. For more information, get FTB Pub. 1001.

Enter in column C, the interest you identified as tax-exempt interest on your federal Form 1040 (or Form 1040A), line 8b or Form 1040NR, line 9b; **and** which you received from:

- The federally exempt interest dividends from other states, or their municipal obligations and/or from mutual funds that do not meet the 50% rule above.
- Non-California state bonds.
- Non-California municipal bonds issued by a county, city, town, or other local government unit.
- Obligations of the District of Columbia issued after December 27, 1973.
- Non-California bonds if the interest was passed through to you from S corporations, trusts, partnerships, or Limited Liability Companies (LLCs).
- Interest or other earnings from a Health Savings Account (HSA) are not treated as tax deferred. Interest or earnings in an HSA are taxable in the year earned.
- Interest on any bond or other obligation issued by the Government of American Samoa.
- Interest income from children under the age of 14, excluded on the parent's or child's federal return and reported on the California return.

Make no entries in either column B or column C for interest earned on Federal National Mortgage Association (Fannie Mae) Bonds, Government National Mortgage Association (Ginnie Mae) Bonds, and Federal Home Loan Mortgage Corporations (FHLMC) securities, or grants paid to low-income individuals.

Get FTB Pub. 1001, if you received interest income from the following sources:

- Loans made in an enterprise zone (EZ), or the former Los Angeles Revitalization Zone (LARZ).
- Items listed above passed through to you from S corporations, trusts, partnerships, or LLCs.

Line 9 – Ordinary Dividends
Generally, no difference exists between the amount of dividends reported in column A and the amount reported using California law. However, California taxes dividends derived from other states and their municipal obligations.

Get FTB Pub. 1001, if you received dividend income from:

- Noncash patronage dividends from farmers' cooperatives or mutual associations.
- A controlled foreign corporation (CFC).
- Distribution of pre-1987 earnings from S corporations.
- Undistributed capital gains for regulated investment company (RIC) shareholders.
- Dividend income from children ages 14 through 18 and students under age 24.

Line 10 – Taxable refunds, credits, or offsets of state and local income taxes
California does not tax the state income tax refund received in 2008. Enter in column B, the amount of state tax refund entered in column A.

Line 11 – Alimony Received
If you are a nonresident alien and received alimony not included in your federal income, enter the alimony on this line in column C. Otherwise, make no entry on this line.

Line 12 – Business Income or (Loss)
Adjustments to federal business income or loss you reported in column A generally are necessary because of the difference between California and federal law relating to depreciation methods, special credits, and accelerated write-offs. As a result, the recovery period or basis used to figure California depreciation may be different from the amount used for federal purposes. Adjustments are figured on form FTB 3885A, Depreciation and Amortization Adjustments, and are most commonly necessary because of the following:

- **Before January 1, 1987,** California did not allow depreciation under the federal accelerated cost recovery system. Continue to figure California depreciation for those assets in the same manner as prior years.
- **On or after January 1, 1987,** California provides special credits and accelerated write-offs that affect the California basis of qualifying assets. Refer to the bulleted list below.

Use form FTB 3801, Passive Activity Loss Limitations, to figure the total adjustment for line 12 if you have:

- One or more passive activities that produce a loss.
- One or more passive activities that produce a loss **and** any nonpassive activity reported on federal Schedule C, Profit or Loss From Business.

Use form FTB 3885A to figure the total adjustment for line 12 if you have:

- Only nonpassive activities which produce either gains or losses (or a combination of gains and losses).
- Passive activities that produce gains.

Get FTB Pub. 1001 for more information about:

Income related to:

- Business, trade, or profession carried on within California that is an integral part of a unitary business carried on both within and outside California.
- Pro-rata share of income received from a CFC by a U.S. shareholder.

Basis adjustments related to:

- Property acquired prior to becoming a California resident.
- Sales or use tax credit for property used in an EZ, Local Agency Military Base Recovery Area (LAMBRA), Targeted Tax Area (TTA), or former LARZ.
- Reduced recovery periods for fruit-bearing grapevines replaced in a California vineyard on or after 1/1/92 as a result of phylloxera infestation; or on or after 1/1/97 as a result of Pierce's disease.
- Expenditures for tertiary injectants.
- Property placed in service on an Indian reservation after 1/1/94 and before 1/1/08.
- Amortization of pollution control facilities.
- Discharge of real property business indebtedness.
- Employer-paid child care program.
- Employer-paid child care plan.
- Vehicles used in an employer-sponsored ridesharing program.
- An enhanced oil recovery system.
- Joint Strike Fighter property costs.
- The cost of making a business accessible to disabled individuals.
- Property for which you received an energy conservation subsidy from a public utility on or after 1/1/95 and before 1/1/97.
- Research and experimental expenditures.

Business expense deductions related to:

- Wages paid in an EZ, LAMBRA, Manufacturing Enhancement Area (MEA), or TTA.
- Certain employer costs for employees who are also enrolled members of Indian tribes.
- Abandonment or tax recoupment fees for open-space easements and timberland preserves.

- Business located in an EZ, LAMBRA, or TTA.
- Research expense.
- Employer wage expense for the Work Opportunity Credit and Welfare-to-Work Credit.
- Pro-rata share of deductions received from a CFC by a U.S. shareholder.
- Interest paid on indebtedness in connection with company-owned life insurance policies.
- Premiums paid on life insurance policies, annuities or endowment contracts issued after 6/8/97, where the owner of the business is directly or indirectly a policy beneficiary.
- Commercial Revitalization Deductions for Renewal Communities.

Line 13 – Capital Gain or (Loss)
Generally, no adjustments are made on this line. California taxes long and short term capital gains as regular income. No special rate for long term capital gains exists. However, the California basis of the assets listed below may be different from the federal basis due to differences between California and federal laws. If there are differences, use Schedule D (540NR), California Capital Gain or Loss Adjustment, to calculate the amount to enter on line 13:

- Gain on the sale of qualified small business stock which qualifies for the gain exclusion under IRC Section 1202.
- Basis amounts resulting from differences between California and federal law in prior years.
- Gain or loss on stock and bond transactions.
- Installment sale gain reported on form FTB 3805E, Installment Sale Income.
- Gain on the sale of personal residence where depreciation was allowable.
- Flow-through gain or loss from partnerships, fiduciaries, S corporations, or LLCs.
- Capital loss carryover from your 2007 California Schedule D (540NR).

Get FTB Pub. 1001 for more information about:

- Disposition of S corporation stock acquired before 1987.
- Capital gain exclusion for sale of principal residence by a surviving spouse.
- Gain on the sale or disposition of a qualified assisted housing development to low-income residents or to specified entities maintaining housing for low-income residents.
- Undistributed capital gain for RIC shareholders.
- Gain or loss on the sale of property inherited before 1/1/87.
- Capital loss carrybacks.
- Capital gains distribution for children under ages 14 through 18 and students under age 24.

Line 14 – Other Gains or (Losses)
Generally, no adjustments are made on this line. However, the California basis of your other assets may differ from your federal basis due to differences between California and federal law. Therefore, you may have to adjust the amount of other gains or losses. Get Schedule D-1, Sales of Business Property, for more information.

Line 15 – Total IRA Distributions

Beginning with tax year 2002, calculate your IRA basis as if you were a California resident for all prior years. Generally, no adjustments are made on this line. However, there may be significant differences in the taxable amount of a distribution (including a distribution from conversion of a traditional IRA to a Roth IRA) depending on when you made your IRA contributions. California did not conform to the $2,000 or 100% of compensation annual contribution limit permitted under federal law from 1982 through 1986. During these years, California limited the deduction to the lesser of 15% of compensation or $1,500 and disallowed a deduction altogether to individuals who were active participants in qualified government plans. Any amount an individual contributed in excess of California deduction limits during these years creates a basis in the IRA.

Differences also occur if your California IRA deductions were different from your federal deductions because of differences between California and federal self-employment income.

If the taxable amount using California law is:

- Less than the amount taxable under federal law, enter the difference in column B.
- More than the amount taxable under federal law, enter the difference in column C.

Get FTB Pub. 1005, for more information and worksheets for figuring the adjustment to enter on this line, if any.

Coverdell ESA formerly known as Education (ED) IRA – If column A includes a taxable distribution from an ED IRA, you may owe additional tax on that amount. Get form FTB 3805P, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts. Report only the taxable amount of the distribution on line 21f.

Line 16 – Total Pensions and Annuities
Generally, no adjustments are made on this line. However, if you received Tier 2 railroad retirement benefits or partially taxable distributions from a pension plan, you may need to make the adjustments.

If you received a federal Form RRB-1099-R, Annuities or Pensions by the Railroad Retirement Board, for railroad retirement benefits and included all or part of these benefits in taxable income in column A, enter the taxable benefit amount in column B.

If you began receiving a retirement annuity between 7/1/86 and 1/1/87, and elected to use the three-year rule for California purposes and the annuity rules for federal purposes, enter in column C the amount of the annuity payments you excluded for federal purposes.

You may have to pay an additional tax if you received a taxable distribution from a qualified retirement plan before reaching age 59½ and the distribution was not rolled over into another qualified plan. See Long Form 540NR, line 41 instructions; or form FTB 3805P.

Line 17 – Rental Real Estate, Royalties, Partnerships, S corporations, Trusts, etc.
Adjustments to federal income or loss you reported in column A generally are necessary because of the difference between California and federal law relating to depreciation methods, special credits, and accelerated write-offs. As a result, the recovery period or basis used to figure California depreciation may be different from the recovery period or amount used for federal purposes. For more information, see the instructions for Schedule CA (540NR), column B and column C, line 12.

California law does not conform to federal law for material participation in rental real estate activities. Beginning in 1994, and for federal purposes only, rental real estate activities conducted by persons in real property businesses are not automatically treated as passive activities. Get form FTB 3801, for more information.

Use form FTB 3801, to figure the total adjustment for line 17 if you have:

- One or more passive activities that produce a loss.
- One or more passive activities that produce a loss **and** any nonpassive activity reported on federal Schedule E.

Use form FTB 3885A, to figure the total adjustment for line 17 if you have:

- Only nonpassive activities which produce either gains or losses (or a combination of gains and losses).
- Passive activities that produce gains.

LLCs that are classified as partnerships for California purposes and limited liability partnerships (LLPs) are subject to the same rules as other partnerships. LLCs report distributive items to members on Schedule K-1 (568), Member's Share of Income, Deductions, Credits, etc. LLPs report to partners on Schedule K-1 (565), Partner's Share of Income, Deductions, Credits, etc.

Get FTB Pub. 1001, for more information about accumulation distributions to beneficiaries for which the trust was not required to pay California tax because the beneficiary's interest was contingent.

Line 18 – Farm Income (Loss)
Adjustments to federal income or loss you report in column A generally are necessary because of the difference between California and federal law relating to depreciation methods, special credits, and accelerated write-offs. As a result, the recovery period or the basis you should use to figure California depreciation may be different from the amount used for federal purposes. For more information about the types of income and adjustments that often require adjustments, see the instructions for Schedule CA (540NR), column B and column C, line 12.

Use form FTB 3801, to figure the total adjustment for line 18 if you have:

- One or more passive activities that produce a loss.
- One or more passive activities that produce a loss **and** any nonpassive activity reported on federal Schedule F, Profit of Loss From Farming.

Use form FTB 3885A, to figure the total adjustment for line 18 if you have:

- Only nonpassive activities which produce either gains or losses (or a combination of gains and losses).
- Passive activities that produce gains.

Line 19 – Unemployment Compensation
California excludes unemployment compensation from taxable income. Enter on line 19, column B, the amount of unemployment compensation shown in column A.

Paid Family Leave Insurance (PFL) benefits, also known as, Family Temporary Disability Insurance. California excludes payments received from the PLF program from taxable income . Enter on line 19, column B, the amount of PLF program payments shown in column A. For more information, get FTB Pub. 1001.

Line 20 – U.S. Social Security Benefits
California excludes U.S. social security benefits or equivalent Tier 1 railroad retirement benefits from taxable income. Enter in column B the amount of U.S. social security benefits or equivalent Tier 1 railroad retirement benefits shown in column A.

Line 21 – Other Income

a. California Lottery Winnings
California excludes California lottery winnings from taxable income. Enter in column B the amount of California lottery winnings included in the federal amount on line 21 in column A.

Make no adjustment for lottery winnings from other states. They are taxable by California.

California and federal laws allow gambling losses only to the extent you report gambling income. If you reduced gambling income for California lottery income, you may need to reduce the losses included in the federal itemized deductions on line 38. Enter these losses on line 41 as a negative number.

b. Disaster Loss Carryover from form FTB 3805V, Part III, line 6
If you have a California disaster loss carryover from your 2007 form FTB 3805V, Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations – Individuals, Estates, and Trusts, enter that amount as a positive number in column B.

c. Federal NOL from Form 1040, line 21
If the amount on line 21 in column A includes a federal NOL, enter the amount of the federal NOL as a positive number in column C. Get form FTB 3805V to figure the allowable California NOL.

d. NOL Carryover from form FTB 3805V, Part III, line 5
The allowable NOL carryover under California law is different from the allowable NOL carryover under federal law. Use form FTB 3805V to figure the allowable California NOL and enter it as a positive number in column B.

e. NOL from FTB 3805D, FTB 3805Z, FTB 3806, FTB 3807, or FTB 3809
Enter in column B the total NOL figured on the following forms.

- FTB 3805D, Net Operating Loss (NOL) Computation and Limitation – Pierce's Disease.
- FTB 3805Z, Enterprise Zone Deduction and Credit Summary, line 5b.
- FTB 3806, Los Angeles Revitalization Zone Deduction and Credit Summary, line 3b.
- FTB 3807, Local Agency Military Base Recovery Area Deduction and Credit Summary, line 5b.
- FTB 3809, Targeted Tax Area Deduction and Credit Summary, line 4b.

f. Other (describe)

Reward from a crime hotline. Enter in column B the amount of a reward authorized by a government agency received from a crime hotline established by a government agency or nonprofit organization and that is included in the amount on line 21 in column A.

You may not make this adjustment if you are an employee of the hotline or someone who sponsors rewards for the hotline.

Federal foreign income or housing exclusion. Enter in column C the amount deducted from federal income on Form 1040, line 21.

Beverage container recycling income. Enter in column B the amount of recycling income included in the amount on line 21, column A.

Rebates or vouchers from a local water agency, energy agency, or energy supplier. California law allows an income exclusion for rebates or vouchers from a local water agency, energy agency, or energy supplier for the purchase and installation of water conservation appliances and devices. Enter in column B the amount of this type of income included in the amount on line 21 in column A.

Original issue discount (OID) for debt instruments issued in 1985 and 1986. In the year of sale or other disposition, you must recognize the difference between the amount reported on your federal return and the amount reported for California purposes.
Issuers: Enter the difference between the federal deductible amount and the California deductible amount on line 21f in column B.
Holders: Enter the difference between the amount included in federal gross income and the amount included for California purposes on line 21f in column C.

Foreign income of nonresident aliens. Adjust federal income to reflect worldwide income computed under California law. Enter losses from foreign sources in column B. Enter foreign source income in column C.

Cost-share payments received by forest landowners. Enter in column B the cost-share payments received from the Department of Forestry and Fire Protection under the California Forest Improvement Act of 1978 or from the United States Department of Agriculture, Forest Service, under the Forest Stewardship Program and the Stewardship Incentives Program, pursuant to the Cooperative Forestry Assistance Act.

Compensation for False Imprisonment. California excludes compensation for false imprisonment from income. Enter the amount of compensation on line 21f, column B.

Grants paid to low-income individuals. California excludes grants paid to low-income individuals to construct or retrofit buildings to make them more energy efficient. Federal has no similar exclusion. Enter on line 21f, column B the amount of this type of income.

Health Savings Account (HSA) Distributions for unqualified medical expense. Distributions from an HSA not used for qualified medical expenses and included in federal income, are not taxable for California purposes. Enter the distribution not used for qualified medical expenses on line 21f, column A and column B.

Coverdell (ESA) Distributions. If you received a distribution from a Coverdell ESA, report only the taxable amount of the distribution on line 21f.

California National Guard Surviving Spouse & Children Relief Act of 2004. Death benefits received from the State of California by a surviving spouse/RDP or member-designated beneficiary of certain military personnel killed in the performance of duty is excluded from gross income. Military personnel include the California National Guard, State Military Reserve, or the Naval Militia. If you reported a death benefit on line 21, column A, enter the death benefit amount in column B.

Ottoman Turkish Empire Settlement Payments. If you received settlement payments as a person persecuted by the regime that was in control of the Ottoman Turkish Empire from 1915 until 1923 your gross income does not include those excludable settlement payments, or interest, received by you, your heirs, or your estate for payments received on or after January 1, 2005. If you reported settlement payments on line 21, column A, enter the amount of settlement payments in column B.

Mortgage relief upon sale or other disposition of principal residence. For taxable years 2007 through 2012, federal law allows an exclusion of income from discharge of indebtedness from the disposition of your principal residence. Federal limits the amount of qualified principal residence indebtedness to $2,000,000 ($1,000,000 for married filing separate). See federal Publication 544, Sales and Other Disposition of Assets, for more information. California partially conforms to the federal provisions. California allows debt relief for taxable years 2007 and 2008 only. Also, California limits the amount of qualified principal residence indebtedness to $800,000 ($400,000 for married/RDP filing separate) and debt relief to $250,000 ($125,000 for married/RDP filing separate).

If the amount of debt relief for federal purposes is more than the California limit, include the amount in excess of the California limit on Schedule CA (540NR), line 21f, column C.

Hokie Spirit Memorial Fund exclusion. Enter in column C the amount excluded from federal income. For more information, get FTB Pub. 1001.

Line 22a – Total
Add line 7 through line 21f in column B and column C. Enter the totals on line 22a.

Line 22b – Balance Carried Forward
Enter the totals from Side 1, line 22a, column B and column C.

Line 23 through Line 35
California law is the same as federal with the exception of the following:

- Line 23 (Educator expenses) – Enter the amount from column A, line 23 to column B, line 23.
- Line 24 (Certain business expenses of reservists, performing artists, and fee-basis government officials) – If claiming a depreciation deduction as an unreimbursed employee business expense on federal Form 2106, Employee Business Expense, or Form 2106-EZ, Unreimbursed Employee Business Expense, you may have an adjustment in column B or column C. For more information, get Pub. 1001.

  If you filed a federal Form 2106, Employee Business Expense, or Form 2106-EZ, Unreimbursed Employee Business Expense, you may have an adjustment in column C.
- Line 25 (Health Savings Account (HSA) Deduction) – Federal law allows the taxpayer a deduction for contributions to an HSA account. California does not conform to this provision. Transfer the amount from column A, line 25, to column B, line 25.
- Line 31a (Alimony Paid) – Enter the SSN or ITIN and last name of the person to whom you paid alimony. If you are a nonresident alien and you did not deduct alimony on your federal return, enter the amount you paid on this line in column C.
- Line 32 (IRA deduction) – If you are an active duty military servicemember domiciled outside of California, you may have an adjustment. See line 36 instructions.

  California does not conform to the federal increase to the indexing of AGI requirements for IRAs. The phase-out for California remains at:
  - Single or Head of Household . . . . . $50,000 - $ 60,000
  - Married/RDP filing jointly or Quaifying widow(er) $80,000 - $100,000
  - Individual not active, spouse/RDP participant . . . $150,000 - $160,000

  Federal amounts have increased to:
  - Single or Head of Household . . . . . $53,000 - $ 63,000
  - Married filing jointly/Qualifying widow(er) . . . . . $85,000 - $105,000
  - Individual not active, spouse participant . . . . . $159,000 - $169,000

  Compute your federal IRA deduction following the federal instructions using the federal IRA worksheet. Compute your California IRA deduction using the federal IRA worksheet using California phase-out amounts instead of federal amounts. Enter as an adjustment in column B, the difference between the amount determined for the federal IRA deduction and the California IRA deduction.
- Line 33 (Student Loan Interest Deduction) – California conforms to federal law regarding student loan interest deduction except for non-California domiciled military taxpayers. Military taxpayers use the Student Loan Interest Deduction Worksheet below to compute the amount to enter on line 33. Get FTB Pub. 1032, for more information.

Student Loan Interest Deduction Worksheet

1 Enter the total amount from Schedule CA (540NR), line 33, column A. If the amount on line 1 is zero, STOP. You are not allowed a deduction for California . . . . . **1**_____

2 Enter the total interest you paid in 2008 on qualified student loans but not more than $2,500 here . . **2**_____

3 From Form 1040, add line 33 (student loan interest deduction) to line 37 (AGI). Enter the result here . . . . . **3** _____

4 Enter the total military income included in federal adjusted gross income (get FTB Pub. 1032) . . . . . **4** _____

5 Subtract line 4 from line 3 . . . . . **5** _____

6 Enter. the amount shown below for your filing status.
- Single, head of household, or qualifying widow(er) – $55,000
- Married/RDP filing jointly – $110,000

} **6** _____

7 Is the amount on line 5 more than the amount on line 6?.
☐ **No.** Skip lines 7 and 8, enter -0- on line 9, and go to line 10.
☐ **Yes.** Subtract line 6 from line 5 . . . . . **7** _____

(continued in next column)

8 Divide line 7 by $15,000 ($30,000 if married/RDP filing jointly). Enter the result as a decimal (rounded to at least three places). If the result is 1.000 or more, enter 1.000 . . . . . **8** _ . _ _ _ _

9 Multiply line 2 by line 8 . . . . . **9**_____

10 **Student loan interest deduction.** Subtract line 9 from line 2. Enter the result here and on, Schedule CA (540NR), line 33, column D . . . . . **10**_____

11 Student loan interest adjustment. Enter the result here. If line 1 is less than line 10, enter the difference on Schedule CA (540NR), line 33, column C. . . . . **11**_____

- Line 34 (Tuition and fees deduction) - Enter the amount from column A, line 34, to column B, line 34.
- Line 35 (Domestic production activities deduction) – California does not conform to the federal law regarding the domestic production activities deduction. If you made an adjustment on your federal return for domestic production activities, enter that amount in column B.

Same-Sex Married Couples and Registered Domestic Partners – SSMCs and RDPs will compute their limitations based on the combined federal adjusted gross income (AGI) of each spouse's or partner's individual tax return filed with the IRS. For column A, line 23 through line 35, combine your federal amounts from each spouse's or partner's individual federal tax return. For more information on SSMCs, get FTB Pub. 776, or RDPs, get FTB Pub. 737.

The combined federal AGI used to compute limitations is different from the recalculated federal AGI used on Form 540NR, line 13. In situations where SSMCs have no SSMC adjustments or RDPs have no RDP adjustments, these amounts may be the same.

Line 36 – Add line 23 through line 31a and line 32 through line 35 in column B and column C. Enter the totals on this line in the appropriate columns.

If you claimed the foreign housing deduction, include that amount in the total you enter in column B, line 36. Enter the amount on "Form 2555" or "Form 2555-EZ" on the dotted line next to line 36.

If you are active duty military and not domiciled in California and your IRA deduction was limited because of a federal AGI limitation, recalculate your deduction excluding your active duty military pay. If the recalculated amount is larger than the amount on line 32, column A, enter the difference between the two amounts in column C, line 36. Enter the amount and "MPA Adjustment" on the dotted line next to line 36.

Line 37 – Total
Subtract line 36 from line 22b in column B and column C. Enter the totals on this line in the appropriate column. These amounts should be the same as Long Form 540NR, line 14 and line 16, respectively.

In some cases the total on line 37 in column B or column C will be a negative number. Please read the caution note when you get to line 37, column E.

Column D — Total Amounts Using California Law

Use this column to show the amount remaining after adjustments (subtractions or additions).

For each line, 7 through 37:

1. Subtract the amounts in column B from the amounts in column A.
2. Add the amounts in column C to the result of the calculation made in 1 above.
3. Enter the total in column D.

Line 21 – Other Income
If you made any adjustments on line 21 in column B or column C:

Step 1	Add the adjustments in column B, lines a, b, d, e, and f.
Step 2	Subtract that total from line 21, column A.
Step 3	Add the adjustments in column C, lines c and f.
Step 4	Add that total to the result of Step 2; then continue as instructed above for all other lines.

The total on line 37, column D should be the same as the amount on Long Form 540NR, line 17.

Column E — California Amounts

Column E is used to show how much of the amount of income reported on Schedule CA (540NR), column D is taxable by California. The taxable amount depends on your residency status.

- **Full-year California resident:** A resident is taxed on all income from all sources, including income from sources outside California. Follow the "California Resident Amounts" instructions for each line below. Full-year residents use Long Form 540NR if filing jointly with a spouse/RDP who is a nonresident or a part-year resident.
- **Full-year nonresident:** A nonresident is only taxed on income derived from California sources. Follow the "California Nonresident Amounts" instructions for each line below.
- **Part-year resident:** A part-year resident is taxed on all income from all sources while a resident and only on income derived from California sources while a nonresident. Follow the instructions as stated in the Part-Year Resident Worksheet instructions on page 10.

Refer to instructions for each line below to be sure you are including the correct amounts.

Line 7 – Wages, Salaries, Tips, Etc.

California Resident Amounts – Enter the wages, salaries, tips, or other compensation that you received while a California resident. Active duty military personnel, who are domiciled in California and stationed in California, report their military income here (get FTB Pub. 1032 for more information).

California Nonresident Amounts – If you worked in California while a nonresident, enter the wages, salaries, tips, or other compensation received for those California services.

Line 8 – Taxable Interest Income

California Resident Amounts – Enter the interest income received while a California resident.

California Nonresident Amounts – Enter the interest income received while a nonresident from an account or security that was used in a trade or business or was pledged as security for a loan, the proceeds of which were used in a trade or business located in California.

Line 9 – Ordinary Dividends

California Resident Amounts – Enter the ordinary dividends received while a California resident.

California Nonresident Amounts – Enter the ordinary dividends received while a nonresident from an account or security that was used in a trade or business or was pledged as security for a loan, the proceeds of which were used in a trade or business located in California.

Line 11 – Alimony Received

California Resident Amounts – Enter the alimony received while a California resident.

California Nonresident Amounts – Alimony received by a nonresident is not taxable.

Line 12 – Business Income or (Loss)

California Resident Amounts – Enter the total profits or losses (including losses allowed from passive activities) from all businesses conducted while a California resident.

California Nonresident Amounts – Enter the total amount of profits or losses (including losses allowed from passive activities) from all businesses conducted in California while a nonresident of California.

If, as a nonresident, you derived income from a business, trade, or profession conducted partly within California and partly outside California, only income from the part conducted within California is considered California source income that you must report in column E. If there is any business relationship between the parts within and outside California (flow of goods, etc.), apportion the gross income or loss from the entire business. To determine the portion of income or loss from businesses engaged in multistate activities that you must report, use the apportionment formula described in Schedule R, Apportionment and Allocation of Income.

Line 13 – Capital Gain or (Loss)

California Resident Amounts – Enter capital gains and losses from all sources while a California resident.

California Nonresident Amounts – Enter capital gains and losses from sources within California while a nonresident. Complete Schedule D (540NR) Worksheet for Nonresidents and Part-Year Residents, to compute this amount.

Part-Year Resident Amounts – Complete Schedule D (540NR) Worksheet for Nonresidents and Part-Year Residents. Enter the amount from line 5, column E of that worksheet on the Part-Year Resident Worksheet, line 13, column C.

Line 14 – Other gains or (losses)

California Resident Amounts – Enter gains and losses (including losses allowed from passive activities) from all sources while a resident.

California Nonresident Amounts – Enter gains and losses from sources within California while a nonresident.

Line 15 – Total IRA Distributions (Taxable Amount)

California Resident Amounts – Enter the taxable portion of the IRA distributions received while a California resident. Include regular distributions, premature distributions, and any other money or property received from your IRA account or annuity.

For more information on traditional, Coverdell ESA, and Roth IRAs, get FTB Pub. 1005.

If this amount is a premature distribution and you owed the early distribution tax on your federal return, you generally owe this tax to California. Get form FTB 3805P, to figure any additional tax due on this amount.

California Nonresident Amounts – IRA distributions received by a nonresident are not taxable.

Line 16 – Total Pensions and Annuities (Taxable Amount)

California Resident Amounts – Enter the portion of taxable pension and annuity income received while a resident of California.

If this amount is a premature distribution and you owed the early distribution tax on your federal return, you generally owe this tax to California. Get form FTB 3805P to figure any additional tax due on this amount.

California Nonresident Amounts – Qualified retirement distributions received by a nonresident are not taxable.

For more information, get FTB Pub. 1005.

Line 17 – Rental Real Estate, Royalties, Partnerships, S Corporations, Estates, Trusts, Etc.

Enter your profit or loss (including losses allowed from passive activities) from all rents, royalties, partnerships, S corporations, LLCs, estates, and trusts that accrued while a California resident **and** profit or loss related to property or business located in California while a nonresident of California.

Your Schedule K-1 (100S, 541, 565, or 568) will indicate the amount of S corporation, estate, trust, partnership, or LLC profit or loss derived from California sources.

Part-year residents allocate income between the period of residency and the period of non-residency in a manner that reflects the actual date of realization of partnership, S corporation, and certain trust income. In the absence of information that reflects the actual date of realization, the taxpayer allocates an annual amount on a proportional basis between the two periods, using a daily pro-rata methodology. Get FTB Pub. 1100 for more information.

Line 18 – Farm Income or (Loss)

California Resident Amounts – Enter profit or loss (including losses allowed from passive activities) from all farming activity while a California resident.

California Nonresident Amounts – Enter profit or loss (including losses allowed from passive activities) for farming activity conducted in California while a nonresident of California.

Line 21 – Other Income

Identify the type of income reported in the space provided. If there is more than one item to report on line 21f, attach a statement that lists each item and enter the total of all individual items in column E.

Line 22a – Total

Add line 7 through line 21 in column E. Enter the result on this line.

Line 22b – Balance Carried Forward

Enter the total from Side 1, line 22a, column E on this line.

Line 26 – Moving Expenses
California law and federal law are the same for moving expenses. If you moved:

- Into California in connection with your new job, enter the amount from column A, line 26, in column E, line 26.
- Out of California in connection with your new job, enter -0- on line 26.

Exception: If you moved out of California in connection with your new job and received compensation from that job attributable to a California source, your moving expense adjustment will be limited by the ratio of California source compensation from the new job to total compensation from the new job.

Line 27 – One-half of Self-Employment Tax
If you claimed a deduction in column A for self-employment tax paid, your California deduction is limited to a percentage of the federal deduction. That percentage is the ratio of:

$$\frac{\text{Self-employment income reported in column A from all sources while a CA resident} + \text{Self-employment income reported in column A from CA sources while a nonresident}}{\text{Total self-employment income reported in column A}}$$

Multiply your federal deduction by the California ratio described above and enter the result on line 27, column E.

Line 28 and Line 32 – IRA, Keogh, SEP, and SIMPLE Deduction
The amount of the California deduction for IRA, Keogh, SEP, and SIMPLE contributions is the same as the federal deduction. However, the California deduction may be limited by California compensation or by California self-employment income.

Example: Susan moved into California on December 1. She made contributions to her IRA and claimed a deduction of $2,000 on her federal return. Her California wages were $500. Her allowable deduction is the lesser of:

- The federal deduction of $2,000.
- The California compensation of $500.

Therefore, she enters $500 on line 28, column E. She will make no entry in column B or column C.

Keogh, SEP, and SIMPLE deductions are limited to a percentage of the federal deduction.

$$\frac{\text{Self-employment income reported in column E}}{\text{Total self-employment income reported in column D}} = \text{California ratio}$$

Multiply federal deductions by the California ratio described above and enter the result on line 28, column E.

Get FTB Pub. 1005 for more information.

Line 29 – Self-Employed Health Insurance Deduction
If you claimed a deduction in column A for payments you made to a health insurance plan while you were self-employed, your California deduction is limited to a percentage of the federal deduction. That percentage is the ratio of:

$$\frac{\text{Total self-employment income reported in column E}}{\text{Total self-employment income reported in column D}} = \text{California ratio}$$

Multiply your federal deduction on line 29, by the California ratio described above and enter the result on line 29, column E.

Line 30 – Penalty on Early Withdrawal of Savings
Enter the interest penalties charged while a California resident.

Line 31a – Alimony Paid
If you claimed a deduction in column D for alimony payments, first compute your California ratio:

$$\frac{\text{California AGI (line 37, column E) (without the alimony deduction)}}{\text{Total AGI (line 37, column D) (without the alimony deduction)}} = \text{California ratio}$$

California Nonresident Amounts – Multiply the deduction (line 31a, column D) by the California ratio (see above) and enter the amount in column E, line 31a.

Part-Year Resident Amounts – Multiply the alimony paid while a nonresident by the California ratio (see above) to determine the nonresident portion. Add this amount to the alimony paid while a resident. Enter the total in column E, line 31a.

Line 36
Add line 23 through line 35 in column E. Enter the result on this line.

Line 37 – Total
Subtract line 36 from line 22b in column E. This is your California adjusted gross income (AGI). Enter the result on this line. Also enter this amount on line 45.

Also, transfer the amount from:

- Line 37, column B to Long Form 540NR, Side 1, line 14.
  If column B is a negative number, transfer the amount as a positive number to line 16.
- Line 37, column C to Long Form 540NR, Side 1, line 16.
  If column C is a negative number, transfer the amount as a positive number to line 14.
- Line 37, column E to Long Form 540NR, Side 1, line 21.

If you plan to itemize deductions, go to Part III.

Specific Line Instructions for Part III Adjustments to Federal Itemized Deductions

Line 38 – Federal Itemized Deductions
Enter the total amount of itemized deductions from your federal Schedule A (Form 1040), Itemized Deductions, lines 4, 9, 15, 19, 20, 27, and 28 or Schedule A (Form 1040NR), lines 3, 7, 8, 15, and 16.

Nonresident military servicemembers domiciled outside of California exclude military pay from federal AGI when calculating threshold limits for the following federal Schedule A (Form 1040) items: medical and dental expenses, gifts to charity, casualty and theft losses, and job expenses and most other miscellaneous deductions. Recalculate these amounts using the modified federal AGI amount. Subtract military pay from federal AGI, and then recalculate itemized deductions using the new threshold limits. Enter the recalculated Schedule A (Form 1040), total itemized deductions on Schedule CA (540NR), line 38.

Important: If you did not itemize deductions on your federal tax return but will itemize deductions on your California return, first complete federal Schedule A. Then complete Schedule CA (540NR), Part III, line 38 through line 44. Attach a copy of federal Schedule A (Form 1040) to your Long Form 540NR.

Line 39 – State, Local, and Foreign Income Taxes; General Sales tax
Add the following amounts from federal Schedule A (Form 1040) and enter on line 39:

- Line 5, state and local income tax (including limited partnership tax and income or franchise tax paid by corporations), and State Disability Insurance (SDI), or state and local general sales tax.
- Line 8, foreign income taxes.

Line 41 – Other Adjustments

Adoption-related Expenses – If you deducted adoption-related expenses on your federal Schedule A (Form 1040) and are claiming the adoption cost credit on your Long Form 540NR, enter the amount of the adoption cost credit claimed as a negative number on line 41.

Mortgage Interest Credit – If you reduced your federal mortgage interest deduction by the amount of your mortgage interest credit (from federal Form 8396, Mortgage Interest Credit), increase your California itemized deductions by the same amount. Enter the amount of your federal mortgage interest credit as a positive number on line 41.

Nontaxable Income Expenses – If, on federal Schedule A (Form 1040), you claim expenses related to producing income taxed under federal law but not taxed by California, enter the amount as a negative number on line 41.

You may claim expenses related to producing income taxed by California law but not taxed under federal law by entering the amount as a positive number on line 41.

Employee Business Expense – If you completed federal Form 2106 or Form 2106-EZ prepare a second set of forms reflecting your employee business expense using California amounts (i.e., following California law).

Generally, California law conforms with federal law and no adjustment is needed. However, differences occur when:

- Assets (requiring depreciation) were placed in service before 1/1/87. Figure the depreciation based on California law.
- Federal employees were on temporary duty status. California does not conform to the federal provision that expanded temporary duties to include prosecution duties, in addition to investigative duties. Therefore, travel expenses paid or incurred in connection with temporary duty status (exceeding one year), involving the prosecution (or support of the prosecution) of a federal crime, should not be included in the California amount.

Compare line 10 on the federal form and the form completed using California amounts. If the federal amount is larger, enter the difference as a negative number on line 41. If the California amount is larger, enter the difference as a positive number on line 41.

Investment Interest Expense – Your California deduction for investment interest expense may be different from your federal deduction. Use form FTB 3526, Investment Interest Expense Deduction, to figure the amount to enter on line 41.

Gambling Losses – California Lottery losses are not deductible for California. Enter the amount of California Lottery losses shown on federal Schedule A as a negative number on line 41.

Federal Estate Tax – Federal estate tax paid on income in respect of a decedent is not deductible for California. Enter the amount of federal estate tax shown on federal Schedule A (Form 1040) as a negative number on line 41.

Generation Skipping Transfer Tax – Tax paid on generation skipping transfers is not deductible under California law. Enter the amount of expenses shown on federal Schedule A (Form 1040) as a negative number on line 41.

State Legislator's Travel Expenses – Under California law, deductible travel expenses for state legislators include only those incurred while away from their places of residence overnight. Figure the difference between the amount allowed using federal law and the amount allowed using California law. Enter the difference as a negative number on line 41.

Charitable Qualified Contributions – Your California deduction may be different from your federal deduction. California limits the amount of your deduction to 50% of your federal adjusted gross income. Figure the difference between the amount allowed using federal law and the amount allowed using California law. Enter the difference as a negative number on line 41.

Charitable Contribution Carryover Deduction – If deducting a prior year charitable contribution carryover, and the California carryover is larger than the federal carryover, enter the additional amount as a positive number on line 41.

Health Savings Account (HSA) Distributions – If you received a tax-free HSA distribution for qualified medical expenses, enter the qualified expenses paid that exceed 7.5% of federal AGI as an adjustment to itemized deductions. To determine the amount of the itemized deduction adjustment:

- Calculate the medical expense deduction for California.
- Calculate the medical expense deduction for federal.
- Subtract the federal amount from the California amount. Enter the amount on line 41, as a positive amount.

Carryover Deduction Appreciated Stock Contributed to a Private Foundation prior to 1/1/02 – If deducting a charitable contribution carryover of appreciated stock donated to a private operating foundation made prior to 1/1/02, and the fair market value allowed for federal purposes is larger than the basis allowed for California purposes, enter the difference as a negative number on line 41.

Interest on loans from utility companies – Taxpayers are allowed a tax deduction for interest paid or incurred on a public utility company financed loan that is used to purchase and install energy efficient equipment or products, including zone-heating products for a qualified residence **located in California**. Federal law has no equivalent deduction. Enter the amount as a positive number on line 41.

Private Mortgage Insurance (PMI) – If you took the deduction on federal Schedule A (Form 1040), line 13, then subtract the same amount on line 41.

Claim of Right – If you had to repay an amount that you included in your income in an earlier year, because at the time you thought you had an unrestricted right to it, you may be able to deduct the amount repaid from your income for the year in which you repaid it. Or, if the amount you repaid is more than $3,000, you may take a credit against your tax for the year in which you repaid it, whichever results in the least tax.

If the amount repaid was not taxed by California, then no deduction or credit is allowed.

If you claimed a credit for the repayment on your federal return and are deducting the repayment for California, enter the allowable deduction as a positive amount on Schedule CA (540NR), line 41. Deductions of $3,000 or less are subject to the 2% federal AGI limit.

If you deducted the repayment on your federal return and are taking a credit for California, enter the amount of the federal deduction as a negative amount on Schedule CA (540NR), line 41. To help you determine whether to take a credit or deduction, see the Repayment section of federal Publication 525, Taxable and Nontaxable Income. Remember to use the California tax rate in your computations. If you choose to take the credit instead of the deduction for California, add the credit amount on line 51, the total payment line, of the Long Form 540NR. To the left of the total, write "IRC 1341" and the amount of the credit.

Certain Disaster Losses – Federal law allows an exception for casualty and theft losses within certain disaster areas. For federal, these losses are not subject to the $100 and 10% of federal AGI limitations. California does not conform. Figure the difference between the amount allowed using federal law and the amount allowed using California law. Enter the difference as a negative number on line 41.

Line 43 – California Itemized Deductions

Is the amount on Long Form 540NR, line 13 more than the amount shown below for your filing status?

Single or married/RDP filing separately	$163,187
Head of household	$244,785
Married/RDP filing jointly or qualifying widow(er)	$326,379

NO Transfer the amount from line 42 to line 43. Do not complete the worksheet on the following page.

YES Complete the Itemized Deductions Worksheet on the following page.

Note:

- If you are married/RDP and file a separate return, you and your spouse/RDP must either both itemize your deductions or both take the standard deduction.
- Also, if someone else can claim you as a dependent, claim the greater of the standard deduction or your itemized deductions. See the "California Standard Deduction Worksheet for Dependents" on page 19 of your California 540NR Booklet to figure your standard deduction.
- Military pay of a servicemember domiciled outside of California cannot be used to reduce the amount of this deduction. Modify your federal adjusted gross income used to compute this limitation by subtracting your military pay from federal adjusted gross income.

Specific Line Instructions for Part IV California Taxable Income

Line 47 – Deduction Percentage

Divide line 37, column E by line 37, column D. Carry the decimal to four places. This number may not be greater than 1.0000. If the result is greater than 1.0000, enter 1.0000.

Line 49 – California Taxable Income

Subtract line 48 from line 45. If less than zero, enter -0-. Enter this amount on Long Form 540NR, line 22.

Itemized Deductions Worksheet

1 Enter the amount from Schedule CA (540NR), line 42. . . . . 1_____

2 Using California amounts, add the amounts on federal Schedule A (Form 1040), line 4, line 14, and line 20 plus any gambling losses included on line 28 (or on Schedule A (Form 1040NR), line 8 plus any investment interest expense included on line 11 and any gambling losses on line 16) . . . . . 2_____

3 Subtract line 2 from line 1. If the result is -0-, **stop.** Enter the amount from line 1 above on Schedule CA (540NR), line 43 . . . . . 3_____

4 Multiply line 3 by 80% (.80) . . . . . 4_____

5 Enter the amount from Long Form 540NR, line 13 . . . . . 5_____

6 Enter the amount from line 43 on the previous page for your filing status . . . . . 6_____

7 Subtract line 6 from line 5.
If the result is -0- or less **stop.** Enter the amount from line 1 above on Schedule CA (540NR), line 43. . . . . 7_____

8 Multiply line 7 by 6% (.06) . . . . . 8_____

9 Compare the amounts on line 4 and line 8. Enter the smaller amount here. . . . . 9_____

10 Total itemized deductions. Subtract line 9 from line 1. Enter the result here and on Schedule CA (540NR), line 43 . . . . . 10_____

Part-Year Resident Worksheet

Important: Part-year residents use this worksheet to determine the amounts to enter on Schedule CA (540NR), column E, line 7 through line 22a.

	A	B	C
	California Resident Amounts	**California Nonresident Amounts**	**Total** Combine column A and column B
	Amounts reported on Schedule CA (540NR) column D earned or received while you were a CA resident	Amounts reported on Schedule CA (540NR) column D earned or received from CA sources while you were a nonresident	Transfer amounts to Schedule CA (540NR), column E
Income			
7 Wages, salaries, tips, etc 7			
8 Taxable interest income 8			
9 **(a)** Ordinary dividends. See instructions . . . . . 9(a)			
10 Taxable refunds, credits, or offsets of state and local income taxes 10			
11 Alimony received 11			
12 Business income or (loss) 12			
13 Capital gain or (loss). See instructions 13			
14 Other gains or (losses) 14			
15 **(b)** Total IRA distributions. See instructions . . . . . 15(b)			
16 **(b)** Total pensions and annuities. See instructions . . . . . 16(b)			
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. See instructions 17			
18 Farm income or (loss) 18			
19 Unemployment compensation 19			
20 **(b)** Social security benefits . . . . . 20(b)			
21 Other income. Identify _____ 21			
22 **a Totals:** Combine line 7 through line 21 in column C. Transfer the amounts from column C, line 7 through line 22a, to Schedule CA (540NR), column E, line 7 through line 22a. 22a			

Part-Year Resident Worksheet – Part-year residents use this worksheet to determine the amounts to enter on Schedule CA (540NR), column E, line 7 through line 22a.

Column A: For the part of the year you were a resident, follow the "California Resident Amounts" instructions. Enter the result in column A of the worksheet.

Column B: For the part of the year you were a nonresident, follow the "California Nonresident Amounts" instructions. Enter the result in column B of the worksheet.

Column C: For each line, combine column A and column B of the worksheet. Transfer the amounts in column C of the worksheet to Schedule CA (540NR), column E, line 7 through line 22a.

Important: If completing line 13 or line 17, see the column E, part-year resident instructions for those lines.

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Visit our website:

ftb.ca.gov

Instructions for California Schedule D (540NR)

California Capital Gain or Loss Adjustment

References in these instructions are to the Internal Revenue Code (IRC) as of **January 1, 2005**, and to the California Revenue and Taxation Code (R&TC)

General Information

In general, California law conforms to the Internal Revenue Code (IRC) as of January 2005. However, there are continuing differences between California and federal law. When California conforms to federal tax law changes, we do not always adopt all of the changes made at the federal level. For more information, go to our website at **ftb.ca.gov** and search for **conformity**. Additional information can be found in FTB Pub. 1001, Supplemental Guidelines to California Adjustments, the instructions for California Schedule CA (540 or 540NR), and the Business Entity tax booklets.

The instructions provided with California tax forms are a summary of California tax law and are only intended to aid taxpayers in preparing their state income tax returns. We include information that is most useful to the greatest number of taxpayers in the limited space available. It is not possible to include all requirements of the California Revenue and Taxation Code (R&TC) in the tax booklets. Taxpayers should not consider the tax booklets as authoritative law.

For purposes of California income tax, references to a spouse, a husband, or a wife also refer to a California registered domestic partner (RDP), unless otherwise specified. When we use the initials RDP they refer to both a California registered domestic "partner" and a California registered domestic "partnership," as applicable. For more information on RDPs, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

Purpose

Full-year nonresidents or part-year residents report gains and losses as if they were a full-year resident for the entire year using California amounts. Therefore, all gains and losses must be reported. Full-year nonresidents or part-year residents complete Schedule D (540NR), California Capital Gain or Loss Adjustment, and the Schedule D (540NR) Worksheet for Nonresident and Part-Year Residents, in order to complete column E on Schedule CA (540NR), California Adjustments - Nonresidents or Part-Year Residents.

For nonresidents the computation of California taxable income, capital loss carryovers, and capital loss limitations are determined based upon California source income and loss items only. For purposes of calculating California taxable income, the character of gains and losses on the sale or exchange of property used in the trade or business or certain involuntary conversions (IRC Section 1231) are determined by netting California sourced Section 1231 gains and losses only.

If you moved in or out of California during the year, get FTB Pub.1100, Taxation of Nonresidents and Individuals Who Change Residency.

Get FTB Pub. 1001, for more information about the following:

- Disposition of property inherited before 1987.
- Disposition of S corporation stock acquired before 1987.
- Gain on the sale or disposition of a qualified assisted housing development to low-income residents or to specific entities maintaining housing for low-income residents.
- Capital loss carryback.

Exclusion of Gain on Qualified Small Business Stock. California law (R&TC Section 18152.5) provides an exclusion (similar to the federal exclusion under IRC Section 1202) of 50% of the gain on the sale of qualifying small business stock originally issued after 8/10/93, that was held for more than 5 years. However, for California purposes, at least 80% of the issuing corporation's payroll must be attributable to employment located within California, and at least 80% of the value of the corporation's assets must be used by the corporation to actively conduct one or more qualified trades or businesses in California. If you have gain on the sale of qualified small business stock that qualifies for the federal Section 1202 exclusion, go to the instructions for line 1b.

Installment Sales. If you sold property at a gain (other than publicly traded stocks or securities) and you will receive a payment in a tax year after the year of sale, report the sale on the installment method unless you elect not to do so. Get form FTB 3805E, Installment Sale Income. Also, use that form if you received a payment in 2008, for an installment sale made in an earlier year.

You may elect to not use the installment sale method for California by reporting the entire gain on Schedule D (540NR) or Schedule D-1, Sale of Business Property, for business assets in the year of the sale, and filing your return on or before the due date.

At-Risk Rules and Passive Activity Limitations. If you dispose of (1) an asset used in an activity to which the at-risk rules apply, or (2) any part of your interest in an activity to which the at-risk rules apply, and you have amounts in the activity for which you are not at risk, get and complete federal Form 6198, At-Risk Limitations, using California amounts to figure your California deductible loss under the at-risk rules. Once a loss becomes allowable under the at-risk rules, it becomes subject to the passive activity rules. Get form FTB 3801, Passive Activity Loss Limitations.

Specific Line Instructions

Line 1a – List each capital asset transaction.

Column (a) – Description of Property. Describe the asset you sold or exchanged.

Column (b) – Sales Price. Enter in this column either the gross sales price or the net sales price. If you received a Form 1099-B, Proceeds From Broker and Barter Exchange Transactions; Form 1099-S, Proceeds From Real Estate Transactions; or similar statement showing the gross sales price, enter that amount in column (b). However, if box 2 of Form 1099-B indicates that gross proceeds less commissions and option premiums were reported to the IRS, enter that net amount in column (b). If you entered the net amount in column (b), do not include the commissions and option premiums in column (c).

Column (c) – Cost or Other Basis. In general, the cost or other basis is the cost of the property plus purchase commissions and improvements, minus depreciation, amortization, and depletion. Enter the cost or adjusted basis of the asset for California purposes. Use your records and California tax returns for years before 1987 to determine the California amount to enter in column (c). If you used an amount other than cost as the original basis, your federal basis may be different from your California basis. Other reasons for differences include:

Depreciation Methods and Property Expensing – Before 1987, California law disallowed the use of ACRS (Accelerated Cost Recovery System) and disallowed the use of an asset depreciation range 20% above or below the standard rate. Before 1999, California had different limits on the expensing of property under IRC Section 179. California law permits rapid write-off of certain property such as solar energy systems, pollution control devices, and property used in an Enterprise Zone, LAMBRA, Targeted Tax Area, or LARZ.

Inherited Property – The California basis of property inherited from a decedent is generally fair market value (FMV) at the time of death.

S Corporation Stock – Prior to 1987, California law did not recognize S corporations and your California basis in S corporation stock may differ from your federal basis. In general, your California basis will be cost-adjusted for income, loss, and distributions received after 1986, while your stock was California S corporation stock. Your federal basis will be cost-adjusted for income, loss, and distributions received during the time your stock qualified for federal S corporation treatment. Effective for taxable years beginning on or after January 1, 2002, any corporation with a valid federal S corporation election is considered an S corporation for California purposes. Existing law already requires federal C corporations to be treated as C corporations for California purposes.

Special Credits – California law authorizes special tax credits not allowed under federal law or computed differently under federal law. If you claimed special credits related to capital assets, reduce your basis in the assets by the amount of credit.

Other adjustments may apply differently to the federal and California basis of your capital assets. Figure the original basis of your asset using the California law in effect when the asset was acquired, and adjust it according to provisions of California law in effect during the period of your ownership.

Line 1b – R&TC Section 18152.5 Exclusion. If the gain qualifying for the IRC Section 1202 exclusion also qualifies for the California exclusion under R&TC Section 18152.5: Enter in column (a) "Section 18152.5 Exclusion." Complete column (b) and column (c) according to the instructions for line 1a. Enter in column (d) the amount of gain that qualifies for the California exclusion. Enter in column (e) the entire gain realized. **If the gain qualifying for the IRC Section 1202 exclusion does not qualify for the California exclusion:** Complete column (a), column (b), and column (c) according to the instructions for line 1a. Enter -0- in column (d) and enter the entire gain realized in column (e).

Line 2 – Net Gain or (Loss) Shown on California Schedule(s) K-1 (541, 565, 568, and 100S). Combine gain(s) and loss(es) from all California Schedule(s) K-1(541), Beneficiary's Share of Income, Deductions, Credits, Etc.; K-1(565), Partner's Share of Income, Deductions, Credits, Etc.; K-1(568), Member's Share of Income, Deductions, Credits, Etc.; and K-1(100S), Shareholder's Share of Income, Deductions, Credits, Etc. See California Schedule(s) K-1 (541, 565, 568, and 100S) instructions for more information on capital gains and losses. Enter the net loss on line 2, column (d) or the net gain on line 2, column (e).

Line 3 – Capital Gain Distributions. If you receive federal Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains, from a mutual fund, do not include the **undistributed** capital gain dividends on Schedule D (540NR). If you receive federal Form 1099-DIV, Dividends and Distributions, enter the amount of **distributed** capital gain dividends.

Line 6 – 2007 California Capital Loss Carryover. If you had prior year carryover losses, recalculate those losses as if you had been a resident for all prior years. Enter this amount on line 6. Get FTB Pub. 1100, for more information.

Line 8 – Net Gain or Loss. If the amount on line 4 is more than the amount on line 7, subtract line 7 from line 4. Enter the difference as a gain on line 8.

If the amount on line 7 is more than the amount on line 4, subtract line 4 from line 7 and enter the difference as a negative amount on line 8.

Use the worksheet on this page to figure your capital loss carryover to 2009.

Line 9 – If line 8 is a net capital loss, enter the smaller of the loss on line 8 or $3,000 ($1,500 if married or an RDP filing a separate return).

Line 12a – Compare the amounts entered on line 10 and line 11 to figure the adjustment to enter on Schedule CA (540NR), line 13, column B.

For example:

Loss on line 10 is less than loss on line 11.

Federal loss on line 10 is . . . . . ($1,000)
California loss on line 11 is . . . . . ($2,000)
Difference between line 10 and line 11. . . . . .$1,000

Gain on line 10 and loss on line 11.

Federal gain on line 10 is $3,000
California loss on line 11 is . . . . . ($3,000)
Difference between line 10 and line 11. . . . . .$6,000

Line 12b – Compare the amounts entered on line 10 and line 11 to figure the adjustment to enter on Schedule CA (540NR), line 13, column C.

For example:

Loss on line 10 is more than loss on line 11.

Federal loss on line 10 is . . . . . ($2,000)
California loss on line 11 is . . . . . ($1,000)
Difference between line 11 and line 10. . . . . .$1,000

Loss on line 10 and gain on line 11.

Federal loss on line 10 is. . . . . ($2,000)
California gain on line 11 is. $5,000
Difference between line 10 and line 11 . . . . . .$7,000

California Capital Loss Carryover Worksheet For Full-Year Residents

1. Loss from Schedule D (540NR), line 11, stated as a positive number 1 _____
2. Amount from Long Form 540NR, line 17 . . . . . 2 _____
3. Amount from Long Form 540NR, line 18 . . . . . 3 _____
4. Subtract line 3 from line 2. If less than zero, enter as a negative amount . . . . . 4 _____
5. Combine line 1 and line 4. If less than zero, enter -0-. . . . . 5 _____
6. Enter loss from Schedule D (540NR), line 8 as a positive number . . . 6 _____
7. Enter the smaller of line 1 or line 5. . . . . 7 _____
8. Subtract line 7 from line 6. This is your capital loss carryover to 2009. 8 _____

Schedule D (540NR) Worksheet for Nonresidents and Part-Year Residents

Complete Schedule D (540NR) first.

Full-year nonresidents: Complete column A and column B only. Enter the amount shown in column B, line 4 (if there is an overall gain) or line 5 (if there is a loss), on Schedule CA (540NR) line 13, column E.

Part-year Residents:

Enter the number of days during the year you were a CA resident: _____ .

Enter the number of days during the year you were a nonresident: _____ .

Column A, line 1 through line 5 should be the same as the amounts shown on Schedule D (540NR), lines 4, 5, 6, 8, and 9 respectively.

Columns A and B, line 3, should show a carryover amount that has been computed as if you had been a resident in all prior years for column A and as if you had been a nonresident for all prior years for column B.

Columns C and D should be completed taking into account the dates of the transactions. For column C, multiply the amount in column A by the number of days you were a resident divided by 366 days. For column D, multiply the amount in column B by the number of days you were a nonresident divided by 366 days.

Line 4 If the amount shown in column E is a gain, enter that amount on Schedule CA (540NR) line 13, column E. If a loss, go to line 5.

Line 5 Enter the amount shown in column E on Schedule CA (540NR) line 13.

		A	B	C	D	E
		Enter total as if you were a **CA resident for the entire year**.	Enter amounts earned or received from CA sources as if you were a **nonresident for the entire year**.	Enter amounts earned or received during the portion of the year you were a **CA resident**.	Enter amounts earned or received from CA sources during the portion of the year you were a **nonresident**.	**Total** Combine column C and column D.
1	Gains					
2	Losses					
3	Prior year loss carryover.					
4	Combine line 1 through line 3.					
5	Enter the smaller of the loss on line 4 or $3,000 ($1,500 if married or an RDP filing separately).					

Capital Loss Carryover Worksheet

Complete this worksheet only if at the end of the year you were a resident and line 4, column A above shows a loss or at the end of the year you were a nonresident and line 4, column B above shows a loss. In completing this worksheet, if you were a resident at the end of the year, use the column A amounts shown above; if you were a nonresident, use the column B amounts.

1	Enter the total loss from the Schedule D (540NR) Worksheet, line 5, as a positive number	
2	Amount from Long Form 540NR, line 17	
3	Amount from Long Form 540NR, line 18	
4	Subtract line 3 from line 2. If less than zero, enter as a negative amount	
5	Combine line 1 and line 4. If less than zero, enter -0-	
6	Enter the total loss from Schedule D (540NR) Worksheet, line 4, as a positive number	
7	Enter the smaller of line 1 or line 5	
8	Subtract line 7 from line 6. This is your capital loss carryover to 2009	

Instructions for Form FTB 3885A

Depreciation and Amortization Adjustments

References in these instructions are to the Internal Revenue Code (IRC) as of **January 1, 2005**, and to the California Revenue and Taxation Code (R&TC)

General Information

In general, California law conforms to the Internal Revenue Code (IRC) as of January 2005. However, there are continuing differences between California and federal law. When California conforms to federal tax law changes, we do not always adopt all of the changes made at the federal level. For more information, go to our website at **ftb.ca.gov** and search for **conformity**. Additional information can be found in FTB Pub. 1001, Supplemental Guidelines to California Adjustments, the instructions for California Schedule CA (540 or 540NR), and the Business Entity tax booklets.

The instructions provided with California tax forms are a summary of California tax law and are only intended to aid taxpayers in preparing their state income tax returns. We include information that is most useful to the greatest number of taxpayers in the limited space available. It is not possible to include all requirements of the California Revenue and Taxation Code (R&TC) in the tax booklets. Taxpayers should not consider the tax booklets as authoritative law.

Get FTB Pub. 1001, for more information on differences between California and federal law for the following items:

- Amortization of certain intangibles (IRC Section 197)
- Qualified Indian reservation property
- Grapevines subject to Phylloxera or Pierce's disease
- Additional depreciation.

For purposes of California income tax, references to a spouse, a husband, or a wife also refer to a California registered domestic partner (RDP), unless otherwise specified. When we use the initials RDP they refer to both a California registered domestic "partner" and a California registered domestic "partnership," as applicable. For more information on RDPs, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

Purpose

Use form FTB 3885A, Depreciation and Amortization Adjustments, **only** if a difference occurs between the amount of depreciation and amortization allowed as a deduction using California law and the amount allowed using federal law. California law and federal law have not always allowed the same depreciation methods, special credits, or accelerated write-offs. As a result, the recovery periods or the basis on which the depreciation is figured for California may be different from the amounts used for federal purposes. You will probably have reportable differences if all or part of your assets were placed in service:

- **Before 1/1/87.** California disallowed depreciation under the federal accelerated cost recovery system (ACRS). You must continue to figure California depreciation for those assets in the same manner as in prior years.
- **On or after 1/1/87.** California provides special credits and accelerated write-offs that affect the California basis of qualifying assets. California did not conform to all changes to federal law enacted in 1993; therefore, the California basis or recovery periods may be different for some assets.
- **On or after 9/11/01**. If you claimed the 30% additional depreciation for federal purposes, California has not conformed to the federal Job Creation and Worker Assistance Act of 2002 which allows taxpayers to take an additional first year depreciation deduction and Alternative Minimum Tax depreciation adjustment for property placed in service on or after 9/10/01.
- California generally conforms to the federal 2003 increase (IRC Section 280F) for the limitation on luxury automobile depreciation. However, California does not conform to IRC Section 168(k) provisions (30% and 50% additional first year depreciation). In addition, SUVs and minivans built on a truck chassis are now included in the definition of trucks and vans when applying the 6,000 pound gross weight limit.

Differences also occur for other less common reasons, and the instructions for Schedule CA (540NR), California Adjustments - Nonresidents or Part-Year Residents, list them on the line for the type of income likely to be affected. Get FTB Pub. 1001, for more information about figuring and reporting these adjustments.

If reporting a difference for assets related to a passive activity, get form FTB 3801, Passive Activity Loss Limitations, for more information about passive activities.

Do not use form FTB 3885A to report depreciation expense from federal Form 2106, Employee Business Expenses. Instead, see the instructions for Schedule CA (540NR), line 41.

Specific Line Instructions

Prepare and file a separate form FTB 3885A for each business or activity on your return that has a difference between California and federal depreciation or amortization. Enter the name of the business or activity in the space provided at the top of the form. If you need more space, attach additional sheets. However, complete Part II, Election to Expense Certain Tangible Property (IRC Section 179), only once.

Part I Identify the Activity as Passive or Nonpassive

Line 1 – Check the box to identify the activity as passive or nonpassive. A passive activity is any activity involving the conduct of any trade or business in which you did not materially participate. Get form FTB 3801 for more information.

If the activity is passive, use this form as a worksheet to figure the depreciation adjustment to carry to form FTB 3801. Beginning in 1994, and for federal purposes only, rental real estate activities of persons in real property business are not automatically treated as passive activities. California did not conform to this provision.

Part II Election To Expense Certain Tangible Property

If you qualify, you may elect to expense part of the cost of depreciable personal property used in your trade or business and certain other property described in federal Publication 946, How to Depreciate Property, property purchased, as defined in the IRC Section 179(d)(2), and placed it in service during 2008, that has a carryover of unused cost from 2007. If you elect this deduction, reduce your California depreciable basis by the IRC Section 179 expense.

Although federal law increased the IRC Section 179 expense to $250,000, under California law the maximum deduction allowed for 2008 is $25,000.

Complete the worksheet below to figure IRC Section 179 expense for California. Include all assets qualifying for the deduction because the limit applies to all qualifying assets as a group rather than to each asset individually. **Refer to federal Form 4562, Depreciation and Amortization, for more information.**

Tangible Property Expense Worksheet

1	Maximum dollar limitation for California	**1** $ 25,000
2	Total cost of Section 179 property placed in service	**2**
3	Threshold cost of Section 179 property before reduction in limitation	**3** $200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	**4**
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-	**5**

(a) Description of property	(b) Cost	(c) Elected cost
6		

7	Listed property (elected Section 179 cost)	**7**
8	Total elected cost of Section 179 property. Add line 6 column (c) and line 7	**8**
9	Tentative deduction. Enter the smaller of line 5 or line 8	**9**
10	Carryover of disallowed deduction from 2007	**10**
11	Enter the smaller of business income (not less than -0-) or line 5	**11**
12	Section 179 expense deduction for California. Add line 9 and line 10, but do not enter more than line 11. Also enter the result on form FTB 3885A, line 2	**12**
13	Carryover of disallowed deduction to 2009. Add line 9 and line 10. subtract line 12 from the result	**13**

Part III Depreciation

Line 3 – Complete column (a) through column (f) for each tangible asset or group of assets placed in service during the tax year. Use the California basis for assets on which you elected to take the Section 179 deduction. It will be the difference between line 6, column (b) and line 6, column (c) of the Tangible Property Expense Worksheet in Part II.

Line 8a and Line 8b – Are you using this form as a worksheet in connection with form FTB 3801?

Yes Enter the amount from line 8a or line 8b on form FTB 3801, Side 2, California Passive Activity Worksheet, column (e).

No Include the amount from line 8a on Schedule CA (540NR) in column B on line 12 for federal Schedule C, Profit or Loss From Business, activities; on line 17 for federal Schedule E, Supplemental Income and Loss, activities; and on line 18 for federal Schedule F, Profit or Loss From Farming, activities.

Include the amount from line 8b on Schedule CA (540NR) in column C on line 12 for federal Schedule C activities; on line 17 for federal Schedule E activities; and on line 18 for federal Schedule F activities.

Part IV Amortization

Line 9 – Complete column (a) through column (f) for intangible assets placed in service during the tax year. Use the California basis and the California recovery period.

Line 14a and Line 14b – Are you using this form as a worksheet in connection with form FTB 3801?

Yes Enter the amount from line 14a or line 14b on form FTB 3801, Side 2, California Passive Activity Worksheet, column (e).

No Include the amount from line 14a on Schedule CA (540NR) in column B on line 12 for federal Schedule C activities; on line 17 for federal Schedule E activities; and on line 18 for federal Schedule F activities.

Include the amount from line 14b on Schedule CA (540NR) in column C on line 12 for federal Schedule C activities; on line 17 for federal Schedule E activities; and on line 18 for federal Schedule F activities.

Voluntary Contribution Fund Descriptions

Make voluntary contributions of $1 or more in whole dollar amounts to the funds listed below. To contribute to the California Seniors Special Fund, use the instructions for code 400 below. The amount you contribute either reduces your overpaid tax or increases your tax due. You may contribute only to the funds listed and cannot change the amount you contribute after you file your return. For more information, go to our website at **ftb.ca.gov** and search for **voluntary contributions**.

Code 400, California Seniors Special Fund – If you and/or your spouse/RDP are 65 years of age or older as of January 1, 2009, and claim the Senior Exemption Credit on line 9, you may make a combined total contribution of up to $198 or $99 per spouse/RDP. Contributions made to this fund will be distributed to the Area Agency of Aging Councils (TACC) to provide advice on and sponsorship of Senior Citizens issues. Any excess contributions not required by TACC will be distributed to senior citizen service organizations throughout California for meals, adult day care, and transportation.

Code 401, Alzheimer's Disease/Related Disorders Fund – Contributions will provide grants to California scientists who study Alzheimer's disease and related disorders. This research includes basic science, diagnosis, treatment, prevention, behavioral problems, and caregiving. With one-half million Californians living with the disease and another 2 million providing care to a loved one with Alzheimer's, our state is in the early stages of a major public health crisis. Your contribution will ensure that Alzheimer's disease receives the attention, research, and resources it deserves.

Code 402, California Fund for Senior Citizens (CSL) – Contributions will provide support to the California Senior Legislature (CSL). The CSL is made up of volunteers who develop statewide senior related legislative proposals in areas of health, housing, transportation, and community services to be presented to the State Legislature. Please go to the California Senior Legislature's website at **4csl.org**.

Code 403, Rare and Endangered Species Preservation Program – Contributions will be used to help protect and conserve California's many threatened and endangered species and the wild lands that they need to survive, for the enjoyment and benefit of you and future generations of Californians.

Code 404, State Children's Trust Fund for the Prevention of Child Abuse – Contributions will be used to fund programs for the prevention, intervention, and treatment of child abuse and neglect.

Code 405, California Breast Cancer Research Fund – Contributions will fund research toward preventing and curing breast cancer. Breast cancer is the most common cancer to strike women in California. It kills 4,000 California women each year. Contributions also fund research on prevention and better treatment, and keep doctors up-to-date on research progress. For more about the research your contributions support, go to the California Breast Cancer Research Program's website at **cbcrp.org**. Your contribution can help make breast cancer a disease of the past.

Code 406, California Firefighters' Memorial Fund – Contributions will be used for the repair and maintenance of the California Firefighters' Memorial on the grounds of the State Capitol, ceremonies to honor the memory of fallen firefighters and to assist surviving loved ones, and for an informational guide detailing survivor benefits to assist the spouses/RDPs and children of fallen firefighters.

Code 407, Emergency Food For Families Fund – Contributions will be used to help local food banks feed California's hungry. Your contribution will fund the purchase of much-needed food for delivery to food banks, pantries, and soup kitchens throughout the state. The State Department of Social Services will monitor its distribution to ensure the food is given to those most in need.

Code 408, California Peace Officer Memorial Foundation Fund – Contributions will be used to preserve the memory of California's fallen peace officers and assist the families they left behind. Since statehood, over 1,300 courageous California peace officers have made the ultimate sacrifice while protecting law-abiding citizens. The non-profit charitable organization, California Peace Officers' Memorial Foundation, has accepted the privilege and responsibility of maintaining a memorial for fallen officers on the State Capitol grounds. Each May, the Memorial Foundation conducts a dignified ceremony honoring fallen officers and their surviving families by offering moral support, crisis counseling, and financial support that includes academic scholarships for the children of those officers who have made the supreme sacrifice. On behalf of all of us and the law-abiding citizens of California, thank you for your participation.

Code 409, California Military Family Relief Fund – Contributions will be used to provide financial aid grants to members of the California National Guard who are California residents, and have been called to active duty.

Code 410, California Sea Otter Fund – The California Coastal Conservancy and the Department of Fish and Game will each be allocated 50% of the contributions. The California Coastal Conservancy will use the contributions for research and programs related to the near-shore ecosystem, including sea otters. The Department of Fish and Game will use the contributions to establish a sea otter fund within the department's index coding system for increased investigation, prevention, and enforcement action.

Code 411, California Ovarian Cancer Research Fund – Contributions will be used to conduct research relating to the cause, cure, and prevention of ovarian cancer.

Code 412, Municipal Shelter Spay-Neuter Fund – Contributions will be used to provide low cost or free spay-neuter services and for administrative costs.

Code 413, California Cancer Research Fund – Contributions will be used to conduct research relating to the causes, detection, and prevention of cancer and to expand community-based education on cancer, and to provide prevention and awareness activities for communities that are disproportionately at risk or afflicted by cancer.

Code 414, ALS/Lou Gehrig's Disease Research Fund – Contributions will be used to conduct research relating to the cause, cure, and prevention of ALS.

Nonrefundable Renter's Credit Qualification Record

✓Tip e-file and skip this page! The software you use to e-file will help you find out if you qualify for this credit and will figure the correct amount of the credit automatically. Go to our website at **ftb.ca.gov** to check your e-file options.

If you were a resident of California for at least six months in 2008 and paid rent on property in California, which was your principal residence, you may qualify for a credit that you can use to reduce your tax. Answer the questions below to see if you qualify. For purposes of California income tax, references to a spouse, a husband, or a wife also refer to a California Registered Domestic Partner (RDP), unless otherwise specified. When we use the initials RDP they refer to both a California registered domestic "partner" and a California registered domestic "partnership," as applicable. For more information on RDPs, get FTB Pub. 737. **Do not mail this record. Keep with your tax records.**

1. Were you a resident of California for at least six full months of the tax year in 2008?
Military personnel. If you are not a legal resident of California, you do not qualify for this credit. Your spouse/RDP may claim up to a maximum of $60 if he or she was a resident, did not live in military housing during 2008, and is otherwise qualified.
YES. Go to question 2. **NO.** Stop. You do not qualify for this credit.

2. Is your adjusted gross income from all sources on your Long or Short 540NR, line 17:
- $34,936 or less if single or married/RDP filing separately
- $69,872 or less if married/RDP filing jointly, head of household, or qualifying widow(er)?

YES. Go to question 3. **NO.** Stop here. You do not qualify for this credit.

3. Did you pay rent, for at least half of 2008, on property (including a mobile home that you owned on rented land) in California, which was your principal residence?
YES. Go to question 4. **NO.** Stop here. You do not qualify for this credit.

4. Can you be claimed as a dependent by a parent, foster parent, legal guardian, or any other person in 2008?
NO. Go to question 6. **YES.** Go to question 5.

5. For more than half the year in 2008, did you live in the home of the person who can claim you as a dependent?
NO. Go to question 6. **YES.** Stop here. You do not qualify for this credit.

6. Was the property you rented exempt from property tax in 2008?
You do not qualify for this credit if, for more than half of the year, you rented property that was exempt from property taxes. Exempt property includes most government-owned buildings, church-owned parsonages, college dormitories, and military barracks. However, if you or your landlord paid possessory interest taxes for the property you rented, then you may claim this credit.
NO. Go to question 7. **YES.** Stop here. You do not qualify for this credit.

7. Did you claim the homeowner's property tax exemption anytime during 2008?
You do not qualify for this credit if you or your spouse/RDP received a homeowner's property tax exemption at any time during the year. However, if you lived apart from your spouse/RDP for the entire year and your spouse/RDP received a homeowner's property tax exemption for a separate residence, then you may claim this credit if you are otherwise qualified.
NO. Go to question 8. **YES.** If your filing status is single or married/RDP filing separately, stop here, you do not qualify for this credit. If your filing status is married/RDP filing jointly, go to question 9.

8. Were you single in 2008?
YES. Go to question 11. **NO.** Go to question 9.

9. Did your spouse/RDP claim the homeowner's property tax exemption anytime during 2008?
You do not qualify for this credit if you or your spouse/RDP received a homeowner's property tax exemption at any time during the year. However, if you lived apart from your spouse/RDP for the entire year and your spouse/RDP received a homeowner's property tax exemption for a separate residence, then you may claim this credit if you are otherwise qualified.
NO. Go to question 11. **YES.** If both you and your spouse/RDP claimed the homeowner's property tax exemption, stop here, you do not qualify for this credit. Otherwise, go to question 10.

10. Did you and your spouse/RDP maintain separate residences for the entire year in 2008?
YES. Go to question 11. **NO.** Stop here. You do not qualify for this credit.

11. Use the following chart to find the amount of your credit based on the number of full months you were a resident of and rented property in California in 2008. Enter the amount on the line below. If married/RDP filing jointly where one spouse/RDP claimed the homeowner's property tax exemption and both spouses/RDPs lived apart for the entire year, enter half of the amount listed on the chart for married/RDP filing jointly on the line below. Follow the instructions next to the chart.

	Number of months						
Filing status	**6**	**7**	**8**	**9**	**10**	**11**	**12**
Single or married/RDP filing separately	$30	$35	$40	$45	$50	$55	$60
Married/RDP filing jointly, head of household or qualifying widow(er)	$60	$70	$80	$90	$100	$110	File Form 540

$ ___ ___ ___

If this credit is the only special credit you are claiming, enter the amount on your Long or Short Form 540NR, line 35.
If you are a Long Form 540NR filer and are claiming additional special credits in addition to this credit, go to the instructions on page 20 for Long Form 540NR.

Street Address	City, State, and ZIP Code	Dates Rented in 2008 (From_____to_____)
a		
b		

Enter the name, address, and telephone number of your landlord(s) or the person(s) to whom you paid rent for the residence(s) listed above.

Name	Street Address	City, State, ZIP Code, and Telephone Number
a		
b		

CREDIT CHART

Credit Name	Code	Description
Child Adoption – Worksheet on page 21	197	50% of qualified costs in the year an adoption is ordered
Child and Dependent Care Expenses – FTB 3506 See the instructions on page 22	None	Similar to the federal credit except that the California credit amount is based on a specified percentage of the federal credit and is refundable
Community Development Financial Institution Deposits – Certification Required	209	20% of each qualified deposit made to a community development financial institution Obtain certification from: California Organized Investment Network (COIN), Department of Insurance, 300 Capitol Mall, Suite 1600, Sacramento CA 95814 or go to their website at **insurance.ca.gov**
Dependent Parent – Worksheet on page 20	173	Must use married/RDP filing separately status and have a dependent parent
Disabled Access for Eligible Small Businesses – FTB 3548	205	Similar to the federal credit but limited to $125 based on 50% of qualified expenditures that do not exceed $250
Donated Agricultural Products Transportation – FTB 3547	204	50% of the costs paid or incurred for the transportation of agricultural products donated to nonprofit charitable organizations
Employer Child Care Contribution – FTB 3501	190	Employer: 30% of contributions to a qualified plan
Employer Child Care Program – FTB 3501	189	Employer: 30% of cost for establishing a child care program or constructing a child care facility
Enhanced Oil Recovery – FTB 3546	203	One third of the similar federal credit and limited to qualified enhanced oil recovery projects located within California
Enterprise Zone Employee – FTB 3553	169	5% of wages from work in an enterprise zone
Enterprise Zone Hiring & Sales or Use Tax – FTB 3805Z	176	Business incentives for enterprise zone businesses
Environmental Tax – FTB 3511	218	Five cents ($.05) for each gallon of ultra low sulfur diesel fuel produced during the taxable year by a small refiner at any facility located in this state
Farmworker Housing – Certification required	207	50% of new construction or rehabilitation costs for farmworker housing Obtain certification from: Farmworker Housing Assistance Program, California Tax Credit Allocation Committee, 915 Capitol Mall, Room 485, Sacramento CA 95814, or go to the Treasurer's website at **treasurer.ca.gov**
Joint Custody Head of Household – Worksheet on page 20	170	30% of tax up to $393 for taxpayers who are single or married/RDP filing separately, who have a child and meet the support test
Local Agency Military Base Recovery Area (LAMBRA) Hiring & Sales or Use Tax – FTB 3807	198	Business incentives for LAMBRAs
Low-Income Housing – FTB 3521	172	Similar to the federal credit but limited to low-income housing in California
Manufacturing Enhancement Area (MEA) Hiring – FTB 3808	211	Percentage of qualified wages paid to qualified disadvantaged individuals
Natural Heritage Preservation – FTB 3503	213	55% of the fair market value of any qualified contribution of property donated to the state, any local government, or any nonprofit organization designated by a local government
Nonrefundable Renter's – See page 57	None	For California residents who paid rent for their principal residence for at least 6 months in 2008 and whose AGI does not exceed a certain limit
Other State Tax – Schedule S	187	Net income tax paid to another state or a U.S. possession on income also taxed by California
Prior Year Alternative Minimum Tax – FTB 3510	188	Must have paid alternative minimum tax in a prior year and have no alternative minimum tax liability in 2008
Prison Inmate Labor – FTB 3507	162	10% of wages paid to prison inmates
Research – FTB 3523	183	Similar to the federal credit but limited to costs for research activities in California
Senior Head of Household – Worksheet on page 20	163	2% of taxable income up to $1,203 for seniors who qualified for head of household in 2006 or 2007 and whose qualifying individual died during 2006 or 2007
Targeted Tax Area (TTA) Hiring & Sales or Use Tax – FTB 3809	210	Business incentives for TTA businesses

Repealed Credits: The expiration dates for these credits have passed. However, these credits had carryover provisions. You may claim these credits only if there is a carryover available from prior years. If you are not required to complete Schedule P (540NR), Alternative Minimum Tax and Credit Limitations – Nonresidents and Part-Year Residents, get form FTB 3540, Credit Carryover Summary, to figure your credit carryover to future years. See "Where To Get Income Tax Forms and Publications" on page 62.

Agricultural Products		175
Commercial Solar Electric System		196
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Employee Ridesharing		194
Employer Ridesharing:	Large employer	191
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Joint Strike Fighter Wages		215
Joint Strike Fighter Property Cost		216
Los Angeles Revitalization Zone (LARZ) Hiring & Sales or Use Tax		159
Low-Emission Vehicles		160
Manufacturers' Investment		199
Orphan Drug		185
Political Contributions		184
Recycling Equipment		174
Residential Rental & Farm Sales		186
Rice Straw		206
Ridesharing		171
Salmon & Steelhead Trout Habitat Restoration		200
Solar Energy		180
Solar Pump		179
Solar or Wind Energy System		217
Water Conservation		178
Young Infant		161

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Visit our website:

ftb.ca.gov

Paying Your Taxes

General Information

You must file and pay 100% of the amount you owe by April 15, 2009, to avoid interest and penalties. There are several ways to pay your tax:

- Electronic funds withdrawal
- Web Pay
- Credit card
- Check or money order (Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.)
- Pre-approved monthly payments

Electronic Funds Withdrawal

Use this convenient option if you e-file. Simply provide your bank information, amount you want to pay, and the date you want the balance due to be withdrawn from your account. Your tax preparation software will offer this option.

Web Pay

Enjoy the convenience of online bill payment with **Web Pay**. To make a payment online or to schedule a future payment (up to one year in advance), go to our website at **ftb.ca.gov** and search for **web pay**. With Web Pay, you can schedule it, and forget it!

Credit Card

To make a payment using your Discover/NOVUS, MasterCard, Visa, or American Express card go to the Official Payments Corp. website or use the toll-free number:

- **officialpayments.com** and select Payment Center.
- **800.2PAY.TAX or 800.272.9829** and follow the recorded instructions.

Official Payments charges a convenience fee for this service. This fee is based on the amount of your tax payment. Official Payments Corp. will tell you the convenience fee before you complete your transaction. You can decide whether to complete the trasaction at that time.

Fee: 2.5% of tax amount charged (round to nearest cent)
Minimum fee: $1

Example: Tax Payment = $754.00
2.5% Fee = $18.85

Assistance for persons with disabilities. If you have a hearing or speech impairment, call TTY/TDD at 800.735.2929 (California Relay Service). For all other special assistance, call 800.487.4567 and select “0” for customer assistance, Monday through Friday, 9 a.m. to 5 p.m.

Frequently Asked Questions

When will my payment be effective?

- **Web Pay:** Your payment is effective on the payment date you select.
- **Credit Card:** Your payment is effective on the date you charge it.

What if I change my mind?

- **Web Pay:** Contact our e-Programs Customer Service at 916.845.0353 at least two business days before your scheduled payment date to cancel your payment.
- **Credit Card:** Contact your card issuer for information about canceling or reversing the charge.

If you change your mind and you still owe money, be sure to make your payment another way. We may charge penalties, interest, and other fees for nonpayment or late payment of taxes.

How do I know if you received my payment?

- Your account statement is your proof of payment.
- You can also verify the payment on our website at **ftb.ca.gov** and search for **myftb account**.

How To Get California Tax Information

Where To Get Income Tax Forms and Publications

By Internet – You can download, view, and print California income tax forms and publications from our website at **ftb.ca.gov** or you may have these forms and publications mailed to you. Our most frequently used forms may be filed electronically, printed out for submission, and saved for record keeping.

By phone – To order 2006-2008 California tax forms and publications:

- Refer to the list on the back cover and find the code number for the form you want to order.
- Call 800.338.0505.
- Select "Personal Income Tax."
- Select "Forms and Publications."
- Enter the three-digit form code when you are instructed.

Allow two weeks to receive your order. If you live outside California, allow three weeks to receive your order.

In person – Many post offices and libraries provide free California tax booklets during the filing season.

Employees at libraries and post offices cannot provide tax information or assistance.

By mail – Write to:

TAX FORMS REQUEST UNIT
FRANCHISE TAX BOARD
PO BOX 307
RANCHO CORDOVA CA 95741-0307.

Letters

If you write to us, be sure your letter includes your social security number (SSN), or individual taxpayer identification number (ITIN), and your daytime and evening telephone numbers. Send your letter to:

FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-0040

We will respond to your letter within 10 weeks. In some cases, we may call you to respond to your inquiry, or ask for additional information. Do not attach correspondence to your tax return unless the correspondence relates to an item on the return.

Your Rights As A Taxpayer

The FTB's goals include making certain that your rights are protected so that you have the highest confidence in the integrity, efficiency, and fairness of your state tax system. FTB Pub. 4058, California Taxpayers' Bill of Rights, includes information on your rights as a California taxpayer, the Taxpayers' Rights Advocate Program, and how you request written advice from the FTB on whether a particular transaction is taxable. See "Where To Get Income Tax Forms and Publications," on this page.

Privacy Notice

The Franchise Tax Board considers the privacy of your tax information to be of the utmost importance.

Reasons for Information Requests:
We ask for return information so that we can administer the tax law fairly and correctly.

Rights and Responsibility:
You have the right to see our records that contain your personal information. To obtain information about your records, you may write to: The Franchise Tax Board, Disclosure Officer, MS A181, PO Box 1468, Sacramento, CA 95812-1468, or call: 800.852.5711 within the United States, or 916.845.6500 (not toll-free) outside of the United States.

Your Responsibility:
California Revenue and Taxation Code Sections 18501 and 18621 require you to file a return on the forms we prescribe if you meet certain requirements. It is mandatory that you furnish all requested information. You may be charged penalties and interest, and in certain cases, you may be criminally prosecuted if you do not provide the information we ask for, or you provide fraudulent information.

Information Disclosures:
As provided by law, we may give your tax information to other tax officials to determine your tax liability or collect tax amounts you owe. If you owe the Franchise Tax Board money we may also give your information to employers, financial institutions, county recorders, or others who hold assets belonging to you.

For full text of Franchise Tax Board's Privacy Notice, get form FTB 1131.

Need help with your return?

We provide free assistance to individuals with limited income and/or over the age of 60 who need help in completing simple federal and state income tax returns. For more information, go to our website at **ftb.ca.gov** and search for **vita**.

MyFTB | ACCOUNT
The window to your info
ftb.ca.gov

The window to your information . . . MyFTB Account

MyFTB Account is a secure online service allowing you to:

- View estimated tax payments, recent payments made, and the total balance due on your account.
- Look up your California wage and withholding and FTB-issued 1099-G and 1099-INT records.
- Link to additional services offered by FTB:
  - Make payments online
  - Apply for an installment agreement
  - Check your refund status
  - Check your e-file return status
  - Request a paper copy of your filed tax return
  - Sign-up for estimated tax payment email reminders

Go to **ftb.ca.gov** and search for **myftb account**.

☎ Automated Toll-Free Phone Service (Keep This Booklet For Future Use)

General Toll-Free Phone Service

Telephone assistance is available year-round from 7 a.m. until 6 p.m. Monday through Friday, except holidays.

From within the United States . . . 800.852.5711

From outside the United States (not toll-free). 916.845.6500

For federal tax questions, call the IRS at 800.829.1040

Assistance for persons with disabilities
We comply with the Americans with Disabilities Act. Persons with a hearing or speech impairment please call:

TTY/TDD 800.822.6268

Large-print forms and instructions – The Resident Booklet is available in large print upon request and is also available on audio CD. See ''Where To Get Income Tax Forms and Publications'' on page 62.

Asistencia bilingüe en español
Asistencia telefónica esta disponible todo el año durante las 7 a.m. y las 6 p.m. lunes a viernes, excepto días festivos.

Dentro de los Estados Unidos, llame al 800.852.5711

Fuera de los Estados Unidos, llame al (cargos aplican) 916.845.6500

Para preguntas sobre impuestos federales, llame el IRS al. 800.829.1040

Sitio web . . . . . **ftb.ca.gov**

Asistencia para personas discapacitadas:
Nosotros estamos en conformidad con el Acta de Americanos Discapacitados. Personas con problemas auditivos o de habla, pueden llamar al 800.822.6268 con un aparato de telecomunicación TTY/TTD.

Use our automated toll-free phone service to get recorded answers to many of your questions about California Taxes and to order current year Personal Income Tax Forms and Publications. You can also:

- Get current year tax refund information.
- Get balance due and payment information.

Have paper and pencil ready to take notes.

Call from within the United States. 800.338.0505

Call from outside the United States . . . . . 916.845.6500 (not toll-free)

Order Forms and Publications

If your current address is on file, you can order California tax forms for the current and previous two years. See the instructions on page 62.

Code California Tax Forms and Publications

900 California Resident Income Tax Booklet: Form 540, Resident Income Tax Return Form 540A, Resident Income Tax Return
965 Form 540 2EZ Tax Booklet
903 Schedule CA (540), California Adjustments – Residents, FTB 3885A, Depreciation & Amortization Adjustments, and Schedule D, California Capital Gain or Loss Adjustment
970 Resident Booklet on Audio CD
907 Form 540-ES, Estimated Tax for Individuals
908 Form 540X, Amended Individual Income Tax Return
909 Schedule D-1, Sales of Business Property
910 Schedule G-1, Tax on Lump-Sum Distributions
911 Schedule P (540), Alternative Minimum Tax and Credit Limitations – Residents
913 Schedule S, Other State Tax Credit
914 California Nonresident Income Tax Booklet: Long and Short Form 540NR, Nonresident or Part-Year Resident Income Tax Return
917 Schedule CA (540NR), California Adjustments – Nonresidents or Part-Year Residents
918 Schedule P (540NR), Alternative Minimum Tax and Credit Limitations – Nonresidents or Part-Year Residents
932 FTB 3506, Child and Dependent Care Expenses Credit
937 FTB 3516, Request for Copy of Personal Income Tax or Fiduciary Return
921 FTB 3519, Payment for Automatic Extension for Individuals
972 FTB 3520, Power of Attorney form and FTB Pub. 1144, Power of Attorney Frequently Asked Questions
922 FTB 3525, Substitute for W-2 Wage and Tax Statement
923 FTB 3526, Investment Interest Expense Deduction
940 FTB 3540, Credit Carryover Summary
949 FTB 3567, Installment Agreement Request
924 FTB 3800, Tax Computation for Children with Investment Income
929 FTB 3801, Passive Activity Loss Limitations
925 FTB 3805E, Installment Sale Income
928 FTB 3805P, Additional Taxes from Qualified Retirement Plans
926 FTB 3805V, Net Operating Loss (NOL) – Individuals
927 FTB 5805, Underpayment of Estimated Tax – Individuals and Fiduciaries
919 FTB Pub. 1001, Supplemental Guidelines to California Adjustments
920 FTB Pub. 1005, Pension and Annuity Guidelines
945 FTB Pub. 1006, California Tax Forms and Related Federal Forms
946 FTB Pub. 1008, Federal Tax Adjustments and Your Notification Responsibilities
943 FTB Pub. 4058, California Taxpayers' Bill of Rights
941 FTB Pub. 1031, Guidelines for Determining Resident Status
942 FTB Pub. 1032, Tax Information for Military Personnel
951 FTB Pub. 1051A, Guidelines for Married/RDP Filing Separate Returns
934 FTB Pub. 1540, California Head of Household Filing Status

Current Year Refund Information

If you file by mail, wait at least 8 weeks after you file your tax return before you call to find out about your refund. You need your social security number, the numbers in your street address, box number, route number, or PMB number, and your ZIP Code to use this service.

Balance Due And Payment Information

Wait at least 45 days from the date you mailed your payment before you call to verify receipt. You need your social security number, the numbers in your street address, box number, route number or PMB number, and your ZIP Code to use this service.

Answers To Tax Questions

Call our automated phone service, select "Personal Income Tax Information," then "Frequently Asked Questions," and enter the 3-digit code.

Code Filing Assistance:

100 Do I need to file a return?
111 Which form should I use?
112 How do I file electronically and get a fast refund?
201 How can I get an extension to file?
203 What is the nonrefundable renter's credit and how do I qualify?
204 I never received a Form W-2. What do I do?
205 I have no withholding taken out. What do I do?
206 Do I have to attach a copy of my federal return?
209 I lived in California for part of the year. Do I have to file a return?
210 I did not live in California. Do I have to file a return?
215 Who qualifies me to use the head of household filing status?
222 How much can I deduct for vehicle license fees?

Penalties

403 What is the estimate penalty rate?

Notices And Bills

503 How do I file a protest against a Notice of Proposed Assessment?
506 How can I get information about my Form 1099-G?

Tax For Children

601 Can my child take a personal exemption credit when I claim her or him as a dependent on my return?

Miscellaneous

611 What address do I send my payment to?
619 How do I report a change of address?

Recycled
Recyclable