

Forms & Instructions

# California 540NR

## 2007 Nonresident or Part-Year Resident Booklet

**Members of the  
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, 2008	Last day to file and pay the 2007 amount you owe to avoid penalties and interest.* See form FTB 3519 on page 55 for more information. * If you are living or traveling outside the United States on April 15, 2008, the due dates for filing your return and paying your tax are different. See form FTB 3519 on page 55 for more information.
October 15, 2008	Last day to file or e-file your 2007 return to avoid penalties and interest computed from the original due date of April 15, 2008.
April 15, 2008 June 16, 2008 September 15, 2008 January 15, 2009	Due dates for 2008 estimated tax payments. Generally, you do not have to make estimated tax payments if your California withholding in each payment period is at least 1/4 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 \$200 (\$100 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 <b>208</b> .

## \$\$\$ 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 \$37,783 (\$39,783 if married filing jointly) and you have qualifying children.
- You have no qualifying children and you earned less than \$12,590 (\$14,590 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 [www.irs.gov](http://www.irs.gov) and search for **EITC Assistant**. Currently, no comparable state credit exists.

**Refund of Excess State Disability Insurance (SDI)** – Taxpayers who worked for at least two employers during 2007 who together paid more than \$83,389 in wages may qualify for a refund of excess SDI. See the instructions on page 20.

**Homeowner and Renter Assistance (HRA)** – 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. See page 7 for more information.

## 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 exemption credit
- Claiming the wrong amount of real estate withholding
- Making tax computation errors
- Not rounding cents to the nearest whole dollar

To avoid errors and to help FTB 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 [www.ftb.ca.gov](http://www.ftb.ca.gov) and search for **My Account** to view your total estimated tax payments before you file your return.
- If FTB records do not match the amount of estimated tax payments claimed, "Return Information Notice" will be sent explaining the difference.

### Totaling your Exemptions:

- Add the exemption amounts and transfer the total to the line of the return.

### Computing your Tax:

- Go to our Website at [www.ftb.ca.gov](http://www.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.

### Claiming real estate withholding:

- Claim the amount of withholding from real estate sold in California during 2007. Your escrow company provides you with a California Form 593-B, Real Estate Withholding Tax Statement, indicating the amount withheld. For details, see the Long Form 540NR, line 44 instructions on page 20.

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 2007 with sources in California, follow the instructions below. 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 below for your filing status, age, and number of dependents? If yes, you have a filing requirement. If no, go to Step 2.

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 but you may be eligible for the federal EITC. See page 2 for more information..

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

On 12/31/07, my filing status was:	and on 12/31/07, my age was: (If your 65th birthday is on January 1, 2008, you are considered to be age 65 on December 31, 2007)	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	14,138 18,838	23,938 26,188	31,288 32,068	11,310 16,010	21,110 23,360	28,460 29,240
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)	28,276 32,976 37,676	38,076 40,326 45,026	45,426 46,206 50,906	22,620 27,320 32,020	32,420 34,670 39,370	39,770 40,550 45,250
Qualifying widow(er)	Under 65 65 or older		23,938 26,188	31,288 32,068		21,110 23,360	28,460 29,240
<b>Dependent of another person</b> Any filing status	Any age	More than your standard deduction (Use the California Standard Deduction Worksheet for Dependents on page 16 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 under age 18 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 \$1,700 of investment income in 2007, 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 \$8,500 or less (but not less than \$850) 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 59 or go to our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov).

## Other Situations When You Must File

If you owe any of the following taxes for 2007, 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 \$1,700 (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 an RDP. If you are an RDP and file single for federal, you must file married/RDP filing jointly or married/RDP filing separately for California. If you are 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 2007.
- A nonresident for the entire year and had no income from California sources during 2007.

For additional RDP filing status information get FTB Pub. 737, Tax Information for Registered Domestic Partners.

**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.

**Single** – If **any** of the following was true on December 31, 2007:

- 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, 2007, and did not remarry or enter into another registered domestic partnership in 2007.

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

- You were married or an RDP as of December 31, 2007, even if you did not live with your spouse/RDP at the end of 2007.
- Your spouse/RDP died in 2007 and you did not remarry or enter another registered domestic partnership in 2007.
- Your spouse/RDP died in 2008 before you filed a 2007 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. 1051A, Guidelines for Married/RDP Filing Separate Returns, or FTB Pub. 1032, Tax Information for Military Personnel. See "Order Forms and Publications" on page 59.
- 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 2007.

**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, 2007.
- You paid more than one-half the cost of keeping up your home for the year in 2007.
- 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.

(continued on next page)

## Do I Have to File? *(continued)*

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 (\$3,400 in 2007). 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 [www.ftb.ca.gov](http://www.ftb.ca.gov) or get FTB Pub. 1540, California Head of Household Filing Status Information. See code 934 on page 59 to order FTB Pub.1540 by telephone.

## What's New and Other Important Information for 2007

### 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 [www.ftb.ca.gov](http://www.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.

### 2007 Tax Law Changes/What's New

**Registered Domestic Partners (RDP)** – Effective for taxable years beginning on or after January 1, 2007, 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 will have the same legal benefits, protections, and responsibilities as married couples unless otherwise specified.

If you are a domestic partner who has registered with the California Secretary of State, effective for taxable years beginning on or after January 1, 2007, you must file a California nonresident income tax return using either the married/RDP filing jointly or married/RDP filing separately filing status.

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, effective for taxable years beginning on or after January 1, 2007, you are required to file a California nonresident 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 [www.ftb.ca.gov](http://www.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.

**Round Cents to Dollars** – Beginning with the 2007 tax forms, 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, FTB will disregard the cents. This change helps process your returns quickly and accurately.

**Conformity** – For updates regarding the following federal act, go to our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov) and search for **conformity**.

- Small Business and Work Opportunity Tax Act of 2007
- Mortgage Forgiveness Debt Relief Act of 2007

**Pending State Legislation** – There is pending legislation that if enacted will provide full or partial conformity to Section 2 of the Mortgage Forgiveness Debt Relief Act of 2007. Assembly Bill 1918, as introduced, provides full conformity and Senate Bill 1055, as introduced, provides modified conformity.

**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

### Qualifying Widow(er) with Dependent Child

Fill in the circle on line 5 and use the joint return tax rates for 2007 if **all five** of the following apply

- Your spouse/RDP died in 2005 or 2006 and you did not remarry or enter into another registered domestic partnership in 2007.
- 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 2007. 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.

and account numbers carefully and double-check the numbers for accuracy to avoid it being rejected by your bank.

### IRC 409A Additional Taxes for Discounted Stock Options and Stock

**Appreciation Rights** – For those employees who exercised certain discounted stock options or stock appreciation rights in 2006 and whose employer participated in the Franchise Tax Board's 2007 Compliance Resolution Program described in FTB Notice 2007-1 and paid the additional IRC section 409A taxes on behalf of their employees, the additional taxes paid by the employer should be included as compensation in the employee's 2007 Form W-2.

**El Dorado and Southern California Wildfires** – For tax treatment information for victims of the wildfires that occurred in El Dorado, Santa Barbara, Ventura, Los Angeles, San Bernardino, Orange, Riverside, and San Diego counties, get FTB Pub. 1034, How to Claim a State Tax Deduction for Your Disaster Loss.

**January 2007, Freezing Conditions** – For tax treatment information for victims of the January 2007, freeze that occurred in El Dorado, Fresno, Imperial, Kern, Kings, Madera, Merced, Monterey, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Santa Clara, Stanislaus, Tulare, Ventura, and Yuba counties, get FTB Pub. 1034, How to Claim a State Tax Deduction for Your Disaster Loss.

**Teacher Retention Credit** – For taxable years beginning on or after January 1, 2007, the Teacher Retention Credit has been repealed.

**My FTB Account** – Make tax time less taxing! Check My FTB 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 [www.ftb.ca.gov](http://www.ftb.ca.gov) and search for **My Account**.

### Other Important Information

**Heroes Earned Retirement Opportunities Act** – California conforms to the Federal Heroes Earned Retirement Opportunities Act that allows members of the Armed Forces serving in a combat zone to make contributions to their individual retirement plans even if the compensation on which such contribution is based is excluded from gross income.

**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 Franchise Tax Board. 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, Reportable Transaction Disclosure Statement, to the address below. The FTB may impose penalties if the individual fails to file federal Form 8886, or any other required information.

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For more information, go to our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov) and search for **tax shelters**.

# Which Form Should I Use?

	Short Form 540NR	Long Form 540NR
<b>Filing Status</b>	Single, married/RDP filing jointly, head of household, qualifying widow(er)	Any filing status
<b>Dependents</b>	0-5 allowed	All dependents you are entitled to claim
<b>Amount of Income</b>	Total income of \$100,000 or less	Any amount of income
<b>Sources of Income</b>	Only income from: <ul style="list-style-type: none"> <li>• Wages, salaries, tips</li> <li>• Taxable interest</li> <li>• Unemployment compensation, Paid family leave</li> </ul> California <b>does not</b> tax unemployment compensation	All sources of income
<b>California Adjustments to Income</b>	<ul style="list-style-type: none"> <li>• Unemployment compensation</li> <li>• Military pay adjustment (R&amp;TC Section 17140.5)</li> <li>• Paid Family Leave</li> </ul>	All adjustments to income
<b>Standard Deduction</b>	Allowed	Allowed
<b>Itemized Deductions</b>	No itemized deductions	All itemized deductions
<b>Payments</b>	Only withholding on Form(s) W-2 or CA Sch W-2 and 1099's showing California tax withheld	<ul style="list-style-type: none"> <li>• Withholding from all sources</li> <li>• Estimated tax payments</li> <li>• Payments made with extension vouchers</li> <li>• Excess state disability insurance (SDI) or voluntary plan disability insurance (VPDI)</li> </ul>
<b>Tax Credits</b>	<ul style="list-style-type: none"> <li>• Personal exemption credits up to 5 dependent exemption credits</li> <li>• Nonrefundable renter's credit</li> </ul>	All tax credits
<b>Other Taxes</b>	Taxes computed using only the tax table	All taxes: <ul style="list-style-type: none"> <li>• Tax computed using the tax table</li> <li>• Alternative minimum tax</li> <li>• Tax on early distributions from IRAs or other qualified retirement plans</li> <li>• Tax on distributions from MSAs and education IRAs</li> <li>• Tax for children under age 14 who have investment income of more than \$1,700</li> <li>• Tax on lump-sum distributions</li> <li>• Recapture taxes</li> <li>• Deferred tax on certain installment obligations</li> <li>• Tax on accumulation distributions of trusts</li> <li>• Mental Health Services Tax</li> </ul>

# How Nonresidents and Part-Year Residents Are Taxed

## General Information

Nonresidents of California who received California sourced income in 2007, or moved into or out of California in 2007, 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 2007, 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 58.

## 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 58.

## 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, Guidelines for Determining Resident Status. See "Where To Get Income Tax Forms and Publications" on page 58.

## 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 58.

## 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 58.

**Federal Conformity Items** – California has conformed to the Military Family Tax Relief Act (Public Law 108-121) to allow the following:

- A deduction in computing adjusted gross income for certain trade or business expenses of servicemembers of the Armed Forces of the U.S.
- An exclusion from gross income for certain death benefits payable by reason of the death of astronauts.
- Exclusion for certain military fringe benefits.
- A 10-year period of suspension for excluding gain from the sale of a principal residence if the taxpayer's spouse/RDP is serving in the uniformed services or the Foreign Service of the U.S.
- An exclusion for certain military death gratuity payments from gross income.
- An exclusion for death gratuity income received by living survivors of military personnel who lost their lives on or after September 11, 2001.

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 \$400 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 [www.boe.ca.gov/pdf/pub79b.pdf](http://www.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, excluding state 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 2007 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 2007. 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 Joint Filer 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 FTB Pub. 705, Request for Innocent Joint Filer Relief Form and Brochure, by going to our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov) or call (916) 845-7072, Monday - Friday between 8 a.m. to 5 p.m., excluding state holidays.

## Registered Domestic Partners

If you are a Registered Domestic Partner (RDP) and need additional information on how to file your return, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

## Homeowner and Renter Assistance

**Homeowner assistance** is a once-a-year payment from the State of California as a reimbursement for part of the property taxes you paid on your home. If eligible, you could receive up to 96% of the property taxes you paid in the prior year. In 2007, you would have qualified for this assistance if you:

- Were one of the following on December 31, 2006: 62 years of age or older, blind, or disabled.

- Owned your home and lived in it on December 31, 2006, had total household income of \$42,770 or less, and are a U.S. citizen, designated alien, or qualified alien when you file your claim.

**Renter assistance** is a once-a-year payment from the State of California as a reimbursement for part of the property taxes that you pay indirectly when you pay your rent. In 2007, you would have qualified for this assistance if you:

- Were one of the following on December 31, 2006: 62 years of age or older, blind, or disabled.
- Paid \$50 or more rent per month in the prior year, had total household income of \$42,770 or less, and are a U.S. citizen, designated alien, or qualified alien when you file your claim.

The 2007 filing season ends June 30, 2008.

The 2008 filing season for these programs begins July 1, 2008. For more information, go to our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov) and search for **HRA** or call (800) 868-4171.

## 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 59.

## 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 [www.sos.ca.gov](http://www.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. 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 FTB by your preparer or e-file service only after you sign form FTB 8453. The preparer or e-file service must provide you with:

- A copy of form FTB 8453.
- Any original Form(s) W-2, Sch CA W-2G, 592-B, 593-B, 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 58.

# Frequently Asked Questions

(Go to our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov) for more frequently asked questions)

## 1. What if I can't file by April 15, 2008, and I think I owe tax?

You must pay 100% of the amount you owe by April 15, 2008, 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 55. Mail it to the FTB with your payment by April 15, 2008, or pay online at [www.ftb.ca.gov](http://www.ftb.ca.gov). Then, when you receive all your Form(s) W-2, complete and mail your return by October 15, 2008, (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, 2008, 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 58.

## 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. Participating locations are listed on our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov), from January 2 through April 15, 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 2007 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, 2008, 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 [www.ftb.ca.gov](http://www.ftb.ca.gov) or by phone, call (800) 338-0505, select "Personal Income Tax," then select "Forms and Publications," and enter code **949**.



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For more information on how to pay by credit card, go to our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov), 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?

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 [www.ftb.ca.gov](http://www.ftb.ca.gov) or call (800) 338-0505, select "Personal Income Tax," then select "Frequently Asked Questions" and enter code **112** when instructed.



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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?

Check the status of your refund on our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov). 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 59.

## 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 online at [www.ftb.ca.gov](http://www.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, Amended Individual Income Tax Return, 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.

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 59.

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 [www.ftb.ca.gov](http://www.ftb.ca.gov) as a fillable form or you may call (800) 852-5711, select "Personal Income Tax," then select option 5 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. 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, 2008. 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 [www.ftb.ca.gov](http://www.ftb.ca.gov) or see "Where To Get Income Tax Forms and Publications" on page 58.



**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

Is there a label with your name and address on the front of your booklet?

**Yes** Attach the label to your completed return. Verify your label is correct. Cross out any errors and print the correct information on the label.

**No** Print your first name, middle initial, last name, and address 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 the acronym "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 filed your 2006 tax return under a different name, write the last name **only** from the 2006 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 your label. If you file a joint return, enter the SSNs in the same order as the names.

If you do not have a 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 a 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.

## 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 58.

## 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 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 – Total Exemptions

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

## Taxable Income

Refer to your completed federal income tax return to complete this section. If your total income 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 benefits. Enter the unemployment compensation or Paid Family Leave benefits from federal Form(s) 1099-G. This type of income is not taxed by California and should not be included in the total for line 14. Enter the amount of any unemployment compensation or Paid Family Leave benefits 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 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 the front of your return.

**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 16 of the Long Form 540NR instructions. If no, use the standard deduction amount for your filing status.

**California Taxable Income**

 e-file and you won't have to do the math. Go to our Website at [www.ftb.ca.gov](http://www.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 29). 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 [www.ftb.ca.gov](http://www.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, 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 2007, you may be eligible for a credit to reduce your tax. See page 37 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 20, 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 the front of your return.

**Contributions**

Make contributions to the funds listed on Short Form 540NR, Side 2. For a description of the funds, see page 36.

**Line 68 – Total Contributions**

Add line 58 through line 67. 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. Otherwise, enter the amount from line 55. 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.

Make your check or money order payable to the "Franchise Tax Board" for this amount, or see "Paying Your Taxes" on page 57.

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. Do not attach a voided check or deposit slip. See the illustration below.

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 Franchise Tax Board 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 Franchise Tax Board 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 Franchise Tax Board will issue a paper check.

**John Doe  
Mary Doe**  
1234 Main Street  
Anytown, CA 99999

20

1234  
15-00000000

PAY TO THE ORDER OF \$ [ ]

ANYTOWN BANK  
Anytown, CA 99999

For [ ]

Routing number: 250250025  
Account number: 202020

Do not include the check number

**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 Joint Filer Relief on page 7.

**Power of Attorney.** If you pay a person to prepare your return, that person signs on Side 2 and includes his or her social security number, (or PTIN) or FEIN. A paid preparer must give you two copies of your return: one to file with the Franchise Tax Board and one to keep for your records

For information about **Power of Attorney**, go to our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov).



Your name: \_\_\_\_\_ Your SSN or ITIN: \_\_\_\_\_

28 Amount from Side 1, line 27 ..... 28 \_\_\_\_\_ 00

35 Nonrefundable renter's credit. (see page 10) ..... ● 35 \_\_\_\_\_ 00
42 Total tax. Subtract line 35 from line 28. .... ● 42 \_\_\_\_\_ 00

43 California income tax withheld (Form(s) W-2, box 17 or CA Sch W-2CG, box 17)..... ● 43 \_\_\_\_\_ 00

54 Overpaid tax. If line 43 is larger than line 42, subtract line 42 from line 43 ..... ● 54 \_\_\_\_\_ 00

55 Tax due. If line 43 is less than line 42, subtract line 43 from line 42 ..... 55 \_\_\_\_\_ 00

Contributions
Alzheimer's Disease/Related Disorders Fund ..... ● 58 \_\_\_\_\_ 00
CA Fund for Senior Citizens ..... ● 59 \_\_\_\_\_ 00
Rare and Endangered Species Preservation Program..... ● 60 \_\_\_\_\_ 00
State Children's Trust Fund for the Prevention of Child Abuse .. ● 61 \_\_\_\_\_ 00
CA Breast Cancer Research Fund ..... ● 62 \_\_\_\_\_ 00
CA Firefighters' Memorial Fund..... ● 63 \_\_\_\_\_ 00
Emergency Food Assistance Program Fund ..... ● 64 \_\_\_\_\_ 00
CA Peace Officer Memorial Foundation Fund ..... ● 65 \_\_\_\_\_ 00
CA Military Family Relief Fund ..... ● 66 \_\_\_\_\_ 00
CA Sea Otter Fund ..... ● 67 \_\_\_\_\_ 00

68 Add line 58 through line 67. These are your total contributions..... ● 68 \_\_\_\_\_ 00

69 AMOUNT YOU OWE. Add line 55 and line 68. (see page 10) Do Not Send Cash.
Mail to: FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0001 ..... ● 69 \_\_\_\_\_ 00
Pay Online - Go to our Website at www.ftb.ca.gov and search for Web Pay.

73 REFUND OR NO AMOUNT DUE. Subtract line 68 from line 54.
Mail to: FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0002 ..... ● 73 \_\_\_\_\_ 00

Fill in the information to authorize direct deposit of your refund into one or two accounts. Do not attach a voided check or a deposit slip (see page 10).
Have you verified the routing and account numbers? Use whole dollars only.

All or the following amount of my refund (line 73) is authorized for direct deposit into the account shown below:
[Routing number] [Type] [Account number] [Direct deposit amount]
● 74 Direct deposit amount

The remaining amount of my refund (line 73) is authorized for direct deposit into the account shown below:
[Routing number] [Type] [Account number] [Direct deposit amount]
● 75 Direct deposit amount

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Sign Here

Your signature \_\_\_\_\_ Spouse's/RDP's signature (if filing jointly, both must sign) \_\_\_\_\_ Daytime phone number (optional) (\_\_\_\_\_) \_\_\_\_\_

It is unlawful to forge a spouse's/RDP's signature.

X \_\_\_\_\_ X \_\_\_\_\_ Date \_\_\_\_\_
Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge) \_\_\_\_\_ Paid Preparer's SSN/PTIN \_\_\_\_\_

Joint return? (see page 10)

Firm's name (or yours if self-employed) \_\_\_\_\_ Firm's address \_\_\_\_\_ FEIN \_\_\_\_\_



Your name: \_\_\_\_\_ Your SSN or ITIN: \_\_\_\_\_

28 Amount from Side 1, line 27 ..... 28 \_\_\_\_\_ 00

35 Nonrefundable renter's credit. (see page 10) ..... ● 35 \_\_\_\_\_ 00  
42 Total tax. Subtract line 35 from line 28. .... ● 42 \_\_\_\_\_ 00

43 California income tax withheld (Form(s) W-2, box 17 or CA Sch W-2CG, box 17)..... ● 43 \_\_\_\_\_ 00

54 Overpaid tax. If line 43 is larger than line 42, subtract line 42 from line 43 ..... ● 54 \_\_\_\_\_ 00  
55 Tax due. If line 43 is less than line 42, subtract line 43 from line 42 ..... 55 \_\_\_\_\_ 00

Contributions  
Alzheimer's Disease/Related Disorders Fund ..... ● 58 \_\_\_\_\_ 00  
CA Fund for Senior Citizens ..... ● 59 \_\_\_\_\_ 00  
Rare and Endangered Species Preservation Program ..... ● 60 \_\_\_\_\_ 00  
State Children's Trust Fund for the Prevention of Child Abuse .. ● 61 \_\_\_\_\_ 00  
CA Breast Cancer Research Fund ..... ● 62 \_\_\_\_\_ 00  
CA Firefighters' Memorial Fund..... ● 63 \_\_\_\_\_ 00  
Emergency Food Assistance Program Fund ..... ● 64 \_\_\_\_\_ 00  
CA Peace Officer Memorial Foundation Fund ..... ● 65 \_\_\_\_\_ 00  
CA Military Family Relief Fund ..... ● 66 \_\_\_\_\_ 00  
CA Sea Otter Fund ..... ● 67 \_\_\_\_\_ 00

68 Add line 58 through line 67. These are your total contributions. .... ● 68 \_\_\_\_\_ 00

69 AMOUNT YOU OWE. Add line 55 and line 68. (see page 10) Do Not Send Cash.  
Mail to: FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0001 ..... ● 69 \_\_\_\_\_ 00  
Pay Online – Go to our Website at www.ftb.ca.gov and search for Web Pay.

73 REFUND OR NO AMOUNT DUE. Subtract line 68 from line 54.  
Mail to: FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0002 ..... ● 73 \_\_\_\_\_ 00

Fill in the information to authorize direct deposit of your refund into one or two accounts. Do not attach a voided check or a deposit slip (see page 10).  
Have you verified the routing and account numbers? Use whole dollars only.

All or the following amount of my refund (line 73) is authorized for direct deposit into the account shown below:  
 Checking \_\_\_\_\_ ● 74 Direct deposit amount  
 Savings \_\_\_\_\_

The remaining amount of my refund (line 73) is authorized for direct deposit into the account shown below:  
 Checking \_\_\_\_\_ ● 75 Direct deposit amount  
 Savings \_\_\_\_\_

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Sign Here  
Your signature \_\_\_\_\_ Spouse's/RDP's signature (if filing jointly, both must sign) \_\_\_\_\_ Daytime phone number (optional) \_\_\_\_\_  
X \_\_\_\_\_ X \_\_\_\_\_ Date \_\_\_\_\_  
Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge) \_\_\_\_\_ Paid Preparer's SSN/PTIN \_\_\_\_\_  
Firm's name (or yours if self-employed) \_\_\_\_\_ Firm's address \_\_\_\_\_ FEIN \_\_\_\_\_  
Joint return? (see page 10) \_\_\_\_\_

# 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.

Use information from your federal income tax return to complete your Long Form 540NR. Complete and mail Long Form 540NR by April 15, 2008. 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 [www.ftb.ca.gov](http://www.ftb.ca.gov) or see "Where To Get Income Tax Forms and Publications" on page 58.

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



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

## Filing in Your Return

- Use black or blue ballpoint pen on the copy you send 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."
- Attach your label. If you don't have a label, please print your name(s) and address in CAPITAL LETTERS.

## Name(s) and Address

Is there a label with your name and address on the front of your booklet?

**Yes** Attach the label to your completed return. Verify your label is correct. Cross out any errors and print the correct information on the label.

**No** 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 the acronym "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 2006 tax return under a different last name, write the last name only from the 2006 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 your label. If you file a joint return, enter the SSNs in the same order as the names.

If you do not have a 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 a SSN. It is a nine-digit number that always starts with the number 9.

## Filing Status

Usually, your California filing status must be the same as the filing status you used on your federal income tax return. Be sure to enter the required information if you filled in the circle for line 3 or line 5.

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.



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**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 2007.
- A nonresident for the entire year and had no income from California sources during 2007.

**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 58.

## 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.

### 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, 2007\*, 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 36 for information about this fund.

\* If your 65th birthday is on January 1, 2008, you are considered to be age 65 on December 31, 2007.

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 have 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 – Total Exemptions**

Add line 7 through line 10 and enter the total amount of all exemptions – 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 or CA Sch W-2. This amount appears in box 16 of Form W-2 or line 3 of CA Sch W-2.

**Line 14 – California Adjustments — Subtractions**

(from Schedule CA (540NR), line 37, column B)

Complete Schedule CA (540NR) to find the amount to enter on Long Form 540NR, line 14. Follow the instructions for Schedule CA (540NR) beginning on page 39. 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 39. 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 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.

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 this 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, below, instead.

California Standard Deduction Chart for Most People	
Do not use this chart if 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 . . . . .	\$3,516
2 – Married/RDP filing jointly . . . . .	\$7,032
3 – Married/RDP filing separately . . . . .	\$3,516
4 – Head of household . . . . .	\$7,032
5 – Qualifying widow(er) . . . . .	\$7,032

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

California Standard Deduction Worksheet for Dependents	
Use this worksheet only if someone else can claim you (or your spouse/RDP) as a dependent on his or her tax return. <b>Use whole dollars only.</b>	
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 <u>\$850.00</u>
3. Enter the <b>larger</b> of line 1 or line 2 here . . . . .	3 _____
4. Enter the amount shown for your filing status:	
• Single or married/RDP filing separately, enter \$3,516	} . . . . . 4 _____
• Married/RDP filing jointly, head of household, or qualifying widow(er), enter \$7,032	
5. <b>Standard deduction.</b> Enter the <b>smaller</b> 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 capital construction fund set up under the Merchant Marine Act of 1936, reduce the amount you contributed on Taxable Income 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**

 e-file and you won't have to do the math. Go to our Website at [www.ftb.ca.gov](http://www.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 29. 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 rates schedules on page 34.
- **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, 2008, and who had more than \$1,700 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 \$8,500 or less (but not less than \$850) 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 [www.ftb.ca.gov](http://www.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 39. Enter on Long Form 540NR, line 21 the amount from Schedule CA (540NR), line 45.

**Line 23 – CA Tax Rate**

In this computation, 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 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	.....\$155,416
Married/RDP filing jointly or qualifying widow(er)	.....\$310,837
Head of household	.....\$233,129

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

<b>AGI Limitation Worksheet</b>	
<b>Use whole dollars only</b>	
<b>a</b>	Enter the amount from Long Form 540NR, line 13 ..... <b>a</b> _____
<b>b</b>	Enter the amount for your filing status on line b: <ul style="list-style-type: none"> <li>• Single or married/RDP filing separately. . . \$155,416</li> <li>• Married/RDP filing jointly or qualifying widow(er) . . . . . \$310,837 . . . . . <b>b</b> _____</li> <li>• Head of household. . . . . \$233,129</li> </ul>
<b>c</b>	Subtract line b from line a ..... <b>c</b> _____
<b>d</b>	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 ..... <b>d</b> _____
<b>e</b>	Multiply line d by \$6 ..... <b>e</b> _____
<b>f</b>	Add the numbers from the boxes on Long Form 540NR, line 7, line 8, and line 9 (not the dollar amounts) ..... <b>f</b> _____
<b>g</b>	Multiply line e by line f. .... <b>g</b> _____
<b>h</b>	Enter the total dollar amount for line 7, line 8, and line 9 ..... <b>h</b> _____
<b>i</b>	Subtract line g from line h. If zero or less enter -0- ..... <b>i</b> _____
<b>j</b>	Enter the number from the box on Long Form 540NR, line 10 (not the dollar amount) ..... <b>j</b> _____
<b>k</b>	Multiply line e by line j. .... <b>k</b> _____
<b>l</b>	Enter the dollar amount (that you filled in) from Long Form 540NR, line 10 ..... <b>l</b> _____
<b>m</b>	Subtract line k from line l. If zero or less, enter -0- ..... <b>m</b> _____
<b>n</b>	Add line i and line m. Enter the result here ..... <b>n</b> _____
<b>o</b>	Multiply the amount on line n by the CA Exemption Credit Percentage on Form 540NR, line 25a. Enter the result here and on Form 540NR, line 25b ..... <b>o</b> _____

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

If you received a qualified lump-sum distribution in 2007 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 59.

**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. The Credit Chart on page 38 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? (See page 37.)  
Check  **Yes** or  **No**, then go to Question 2.
2. Are you claiming any other special credit listed in the Credit Chart on page 38?  
  - 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:

- 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 59.

**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 59.

**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 . . . . . \$214,333
- Married/RDP filing jointly or qualifying widow(er) . . . . . \$285,776
- Married/RDP filing separately . . . . . \$142,887

**Yes** Get and complete Schedule P (540NR). See “Order Forms and Publications” on page 59.

**No** Your credits are not limited. Go to the instructions for the Long Form 540NR, line 32, on page 19.

**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 B1, line 12 through line 14, 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.

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. Claim the credit if unmarried and not an RDP at the end of 2007 (or if married or an RDP, you lived apart from your spouse/RDP for all of 2007 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 separate maintenance or part of a written agreement between the parents where the proceedings have been initiated, but a decree of dissolution or separate maintenance has not yet been issued.

**If your Federal AGI is more than \$155,416, subtract line n from the AGI Limitation Worksheet on page 17 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**:

- Subtract line 11 from line 20 on Long Form 540NR and enter the result here . . . . . **1** \_\_\_\_\_
- Enter the amount from Long Form 540NR, line 26 . . . . . **2** \_\_\_\_\_
- Add line 1 and line 2 . . . . . **3** \_\_\_\_\_
- Credit percentage — 30% . . . . . **4** x .30
- Credit amount. Multiply line 3 by line 4. Enter on this line the result or \$374, whichever is less. Enter this amount on line 28 of the Long Form 540NR, Side 1 . . . . . **5** \_\_\_\_\_

**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.

Claim this credit only if all of the following apply:

- You were married or an RDP at the end of 2007 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 or father, 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 \$374, 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, 2007\*.
- Qualified as a head of household in 2005 or 2006 by providing a household for a qualifying individual who died during 2005 or 2006.
- Did not have adjusted gross income over \$60,791 for 2007.

\*If your 65th birthday is on January 1, 2008, you are considered to be age 65 on December 31, 2007.

If you meet all the conditions listed, you do not need to qualify to use the head of household filing status for 2007 in order to claim this credit.

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

- Enter the amount from Long Form 540NR, line 19 . . . . . **1** \_\_\_\_\_
- Credit percentage — 2% . . . . . **2** x .02
- Credit amount. Multiply line 1 by line 2. Enter on this line the result or \$1,146, 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 this page.

**Part I – Credit Percentage**

- 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**

- Enter the amount from Long Form 540NR, line 28 . . . . . **1** \_\_\_\_\_
- Credit Percentage from Part I, line 1 . . . . . **2** x \_\_\_\_\_
- Multiply line 1 by line 2 . . . . . **3** \_\_\_\_\_
- Enter the lesser of the amount from line 3 or \$374** . . . . . **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 \$374. . . . . **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 \$1,146 . . . . . **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 58. 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 2007. 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 2007 on your principle residence located in California?

**Yes** You may qualify to claim this credit which may reduce your tax. Complete the qualification record on page 37.

**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:

- \$76,207 married/RDP filing jointly or qualifying widow(er)
- \$57,156 single or head of household
- \$38,102 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 58.

**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: . . . . .	<u>\$(1,000,000)</u>
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 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, 1099-MISC, 1099-R, 592-B, 593-B, and 594 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

The Franchise Tax Board verifies all withholding claimed from Forms W-2 (or CA Sch W-2), W-2G, 1099-MISC, and 1099R with the Employment Development Department (EDD).

Do not include city or county tax withheld or tax withheld by other states. Do not include nonresident or real estate withholding from Form(s) 592-B, 593-B, or 594 on this line. Do not include 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 Forms 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-B, or 594 (Nonresident Withholding Tax Statement, Real Estate Withholding Tax Statement, or Notice to Withhold Tax at Source, respectively). Attach a copy of Form(s) 592-B, 593-B, 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 – 2007 CA Estimated Tax and Other Payments**

Enter the total of any:

- California estimated tax payments you made (Form 540-ES) for 2007.
- Overpayment from your 2006 California income tax return that you applied to your 2007 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).

If you are including nonconsenting nonresident (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 [www.ftb.ca.gov](http://www.ftb.ca.gov) and search for **view payments**.

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 2008 and did not have a California tax liability in 2007.

**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 2007.
- You received more than \$83,389 in wages.
- The amounts of SDI (or VPDI) withheld appear on your Forms 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 0.6%, 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.

<b>Excess SDI (or VPDI) Worksheet</b>		
<b>Use whole dollars only</b>		
	<b>You</b>	<b>Your Spouse/RDP</b>
1. Add amounts of SDI (or VPDI) withheld shown on your Forms W-2. Enter the total here . . . . .	1	
2. 2007 SDI (or VPDI) limit . . . . .	2 \$500.33	\$500.33
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 <b>whole dollars only</b> 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. 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 social security number. Do not enter more than one qualifying person's social security number on line 47 or line 48 from form FTB 3506, Part III, line 2. If you have more than two qualifying persons, see the instructions for form FTB 3506, Part III, line 2.

**Line 49**

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

**Line 50**

Enter the credit allowed from form FTB 3506, Part III, line 12. See "Where To Get Income Tax Forms and Publications" on page 58.

**Overpaid Tax or Tax Due**

If you received a refund for 2006, you may receive a Form 1099-G, Certain Government and Qualified State Tuition Program 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 withholdings 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 2008 Estimated Tax**

Apply all or part of the amount on line 52 to your estimated tax for 2008. Enter on line 53 the amount of line 52 you want applied to 2008.

An election to apply an overpayment against estimated tax is binding. Once the election is made, the overpayment cannot be used against 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 Franchise Tax Board will figure the penalty and send you a bill.

Contributions

Make voluntary contributions of \$1 or more in whole dollar amounts for line 57 through line 67. The amount you contribute either reduces your overpaid tax or increases your tax due. Contribute only to the funds listed on page 36. No changes can be made to contributions after you file your return.

Line 57 – 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 \$188 or \$94 per spouse/RDP. Contributions entered on line 57 will be distributed to the Area Agency of Aging Councils (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 below to figure your contribution:

- 1. If you contribute, enter \$94; if you and your spouse/RDP contribute, enter \$188
2. Enter the ratio from Long Form 540NR, line 25a
3. Contribution amount. Multiply line 1 by line 2. Enter the result (rounded to the nearest whole dollar) here.

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

Line 68 – Total Contributions

Add line 57 through line 67. 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 of your refund or 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 2007 tax payment and any 2008 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 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 www.ftb.ca.gov for more information.
• 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 (tax return balance due, extension payment, estimated tax payment, or tax due with bill notice). If you pay by credit card, do not mail form FTB 3519 to us. Call (800) 272-9829 or go to the Website at www.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 "2007 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 2007 tax payment and any 2008 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 Franchise Tax Board 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
• Tax year
• Home phone number
• ZIP Code for address where your monthly credit card bill is sent
• FTB Jurisdiction Code: 1555

Go to the Official Payments Corp. Website at www.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. 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 unable to pay the full amount shown on line 69 with your return, request monthly payments. See 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.

### Line 70 – Interest and Penalties

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 [www.ftb.ca.gov](http://www.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, 2008. 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, 2008, 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, 2008, you find that your estimate of tax due was too low, pay the additional tax as soon as possible to avoid further accumulation of penalties and interest. If you do not file your tax return by October 15, 2008, 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.** Other penalties imposed include: a check returned for insufficient funds, 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 > \$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** 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 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 how to avoid the penalty.

There will be a waiver of penalties imposed for the underpayment of tax with respect to any law enacted during the 2007 tax year. To request a waiver of underpayment of estimated tax penalty, get form FTB 5805, Underpayment of Estimated Tax by Individuals and Fiduciaries. See "Where To Get Income Tax Forms and Publications" on page 58.

### 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.

**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. 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

### 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 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 in the next column.

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 Franchise Tax Board 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 Franchise Tax Board 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 Franchise Tax Board will issue a paper check.

**John Doe**  
**Mary Doe**  
 1234 Main Street  
 Anytown, CA 99999

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PAY TO THE ORDER OF \$ [ ] DOLLARS

ANYTOWN BANK  
 Anytown, CA 99999

For [ ]

Routing number: 250250025  
 Account number: 202020 • 1234

Do not include the check number

## 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 neglects to pay the tax due, the other spouse/RDP may have to pay the tax due. See Innocent Joint Filer 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 (social security number, FEIN, or PTIN). A paid preparer must give you two copies of your return: one to file with the Franchise Tax Board, and one to keep for your records.

**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 this 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 [www.ftb.ca.gov](http://www.ftb.ca.gov). See "Where To Get Income Tax Forms and Publications" on page 58.

**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-B, 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-B, 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 58.

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 Franchise Tax Board 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.

## Mailing Addresses

**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



California Nonresident or Part-Year Resident Income Tax Return 2007

Long Form

540NR C1 Side 1

Fiscal year filers only: Enter month of year end: month year 2008.

Personal information section including name, SSN, address, and prior name.

Filing Status section with options for Single, Married/RDP, Head of household, etc.

Exemptions section with lines 7-11 for Personal, Blind, Senior, and Dependents.

Total Taxable Income section with lines 12-19.

CA Taxable Income section with lines 20-27.

Special Credits section with lines 28-37.

Your name: \_\_\_\_\_ Your SSN or ITIN: \_\_\_\_\_

Other Taxes
38 Amount from Side 1, line 37
39 Alternative minimum tax. Attach Schedule P (540NR)
40 Mental Health Services Tax (see page 19)
41 Other taxes and credit recapture (see page 19)
42 Add line 38 through line 41. This is your total tax

Payments
43 California income tax withheld (see page 19)
44 Nonresident withholding (Form(s) 592-B, 593-B, or 594) (see page 20)
45 2007 CA estimated tax and other payments (see page 20)
46 Excess SDI. To see if you qualify (see page 20)
Child and Dependent Care Expenses Credit (see page 20). Attach form FTB 3506.
47
48
49
50
51 Add line 43, line 44, line 45, line 46, and line 50. These are your total payments

Overpaid Tax/Tax Due
52 Overpaid tax. If line 51 is more than line 42, subtract line 42 from line 51
53 Amount of line 52 you want applied to your 2008 estimated tax
54 Overpaid tax available this year. Subtract line 53 from line 52
55 Tax due. If line 51 is less than line 42, subtract line 51 from line 42

Contributions
CA Seniors Special Fund (see page 36)
Alzheimer's Disease/Related Disorders Fund
CA Fund for Senior Citizens
Rare and Endangered Species Preservation Program
State Children's Trust Fund for the Prevention of Child Abuse
CA Breast Cancer Research Fund
CA Firefighters' Memorial Fund
Emergency Food Assistance Program Fund
CA Peace Officer Memorial Foundation Fund
CA Military Family Relief Fund
CA Sea Otter Fund
68 Add line 57 through line 67. These are your total contributions

Amount You Owe
69 AMOUNT YOU OWE. Add line 55, and line 68 (see page 21). Do not send cash.
Mail to: FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0001

Interest and Penalties
70 Interest, late return penalties, and late payment penalties
71 Underpayment of estimated tax. Fill in the circle: FTB 5805 attached FTB 5805F attached
72 Total amount due (see page 22). Enclose, but do not staple, any payment

Refund and Direct Deposit
73 REFUND OR NO AMOUNT DUE. Subtract line 68 from line 54.
Mail to: FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0002
Fill in the information to authorize direct deposit of your refund into one or two accounts. Do not attach a voided check or a deposit slip (see page 22). Have you verified the routing and account numbers? Use whole dollars only.
All or the following amount of my refund (line 73) is authorized for direct deposit into the account shown below:
The remaining amount of my refund (line 73) is authorized for direct deposit into the account shown below:

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.
Your signature Spouse's/RDP's signature (if a joint return, both must sign) Daytime phone number (optional)
Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge) Date Paid preparer's SSN/PTIN
Firm's name (or yours, if self-employed) Firm's address FEIN

# California Nonresident or Part-Year Resident Income Tax Return 2007

## Long Form

## 540NR C1 Side 1

Fiscal year filers only: Enter month of year end: month \_\_\_\_\_ year 2008.

Your first name	Initial	Last name	Your SSN or ITIN	P AC A R RP
If joint return, spouse's/RDP's first name	Initial	Last name	Spouse's/RDP's SSN or ITIN	
Address (including number and street, PO Box, or PMB no.)			Apt. no./Ste.no.	PBA Code
City (If you have a foreign address, see page 15)			State	ZIP Code
Prior Name If you filed your 2006 tax return under a different last name, write the last name only from the 2006 return. <input checked="" type="radio"/> Taxpayer _____ <input type="radio"/> Spouse/RDP _____				

**Filing Status**

1  Single  
 2  Married/RDP filing jointly. (see page 3)  
 3  Married/RDP filing separately. Enter spouse's/RDP's SSN or ITIN above and full name here \_\_\_\_\_  
 4  Head of household (with qualifying person). (see page 3)  
 5  Qualifying widow(er) with dependent child. Enter year spouse/RDP died \_\_\_\_\_  
 If your California filing status is different from your federal filing status, fill in the circle here . . . . .

6 If someone can claim you (or your spouse/RDP) as a dependent, fill in the circle (see page 15) . . . . .  6

**Exemptions**

▶ For line 7, line 8, line 9, and line 10: Multiply the amount you enter in the box by the pre-printed dollar amount for that line. **Whole dollars only**

7 **Personal:** If you filled in 1, 3, or 4 above, enter 1 in the box. If you filled in 2 or 5, enter 2.  
 If you filled in the circle on line 6 do not enter an amount on line 7 . . . . . 7  X \$94 = \$ \_\_\_\_\_

8 **Blind:** If you (or your spouse/RDP) are visually impaired, enter 1; if both are visually impaired, enter 2. . . . . 8  X \$94 = \$ \_\_\_\_\_

9 **Senior:** If you (or your spouse/RDP) are 65 or older, enter 1; if both are 65 or older, enter 2 . . . . .  9  X \$94 = \$ \_\_\_\_\_

10 **Dependents:** Enter name and relationship. **Do not include yourself or your spouse/RDP.** \_\_\_\_\_  
 Total dependent exemptions. . . . .  10  X \$294 = \$ \_\_\_\_\_

11 **Exemption amount:** Add line 7 through line 10 . . . . . 11 \$ \_\_\_\_\_

**Total Taxable Income**

12 Total California wages from all your Form(s) W-2, box 16 or CA Sch W-2, line 3 . . . . .  12 \_\_\_\_\_ 00

13 Enter federal AGI from Forms 1040, line 37; 1040A, line 21; 1040EZ, line 4; 1040NR, line 35; or 1040NR-EZ, line 10 . . . . . 13 \_\_\_\_\_ 00

14 California adjustments – subtractions. Enter the amount from Schedule CA (540NR), line 37, column B . . . . .  14 \_\_\_\_\_ 00

15 Subtract line 14 from line 13. If less than zero, enter the result in parentheses (see page 16) . . . . . 15 \_\_\_\_\_ 00

16 California adjustments – additions. Enter the amount from Schedule CA (540NR), line 37, column C . . . . .  16 \_\_\_\_\_ 00

17 Adjusted gross income from all sources. Combine line 15 and line 16 . . . . .  17 \_\_\_\_\_ 00

18 Enter the **larger** of: Your California **itemized deductions** from Schedule CA (540NR), line 43; **OR**  
 Your California **standard deduction** (see page 16) . . . . .  18 \_\_\_\_\_ 00

19 Subtract line 18 from line 17. This is your **total taxable income**. If less than zero, enter -0- . . . . . 19 \_\_\_\_\_ 00

**CA Taxable Income**

20 Tax. Fill in the circle if from:  Tax Table  Tax Rate Sch.  FTB 3800  FTB 3803. . . . .  20 \_\_\_\_\_ 00

21 CA adjusted gross income from Schedule CA (540NR), Part IV, line 45. . . . .  21 \_\_\_\_\_ 00

22 CA Taxable Income from Schedule CA (540NR), Part IV, line 49 . . . . .  22 \_\_\_\_\_ 00

23 CA Tax Rate. Divide line 20 by line 19 . . . . . 23 \_\_\_\_\_ 00

24 CA Tax Before Exemption Credits. Multiply line 22 by line 23. . . . . 24 \_\_\_\_\_ 00

25a CA Exemption Credit Percentage. Divide line 22 by line 19. If more than 1, enter 1.0000 . . . . . 25a \_\_\_\_\_ 00

25b CA Prorated Exemption Credits. Multiply line 11 by line 25a. If the amount on line 13 is more than \$155,416 (see page 17). . . . . 25b \_\_\_\_\_ 00

25c CA Regular Tax Before Credits. Subtract line 25b from line 24. If less than zero, enter -0- . . . . . 25c \_\_\_\_\_ 00

26 Tax (see page 17). Fill in the circle if from:  Schedule G-1  FTB 5870A. . . . .  26 \_\_\_\_\_ 00

27 Add line 25c and line 26. . . . .  27 \_\_\_\_\_ 00

**Special Credits**

28 Credit for joint custody head of household (see page 18) . . . . .  28 \_\_\_\_\_ 00

29 Credit for dependent parent (see page 18). . . . .  29 \_\_\_\_\_ 00

30 Credit for senior head of household (see page 18). . . . .  30 \_\_\_\_\_ 00

31 Credit percentage and credit amount. Credit percentage **31a** . . . . .  31 \_\_\_\_\_ 00

32 Enter credit name \_\_\_\_\_ code no \_\_\_\_\_ and amount. . . . . ▶ 32 \_\_\_\_\_ 00

33 Enter credit name \_\_\_\_\_ code no \_\_\_\_\_ and amount. . . . . ▶ 33 \_\_\_\_\_ 00

34 To claim more than two credits (see page 19) . . . . .  34 \_\_\_\_\_ 00

35 Nonrefundable renter's credit (see page 37) . . . . .  35 \_\_\_\_\_ 00

36 Add line 31 through line 35. These are your total credits . . . . . 36 \_\_\_\_\_ 00

37 Subtract line 36 from line 27. If less than zero, enter -0- . . . . . 37 \_\_\_\_\_ 00

Your name: \_\_\_\_\_ Your SSN or ITIN: \_\_\_\_\_

Other Taxes
38 Amount from Side 1, line 37
39 Alternative minimum tax. Attach Schedule P (540NR)
40 Mental Health Services Tax (see page 19)
41 Other taxes and credit recapture (see page 19)
42 Add line 38 through line 41. This is your total tax

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43 California income tax withheld (see page 19)
44 Nonresident withholding (Form(s) 592-B, 593-B, or 594) (see page 20)
45 2007 CA estimated tax and other payments (see page 20)
46 Excess SDI. To see if you qualify (see page 20)
Child and Dependent Care Expenses Credit (see page 20). Attach form FTB 3506.
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51 Add line 43, line 44, line 45, line 46, and line 50. These are your total payments

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53 Amount of line 52 you want applied to your 2008 estimated tax
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CA Breast Cancer Research Fund
CA Firefighters' Memorial Fund
Emergency Food Assistance Program Fund
CA Peace Officer Memorial Foundation Fund
CA Military Family Relief Fund
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Mail to: FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0002
Fill in the information to authorize direct deposit of your refund into one or two accounts. Do not attach a voided check or a deposit slip (see page 22). Have you verified the routing and account numbers? Use whole dollars only.
All or the following amount of my refund (line 73) is authorized for direct deposit into the account shown below:
The remaining amount of my refund (line 73) is authorized for direct deposit into the account shown below:

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.
Your signature Spouse's/RDP's signature (if a joint return, both must sign) Daytime phone number (optional)
Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge) Date Paid preparer's SSN/PTIN
Firm's name (or yours, if self-employed) Firm's address FEIN

# 2007 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	192	130	130
51	150	1	1	1	6,551	6,650	66	66	66	13,051	13,150	194	131	131
151	250	2	2	2	6,651	6,750	67	67	67	13,151	13,250	196	132	132
251	350	3	3	3	6,751	6,850	68	68	68	13,251	13,350	198	133	133
351	450	4	4	4	6,851	6,950	70	69	69	13,351	13,450	200	134	134
451	550	5	5	5	6,951	7,050	72	70	70	13,451	13,550	202	135	135
551	650	6	6	6	7,051	7,150	74	71	71	13,551	13,650	204	136	136
651	750	7	7	7	7,151	7,250	76	72	72	13,651	13,750	206	137	137
751	850	8	8	8	7,251	7,350	78	73	73	13,751	13,850	208	139	139
851	950	9	9	9	7,351	7,450	80	74	74	13,851	13,950	210	141	141
951	1,050	10	10	10	7,451	7,550	82	75	75	13,951	14,050	212	143	143
1,051	1,150	11	11	11	7,551	7,650	84	76	76	14,051	14,150	214	145	145
1,151	1,250	12	12	12	7,651	7,750	86	77	77	14,151	14,250	216	147	147
1,251	1,350	13	13	13	7,751	7,850	88	78	78	14,251	14,350	218	149	149
1,351	1,450	14	14	14	7,851	7,950	90	79	79	14,351	14,450	220	151	151
1,451	1,550	15	15	15	7,951	8,050	92	80	80	14,451	14,550	222	153	153
1,551	1,650	16	16	16	8,051	8,150	94	81	81	14,551	14,650	224	155	155
1,651	1,750	17	17	17	8,151	8,250	96	82	82	14,651	14,750	226	157	157
1,751	1,850	18	18	18	8,251	8,350	98	83	83	14,751	14,850	228	159	159
1,851	1,950	19	19	19	8,351	8,450	100	84	84	14,851	14,950	230	161	161
1,951	2,050	20	20	20	8,451	8,550	102	85	85	14,951	15,050	232	163	163
2,051	2,150	21	21	21	8,551	8,650	104	86	86	15,051	15,150	234	165	165
2,151	2,250	22	22	22	8,651	8,750	106	87	87	15,151	15,250	236	167	167
2,251	2,350	23	23	23	8,751	8,850	108	88	88	15,251	15,350	238	169	169
2,351	2,450	24	24	24	8,851	8,950	110	89	89	15,351	15,450	240	171	171
2,451	2,550	25	25	25	8,951	9,050	112	90	90	15,451	15,550	242	173	173
2,551	2,650	26	26	26	9,051	9,150	114	91	91	15,551	15,650	244	175	175
2,651	2,750	27	27	27	9,151	9,250	116	92	92	15,651	15,750	246	177	177
2,751	2,850	28	28	28	9,251	9,350	118	93	93	15,751	15,850	248	179	179
2,851	2,950	29	29	29	9,351	9,450	120	94	94	15,851	15,950	250	181	181
2,951	3,050	30	30	30	9,451	9,550	122	95	95	15,951	16,050	252	183	183
3,051	3,150	31	31	31	9,551	9,650	124	96	96	16,051	16,150	254	185	185
3,151	3,250	32	32	32	9,651	9,750	126	97	97	16,151	16,250	256	187	187
3,251	3,350	33	33	33	9,751	9,850	128	98	98	16,251	16,350	260	189	189
3,351	3,450	34	34	34	9,851	9,950	130	99	99	16,351	16,450	264	191	191
3,451	3,550	35	35	35	9,951	10,050	132	100	100	16,451	16,550	268	193	193
3,551	3,650	36	36	36	10,051	10,150	134	101	101	16,551	16,650	272	195	195
3,651	3,750	37	37	37	10,151	10,250	136	102	102	16,651	16,750	276	197	197
3,751	3,850	38	38	38	10,251	10,350	138	103	103	16,751	16,850	280	199	199
3,851	3,950	39	39	39	10,351	10,450	140	104	104	16,851	16,950	284	201	201
3,951	4,050	40	40	40	10,451	10,550	142	105	105	16,951	17,050	288	203	203
4,051	4,150	41	41	41	10,551	10,650	144	106	106	17,051	17,150	292	205	205
4,151	4,250	42	42	42	10,651	10,750	146	107	107	17,151	17,250	296	207	207
4,251	4,350	43	43	43	10,751	10,850	148	108	108	17,251	17,350	300	209	209
4,351	4,450	44	44	44	10,851	10,950	150	109	109	17,351	17,450	304	211	211
4,451	4,550	45	45	45	10,951	11,050	152	110	110	17,451	17,550	308	213	213
4,551	4,650	46	46	46	11,051	11,150	154	111	111	17,551	17,650	312	215	215
4,651	4,750	47	47	47	11,151	11,250	156	112	112	17,651	17,750	316	217	217
4,751	4,850	48	48	48	11,251	11,350	158	113	113	17,751	17,850	320	219	219
4,851	4,950	49	49	49	11,351	11,450	160	114	114	17,851	17,950	324	221	221
4,951	5,050	50	50	50	11,451	11,550	162	115	115	17,951	18,050	328	223	223
5,051	5,150	51	51	51	11,551	11,650	164	116	116	18,051	18,150	332	225	225
5,151	5,250	52	52	52	11,651	11,750	166	117	117	18,151	18,250	336	227	227
5,251	5,350	53	53	53	11,751	11,850	168	118	118	18,251	18,350	340	229	229
5,351	5,450	54	54	54	11,851	11,950	170	119	119	18,351	18,450	344	231	231
5,451	5,550	55	55	55	11,951	12,050	172	120	120	18,451	18,550	348	233	233
5,551	5,650	56	56	56	12,051	12,150	174	121	121	18,551	18,650	352	235	235
5,651	5,750	57	57	57	12,151	12,250	176	122	122	18,651	18,750	356	237	237
5,751	5,850	58	58	58	12,251	12,350	178	123	123	18,751	18,850	360	239	239
5,851	5,950	59	59	59	12,351	12,450	180	124	124	18,851	18,950	364	241	241
5,951	6,050	60	60	60	12,451	12,550	182	125	125	18,951	19,050	368	243	243
6,051	6,150	61	61	61	12,551	12,650	184	126	126	19,051	19,150	372	245	245
6,151	6,250	62	62	62	12,651	12,750	186	127	127	19,151	19,250	376	247	247
6,251	6,350	63	63	63	12,751	12,850	188	128	128	19,251	19,350	380	249	249
6,351	6,450	64	64	64	12,851	12,950	190	129	129	19,351	19,450	384	251	251

Continued on next page.

# 2007 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	388	253	253	26,451	26,550	687	393	393	33,451	33,550	1,107	556	556
19,551	19,650	392	255	255	26,551	26,650	693	395	395	33,551	33,650	1,113	560	560
19,651	19,750	396	257	257	26,651	26,750	699	397	397	33,651	33,750	1,119	564	564
19,751	19,850	400	259	259	26,751	26,850	705	399	399	33,751	33,850	1,125	568	568
19,851	19,950	404	261	261	26,851	26,950	711	401	401	33,851	33,950	1,131	572	572
20,951	20,050	408	263	263	26,951	27,050	717	403	403	33,951	34,050	1,137	576	576
20,051	20,150	412	265	265	27,051	27,150	723	405	405	34,051	34,150	1,143	580	580
20,151	20,250	416	267	267	27,151	27,250	729	407	407	34,151	34,250	1,149	584	584
20,251	20,350	420	269	269	27,251	27,350	735	409	409	34,251	34,350	1,155	588	588
20,351	20,450	424	271	271	27,351	27,450	741	411	411	34,351	34,450	1,161	592	592
20,451	20,550	428	273	273	27,451	27,550	747	413	413	34,451	34,550	1,167	596	596
20,551	20,650	432	275	275	27,551	27,650	753	415	415	34,551	34,650	1,173	600	600
20,651	20,750	436	277	277	27,651	27,750	759	417	417	34,651	34,750	1,179	604	604
20,751	20,850	440	279	279	27,751	27,850	765	419	419	34,751	34,850	1,185	608	608
20,851	20,950	444	281	281	27,851	27,950	771	421	421	34,851	34,950	1,191	612	612
20,951	21,050	448	283	283	27,951	28,050	777	423	423	34,951	35,050	1,197	616	616
21,051	21,150	452	285	285	28,051	28,150	783	425	425	35,051	35,150	1,203	620	620
21,151	21,250	456	287	287	28,151	28,250	789	427	427	35,151	35,250	1,209	624	624
21,251	21,350	460	289	289	28,251	28,350	795	429	429	35,251	35,350	1,215	628	628
21,351	21,450	464	291	291	28,351	28,450	801	431	431	35,351	35,450	1,221	632	632
21,451	21,550	468	293	293	28,451	28,550	807	433	433	35,451	35,550	1,228	636	636
21,551	21,650	472	295	295	28,551	28,650	813	435	435	35,551	35,650	1,236	640	640
21,651	21,750	476	297	297	28,651	28,750	819	437	437	35,651	35,750	1,244	644	644
21,751	21,850	480	299	299	28,751	28,850	825	439	439	35,751	35,850	1,252	648	648
21,851	21,950	484	301	301	28,851	28,950	831	441	441	35,851	35,950	1,260	652	652
21,951	22,050	488	303	303	28,951	29,050	837	443	443	35,951	36,050	1,268	656	656
22,051	22,150	492	305	305	29,051	29,150	843	445	445	36,051	36,150	1,276	660	660
22,151	22,250	496	307	307	29,151	29,250	849	447	447	36,151	36,250	1,284	664	664
22,251	22,350	500	309	309	29,251	29,350	855	449	449	36,251	36,350	1,292	668	668
22,351	22,450	504	311	311	29,351	29,450	861	451	451	36,351	36,450	1,300	672	672
22,451	22,550	508	313	313	29,451	29,550	867	453	453	36,451	36,550	1,308	676	676
22,551	22,650	512	315	315	29,551	29,650	873	455	455	36,551	36,650	1,316	680	680
22,651	22,750	516	317	317	29,651	29,750	879	457	457	36,651	36,750	1,324	684	684
22,751	22,850	520	319	319	29,751	29,850	885	459	459	36,751	36,850	1,332	688	688
22,851	22,950	524	321	321	29,851	29,950	891	461	461	36,851	36,950	1,340	692	692
22,951	23,050	528	323	323	29,951	30,050	897	463	463	36,951	37,050	1,348	696	696
23,051	23,150	532	325	325	30,051	30,150	903	465	465	37,051	37,150	1,356	700	700
23,151	23,250	536	327	327	30,151	30,250	909	467	467	37,151	37,250	1,364	704	704
23,251	23,350	540	329	329	30,251	30,350	915	469	469	37,251	37,350	1,372	708	708
23,351	23,450	544	331	331	30,351	30,450	921	471	471	37,351	37,450	1,380	712	712
23,451	23,550	548	333	333	30,451	30,550	927	473	473	37,451	37,550	1,388	716	716
23,551	23,650	552	335	335	30,551	30,650	933	475	475	37,551	37,650	1,396	720	720
23,651	23,750	556	337	337	30,651	30,750	939	477	477	37,651	37,750	1,404	724	724
23,751	23,850	560	339	339	30,751	30,850	945	479	479	37,751	37,850	1,412	728	728
23,851	23,950	564	341	341	30,851	30,950	951	481	481	37,851	37,950	1,420	732	732
23,951	24,050	568	343	343	30,951	31,050	957	483	483	37,951	38,050	1,428	736	736
24,051	24,150	572	345	345	31,051	31,150	963	485	485	38,051	38,150	1,436	740	740
24,151	24,250	576	347	347	31,151	31,250	969	487	487	38,151	38,250	1,444	744	744
24,251	24,350	580	349	349	31,251	31,350	975	489	489	38,251	38,350	1,452	748	748
24,351	24,450	584	351	351	31,351	31,450	981	491	491	38,351	38,450	1,460	752	752
24,451	24,550	588	353	353	31,451	31,550	987	493	493	38,451	38,550	1,468	756	756
24,551	24,650	592	355	355	31,551	31,650	993	495	495	38,551	38,650	1,476	760	760
24,651	24,750	596	357	357	31,651	31,750	999	497	497	38,651	38,750	1,484	764	764
24,751	24,850	600	359	359	31,751	31,850	1,005	499	499	38,751	38,850	1,492	768	768
24,851	24,950	604	361	361	31,851	31,950	1,011	501	501	38,851	38,950	1,500	772	772
24,951	25,050	608	363	363	31,951	32,050	1,017	503	503	38,951	39,050	1,508	776	776
25,051	25,150	612	365	365	32,051	32,150	1,023	505	505	39,051	39,150	1,516	780	780
25,151	25,250	616	367	367	32,151	32,250	1,029	507	507	39,151	39,250	1,524	784	784
25,251	25,350	620	369	369	32,251	32,350	1,035	509	509	39,251	39,350	1,532	788	788
25,351	25,450	624	371	371	32,351	32,450	1,041	512	512	39,351	39,450	1,540	792	792
25,451	25,550	628	373	373	32,451	32,550	1,047	516	516	39,451	39,550	1,548	796	796
25,551	25,650	633	375	375	32,551	32,650	1,053	520	520	39,551	39,650	1,556	800	800
25,651	25,750	639	377	377	32,651	32,750	1,059	524	524	39,651	39,750	1,564	804	804
25,751	25,850	645	379	379	32,751	32,850	1,065	528	528	39,751	39,850	1,572	808	808
25,851	25,950	651	381	381	32,851	32,950	1,071	532	532	39,851	39,950	1,580	812	812
25,951	26,050	657	383	383	32,951	33,050	1,077	536	536	39,951	40,050	1,588	816	816
26,051	26,150	663	385	385	33,051	33,150	1,083	540	540	40,051	40,150	1,596	820	820
26,151	26,250	669	387	387	33,151	33,250	1,089	544	544	40,151	40,250	1,604	824	824
26,251	26,350	675	389	389	33,251	33,350	1,095	548	548	40,251	40,350	1,612	828	828
26,351	26,450	681	391	391	33,351	33,450	1,101	552	552	40,351	40,450	1,620	832	832

Continued on next page.

# 2007 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	1,628	836	836	47,451	47,550	2,223	1,116	1,231	54,451	54,550	2,874	1,464	1,709
40,551	40,650	1,636	840	840	47,551	47,650	2,232	1,120	1,237	54,551	54,650	2,883	1,470	1,717
40,651	40,750	1,644	844	844	47,651	47,750	2,241	1,124	1,243	54,651	54,750	2,892	1,476	1,725
40,751	40,850	1,652	848	848	47,751	47,850	2,251	1,128	1,249	54,751	54,850	2,902	1,482	1,733
40,851	40,950	1,660	852	852	47,851	47,950	2,260	1,132	1,255	54,851	54,950	2,911	1,488	1,741
40,951	41,050	1,668	856	856	47,951	48,050	2,269	1,136	1,261	54,951	55,050	2,920	1,494	1,749
41,051	41,150	1,676	860	860	48,051	48,150	2,279	1,140	1,267	55,051	55,150	2,930	1,500	1,757
41,151	41,250	1,684	864	864	48,151	48,250	2,288	1,144	1,273	55,151	55,250	2,939	1,506	1,765
41,251	41,350	1,692	868	868	48,251	48,350	2,297	1,148	1,279	55,251	55,350	2,948	1,512	1,773
41,351	41,450	1,700	872	872	48,351	48,450	2,307	1,152	1,285	55,351	55,450	2,958	1,518	1,781
41,451	41,550	1,708	876	876	48,451	48,550	2,316	1,156	1,291	55,451	55,550	2,967	1,524	1,789
41,551	41,650	1,716	880	880	48,551	48,650	2,325	1,160	1,297	55,551	55,650	2,976	1,530	1,797
41,651	41,750	1,724	884	884	48,651	48,750	2,334	1,164	1,303	55,651	55,750	2,985	1,536	1,805
41,751	41,850	1,732	888	889	48,751	48,850	2,344	1,168	1,309	55,751	55,850	2,995	1,542	1,813
41,851	41,950	1,740	892	895	48,851	48,950	2,353	1,172	1,315	55,851	55,950	3,004	1,548	1,821
41,951	42,050	1,748	896	901	48,951	49,050	2,362	1,176	1,321	55,951	56,050	3,013	1,554	1,829
42,051	42,150	1,756	900	907	49,051	49,150	2,372	1,180	1,327	56,051	56,150	3,023	1,560	1,837
42,151	42,250	1,764	904	913	49,151	49,250	2,381	1,184	1,333	56,151	56,250	3,032	1,566	1,845
42,251	42,350	1,772	908	919	49,251	49,350	2,390	1,188	1,339	56,251	56,350	3,041	1,572	1,853
42,351	42,450	1,780	912	925	49,351	49,450	2,400	1,192	1,345	56,351	56,450	3,051	1,578	1,861
42,451	42,550	1,788	916	931	49,451	49,550	2,409	1,196	1,351	56,451	56,550	3,060	1,584	1,869
42,551	42,650	1,796	920	937	49,551	49,650	2,418	1,200	1,357	56,551	56,650	3,069	1,590	1,877
42,651	42,750	1,804	924	943	49,651	49,750	2,427	1,204	1,363	56,651	56,750	3,078	1,596	1,885
42,751	42,850	1,812	928	949	49,751	49,850	2,437	1,208	1,369	56,751	56,850	3,088	1,602	1,893
42,851	42,950	1,820	932	955	49,851	49,950	2,446	1,212	1,375	56,851	56,950	3,097	1,608	1,901
42,951	43,050	1,828	936	961	49,951	50,050	2,455	1,216	1,381	56,951	57,050	3,106	1,614	1,909
43,051	43,150	1,836	940	967	50,051	50,150	2,465	1,220	1,387	57,051	57,150	3,116	1,620	1,917
43,151	43,250	1,844	944	973	50,151	50,250	2,474	1,224	1,393	57,151	57,250	3,125	1,626	1,925
43,251	43,350	1,852	948	979	50,251	50,350	2,483	1,228	1,399	57,251	57,350	3,134	1,632	1,933
43,351	43,450	1,860	952	985	50,351	50,450	2,493	1,232	1,405	57,351	57,450	3,144	1,638	1,941
43,451	43,550	1,868	956	991	50,451	50,550	2,502	1,236	1,411	57,451	57,550	3,153	1,644	1,949
43,551	43,650	1,876	960	997	50,551	50,650	2,511	1,240	1,417	57,551	57,650	3,162	1,650	1,957
43,651	43,750	1,884	964	1,003	50,651	50,750	2,520	1,244	1,423	57,651	57,750	3,171	1,656	1,965
43,751	43,850	1,892	968	1,009	50,751	50,850	2,530	1,248	1,429	57,751	57,850	3,181	1,662	1,973
43,851	43,950	1,900	972	1,015	50,851	50,950	2,539	1,252	1,435	57,851	57,950	3,190	1,668	1,981
43,951	44,050	1,908	976	1,021	50,951	51,050	2,548	1,256	1,441	57,951	58,050	3,199	1,674	1,989
44,051	44,150	1,916	980	1,027	51,051	51,150	2,558	1,260	1,447	58,051	58,150	3,209	1,680	1,997
44,151	44,250	1,924	984	1,033	51,151	51,250	2,567	1,266	1,453	58,151	58,250	3,218	1,686	2,005
44,251	44,350	1,932	988	1,039	51,251	51,350	2,576	1,272	1,459	58,251	58,350	3,227	1,692	2,013
44,351	44,450	1,940	992	1,045	51,351	51,450	2,586	1,278	1,465	58,351	58,450	3,237	1,698	2,021
44,451	44,550	1,948	996	1,051	51,451	51,550	2,595	1,284	1,471	58,451	58,550	3,246	1,704	2,029
44,551	44,650	1,956	1,000	1,057	51,551	51,650	2,604	1,290	1,477	58,551	58,650	3,255	1,710	2,037
44,651	44,750	1,964	1,004	1,063	51,651	51,750	2,613	1,296	1,483	58,651	58,750	3,264	1,716	2,045
44,751	44,850	1,972	1,008	1,069	51,751	51,850	2,623	1,302	1,489	58,751	58,850	3,274	1,722	2,053
44,851	44,950	1,981	1,012	1,075	51,851	51,950	2,632	1,308	1,501	58,851	58,950	3,283	1,728	2,061
44,951	45,050	1,990	1,016	1,081	51,951	52,050	2,641	1,314	1,509	58,951	59,050	3,292	1,734	2,069
45,051	45,150	2,000	1,020	1,087	52,051	52,150	2,651	1,320	1,517	59,051	59,150	3,302	1,740	2,077
45,151	45,250	2,009	1,024	1,093	52,151	52,250	2,660	1,326	1,525	59,151	59,250	3,311	1,746	2,085
45,251	45,350	2,018	1,028	1,099	52,251	52,350	2,669	1,332	1,533	59,251	59,350	3,320	1,752	2,093
45,351	45,450	2,028	1,032	1,105	52,351	52,450	2,679	1,338	1,541	59,351	59,450	3,330	1,758	2,101
45,451	45,550	2,037	1,036	1,111	52,451	52,550	2,688	1,344	1,549	59,451	59,550	3,339	1,764	2,109
45,551	45,650	2,046	1,040	1,117	52,551	52,650	2,697	1,350	1,557	59,551	59,650	3,348	1,770	2,117
45,651	45,750	2,055	1,044	1,123	52,651	52,750	2,706	1,356	1,565	59,651	59,750	3,357	1,776	2,125
45,751	45,850	2,065	1,048	1,129	52,751	52,850	2,716	1,362	1,573	59,751	59,850	3,367	1,782	2,133
45,851	45,950	2,074	1,052	1,135	52,851	52,950	2,725	1,368	1,581	59,851	59,950	3,376	1,788	2,141
45,951	46,050	2,083	1,056	1,141	52,951	53,050	2,734	1,374	1,589	59,951	60,050	3,385	1,794	2,149
46,051	46,150	2,093	1,060	1,147	53,051	53,150	2,744	1,380	1,597	60,051	60,150	3,395	1,800	2,157
46,151	46,250	2,102	1,064	1,153	53,151	53,250	2,753	1,386	1,605	60,151	60,250	3,404	1,806	2,165
46,251	46,350	2,111	1,068	1,159	53,251	53,350	2,762	1,392	1,613	60,251	60,350	3,413	1,812	2,173
46,351	46,450	2,121	1,072	1,165	53,351	53,450	2,772	1,398	1,621	60,351	60,450	3,423	1,818	2,181
46,451	46,550	2,130	1,076	1,171	53,451	53,550	2,781	1,404	1,629	60,451	60,550	3,432	1,824	2,189
46,551	46,650	2,139	1,080	1,177	53,551	53,650	2,790	1,410	1,637	60,551	60,650	3,441	1,830	2,197
46,651	46,750	2,148	1,084	1,183	53,651	53,750	2,799	1,416	1,645	60,651	60,750	3,450	1,836	2,205
46,751	46,850	2,158	1,088	1,189	53,751	53,850	2,809	1,422	1,653	60,751	60,850	3,460	1,842	2,213
46,851	46,950	2,167	1,092	1,195	53,851	53,950	2,818	1,428	1,661	60,851	60,950	3,469	1,848	2,221
46,951	47,050	2,176	1,096	1,201	53,951	54,050	2,827	1,434	1,669	60,951	61,050	3,478	1,854	2,229
47,051	47,150	2,186	1,100	1,207	54,051	54,150	2,837	1,440	1,677	61,051	61,150	3,488	1,860	2,238
47,151	47,250	2,195	1,104	1,213	54,151	54,250	2,846	1,446	1,685	61,151	61,250	3,497	1,866	2,247
47,251	47,350	2,204	1,108	1,219	54,251	54,350	2,855	1,452	1,693	61,251	61,350	3,506	1,872	2,256
47,351	47,450	2,214	1,112	1,225	54,351	54,450	2,865	1,458	1,701	61,351	61,450	3,516	1,878	2,266

Continued on next page.

# 2007 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	3,525	1,884	2,275	68,451	68,550	4,176	2,304	2,926	75,451	75,550	4,827	2,816	3,577
61,551	61,650	3,534	1,890	2,284	68,551	68,650	4,185	2,310	2,935	75,551	75,650	4,836	2,824	3,586
61,651	61,750	3,543	1,896	2,294	68,651	68,750	4,194	2,316	2,945	75,651	75,750	4,845	2,832	3,596
61,751	61,850	3,553	1,902	2,303	68,751	68,850	4,204	2,322	2,954	75,751	75,850	4,855	2,840	3,605
61,851	61,950	3,562	1,908	2,312	68,851	68,950	4,213	2,328	2,963	75,851	75,950	4,864	2,848	3,614
61,951	62,050	3,571	1,914	2,322	68,951	69,050	4,222	2,334	2,973	75,951	76,050	4,873	2,856	3,624
62,051	62,150	3,581	1,920	2,331	69,051	69,150	4,232	2,340	2,982	76,051	76,150	4,883	2,864	3,633
62,151	62,250	3,590	1,926	2,340	69,151	69,250	4,241	2,346	2,991	76,151	76,250	4,892	2,872	3,642
62,251	62,350	3,599	1,932	2,349	69,251	69,350	4,250	2,352	3,000	76,251	76,350	4,901	2,880	3,651
62,351	62,450	3,609	1,938	2,359	69,351	69,450	4,260	2,358	3,010	76,351	76,450	4,911	2,888	3,661
62,451	62,550	3,618	1,944	2,368	69,451	69,550	4,269	2,364	3,019	76,451	76,550	4,920	2,896	3,670
62,551	62,650	3,627	1,950	2,377	69,551	69,650	4,278	2,370	3,028	76,551	76,650	4,929	2,904	3,679
62,651	62,750	3,636	1,956	2,387	69,651	69,750	4,287	2,376	3,038	76,651	76,750	4,938	2,912	3,689
62,751	62,850	3,646	1,962	2,396	69,751	69,850	4,297	2,382	3,047	76,751	76,850	4,948	2,920	3,698
62,851	62,950	3,655	1,968	2,405	69,851	69,950	4,306	2,388	3,056	76,851	76,950	4,957	2,928	3,707
62,951	63,050	3,664	1,974	2,415	69,951	70,050	4,315	2,394	3,066	76,951	77,050	4,966	2,936	3,717
63,051	63,150	3,674	1,980	2,424	70,051	70,150	4,325	2,400	3,075	77,051	77,150	4,976	2,944	3,726
63,151	63,250	3,683	1,986	2,433	70,151	70,250	4,334	2,406	3,084	77,151	77,250	4,985	2,952	3,735
63,251	63,350	3,692	1,992	2,442	70,251	70,350	4,343	2,412	3,093	77,251	77,350	4,994	2,960	3,744
63,351	63,450	3,702	1,998	2,452	70,351	70,450	4,353	2,418	3,103	77,351	77,450	5,004	2,968	3,754
63,451	63,550	3,711	2,004	2,461	70,451	70,550	4,362	2,424	3,112	77,451	77,550	5,013	2,976	3,763
63,551	63,650	3,720	2,010	2,470	70,551	70,650	4,371	2,430	3,121	77,551	77,650	5,022	2,984	3,772
63,651	63,750	3,729	2,016	2,480	70,651	70,750	4,380	2,436	3,131	77,651	77,750	5,031	2,992	3,782
63,751	63,850	3,739	2,022	2,489	70,751	70,850	4,390	2,442	3,140	77,751	77,850	5,041	3,000	3,791
63,851	63,950	3,748	2,028	2,498	70,851	70,950	4,399	2,448	3,149	77,851	77,950	5,050	3,008	3,800
63,951	64,050	3,757	2,034	2,508	70,951	71,050	4,408	2,456	3,159	77,951	78,050	5,059	3,016	3,810
64,051	64,150	3,767	2,040	2,517	71,051	71,150	4,418	2,464	3,168	78,051	78,150	5,069	3,024	3,819
64,151	64,250	3,776	2,046	2,526	71,151	71,250	4,427	2,472	3,177	78,151	78,250	5,078	3,032	3,828
64,251	64,350	3,785	2,052	2,535	71,251	71,350	4,436	2,480	3,186	78,251	78,350	5,087	3,040	3,837
64,351	64,450	3,795	2,058	2,545	71,351	71,450	4,446	2,488	3,196	78,351	78,450	5,097	3,048	3,847
64,451	64,550	3,804	2,064	2,554	71,451	71,550	4,455	2,496	3,205	78,451	78,550	5,106	3,056	3,856
64,551	64,650	3,813	2,070	2,563	71,551	71,650	4,464	2,504	3,214	78,551	78,650	5,115	3,064	3,865
64,651	64,750	3,822	2,076	2,573	71,651	71,750	4,473	2,512	3,224	78,651	78,750	5,124	3,072	3,875
64,751	64,850	3,832	2,082	2,582	71,751	71,850	4,483	2,520	3,233	78,751	78,850	5,134	3,080	3,884
64,851	64,950	3,841	2,088	2,591	71,851	71,950	4,492	2,528	3,242	78,851	78,950	5,143	3,088	3,893
64,951	65,050	3,850	2,094	2,601	71,951	72,050	4,501	2,536	3,252	78,951	79,050	5,152	3,096	3,903
65,051	65,150	3,860	2,100	2,610	72,051	72,150	4,511	2,544	3,261	79,051	79,150	5,162	3,104	3,912
65,151	65,250	3,869	2,106	2,619	72,151	72,250	4,520	2,552	3,270	79,151	79,250	5,171	3,112	3,921
65,251	65,350	3,878	2,112	2,628	72,251	72,350	4,529	2,560	3,279	79,251	79,350	5,180	3,120	3,930
65,351	65,450	3,888	2,118	2,638	72,351	72,450	4,539	2,568	3,289	79,351	79,450	5,190	3,128	3,940
65,451	65,550	3,897	2,124	2,647	72,451	72,550	4,548	2,576	3,298	79,451	79,550	5,199	3,136	3,949
65,551	65,650	3,906	2,130	2,656	72,551	72,650	4,557	2,584	3,307	79,551	79,650	5,208	3,144	3,958
65,651	65,750	3,915	2,136	2,666	72,651	72,750	4,566	2,592	3,317	79,651	79,750	5,217	3,152	3,968
65,751	65,850	3,925	2,142	2,675	72,751	72,850	4,576	2,600	3,326	79,751	79,850	5,227	3,160	3,977
65,851	65,950	3,934	2,148	2,684	72,851	72,950	4,585	2,608	3,335	79,851	79,950	5,236	3,168	3,986
65,951	66,050	3,943	2,154	2,694	72,951	73,050	4,594	2,616	3,345	79,951	80,050	5,245	3,176	3,996
66,051	66,150	3,953	2,160	2,703	73,051	73,150	4,604	2,624	3,354	80,051	80,150	5,255	3,184	4,005
66,151	66,250	3,962	2,166	2,712	73,151	73,250	4,613	2,632	3,363	80,151	80,250	5,264	3,192	4,014
66,251	66,350	3,971	2,172	2,721	73,251	73,350	4,622	2,640	3,372	80,251	80,350	5,273	3,200	4,023
66,351	66,450	3,981	2,178	2,731	73,351	73,450	4,632	2,648	3,382	80,351	80,450	5,283	3,208	4,033
66,451	66,550	3,990	2,184	2,740	73,451	73,550	4,641	2,656	3,391	80,451	80,550	5,292	3,216	4,042
66,551	66,650	3,999	2,190	2,749	73,551	73,650	4,650	2,664	3,400	80,551	80,650	5,301	3,224	4,051
66,651	66,750	4,008	2,196	2,759	73,651	73,750	4,659	2,672	3,410	80,651	80,750	5,310	3,232	4,061
66,751	66,850	4,018	2,202	2,768	73,751	73,850	4,669	2,680	3,419	80,751	80,850	5,320	3,240	4,070
66,851	66,950	4,027	2,208	2,777	73,851	73,950	4,678	2,688	3,428	80,851	80,950	5,329	3,248	4,079
66,951	67,050	4,036	2,214	2,787	73,951	74,050	4,687	2,696	3,438	80,951	81,050	5,338	3,256	4,089
67,051	67,150	4,046	2,220	2,796	74,051	74,150	4,697	2,704	3,447	81,051	81,150	5,348	3,264	4,098
67,151	67,250	4,055	2,226	2,805	74,151	74,250	4,706	2,712	3,456	81,151	81,250	5,357	3,272	4,107
67,251	67,350	4,064	2,232	2,814	74,251	74,350	4,715	2,720	3,465	81,251	81,350	5,366	3,280	4,116
67,351	67,450	4,074	2,238	2,824	74,351	74,450	4,725	2,728	3,475	81,351	81,450	5,376	3,288	4,126
67,451	67,550	4,083	2,244	2,833	74,451	74,550	4,734	2,736	3,484	81,451	81,550	5,385	3,296	4,135
67,551	67,650	4,092	2,250	2,842	74,551	74,650	4,743	2,744	3,493	81,551	81,650	5,394	3,304	4,144
67,651	67,750	4,101	2,256	2,852	74,651	74,750	4,752	2,752	3,503	81,651	81,750	5,403	3,312	4,154
67,751	67,850	4,111	2,262	2,861	74,751	74,850	4,762	2,760	3,512	81,751	81,850	5,413	3,320	4,163
67,851	67,950	4,120	2,268	2,870	74,851	74,950	4,771	2,768	3,521	81,851	81,950	5,422	3,328	4,172
67,951	68,050	4,129	2,274	2,880	74,951	75,050	4,780	2,776	3,531	81,951	82,050	5,431	3,336	4,182
68,051	68,150	4,139	2,280	2,889	75,051	75,150	4,790	2,784	3,540	82,051	82,150	5,441	3,344	4,191
68,151	68,250	4,148	2,286	2,898	75,151	75,250	4,799	2,792	3,549	82,151	82,250	5,450	3,352	4,200
68,251	68,350	4,157	2,292	2,907	75,251	75,350	4,808	2,800	3,558	82,251	82,350	5,459	3,360	4,209
68,351	68,450	4,167	2,298	2,917	75,351	75,450	4,818	2,808	3,568	82,351	82,450	5,469	3,368	4,219

Continued on next page.

# 2007 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	5,478	3,376	4,228	88,951	89,050	6,082	3,896	4,833	95,451	95,550	6,687	4,492	5,437
82,551	82,650	5,487	3,384	4,237	89,051	89,150	6,092	3,904	4,842	95,551	95,650	6,696	4,502	5,446
82,651	82,750	5,496	3,392	4,247	89,151	89,250	6,101	3,912	4,851	95,651	95,750	6,705	4,511	5,456
82,751	82,850	5,506	3,400	4,256	89,251	89,350	6,110	3,920	4,860	95,751	95,850	6,715	4,520	5,465
82,851	82,950	5,515	3,408	4,265	89,351	89,450	6,120	3,928	4,870	95,851	95,950	6,724	4,529	5,474
82,951	83,050	5,524	3,416	4,275	89,451	89,550	6,129	3,936	4,879	95,951	96,050	6,733	4,539	5,484
83,051	83,150	5,534	3,424	4,284	89,551	89,650	6,138	3,944	4,888	96,051	96,150	6,743	4,548	5,493
83,151	83,250	5,543	3,432	4,293	89,651	89,750	6,147	3,953	4,898	96,151	96,250	6,752	4,557	5,502
83,251	83,350	5,552	3,440	4,302	89,751	89,850	6,157	3,962	4,907	96,251	96,350	6,761	4,567	5,511
83,351	83,450	5,562	3,448	4,312	89,851	89,950	6,166	3,971	4,916	96,351	96,450	6,771	4,576	5,521
83,451	83,550	5,571	3,456	4,321	89,951	90,050	6,175	3,981	4,926	96,451	96,550	6,780	4,585	5,530
83,551	83,650	5,580	3,464	4,330	90,051	90,150	6,185	3,990	4,935	96,551	96,650	6,789	4,595	5,539
83,651	83,750	5,589	3,472	4,340	90,151	90,250	6,194	3,999	4,944	96,651	96,750	6,798	4,604	5,549
83,751	83,850	5,599	3,480	4,349	90,251	90,350	6,203	4,009	4,953	96,751	96,850	6,808	4,613	5,558
83,851	83,950	5,608	3,488	4,358	90,351	90,450	6,213	4,018	4,963	96,851	96,950	6,817	4,622	5,567
83,951	84,050	5,617	3,496	4,368	90,451	90,550	6,222	4,027	4,972	96,951	97,050	6,826	4,632	5,577
84,051	84,150	5,627	3,504	4,377	90,551	90,650	6,231	4,037	4,981	97,051	97,150	6,836	4,641	5,586
84,151	84,250	5,636	3,512	4,386	90,651	90,750	6,240	4,046	4,991	97,151	97,250	6,845	4,650	5,595
84,251	84,350	5,645	3,520	4,395	90,751	90,850	6,250	4,055	5,000	97,251	97,350	6,854	4,660	5,604
84,351	84,450	5,655	3,528	4,405	90,851	90,950	6,259	4,064	5,009	97,351	97,450	6,864	4,669	5,614
84,451	84,550	5,664	3,536	4,414	90,951	91,050	6,268	4,074	5,019	97,451	97,550	6,873	4,678	5,623
84,551	84,650	5,673	3,544	4,423	91,051	91,150	6,278	4,083	5,028	97,551	97,650	6,882	4,688	5,632
84,651	84,750	5,682	3,552	4,433	91,151	91,250	6,287	4,092	5,037	97,651	97,750	6,891	4,697	5,642
84,751	84,850	5,692	3,560	4,442	91,251	91,350	6,296	4,102	5,046	97,751	97,850	6,901	4,706	5,651
84,851	84,950	5,701	3,568	4,451	91,351	91,450	6,306	4,111	5,056	97,851	97,950	6,910	4,715	5,660
84,951	85,050	5,710	3,576	4,461	91,451	91,550	6,315	4,120	5,065	97,951	98,050	6,919	4,725	5,670
85,051	85,150	5,720	3,584	4,470	91,551	91,650	6,324	4,130	5,074	98,051	98,150	6,929	4,734	5,679
85,151	85,250	5,729	3,592	4,479	91,651	91,750	6,333	4,139	5,084	98,151	98,250	6,938	4,743	5,688
85,251	85,350	5,738	3,600	4,488	91,751	91,850	6,343	4,148	5,093	98,251	98,350	6,947	4,753	5,697
85,351	85,450	5,748	3,608	4,498	91,851	91,950	6,352	4,157	5,102	98,351	98,450	6,957	4,762	5,707
85,451	85,550	5,757	3,616	4,507	91,951	92,050	6,361	4,167	5,112	98,451	98,550	6,966	4,771	5,716
85,551	85,650	5,766	3,624	4,516	92,051	92,150	6,371	4,176	5,121	98,551	98,650	6,975	4,781	5,725
85,651	85,750	5,775	3,632	4,526	92,151	92,250	6,380	4,185	5,130	98,651	98,750	6,984	4,790	5,735
85,751	85,850	5,785	3,640	4,535	92,251	92,350	6,389	4,195	5,139	98,751	98,850	6,994	4,799	5,744
85,851	85,950	5,794	3,648	4,544	92,351	92,450	6,399	4,204	5,149	98,851	98,950	7,003	4,808	5,753
85,951	86,050	5,803	3,656	4,554	92,451	92,550	6,408	4,213	5,158	98,951	99,050	7,012	4,818	5,763
86,051	86,150	5,813	3,664	4,563	92,551	92,650	6,417	4,223	5,167	99,051	99,150	7,022	4,827	5,772
86,151	86,250	5,822	3,672	4,572	92,651	92,750	6,426	4,232	5,177	99,151	99,250	7,031	4,836	5,781
86,251	86,350	5,831	3,680	4,581	92,751	92,850	6,436	4,241	5,186	99,251	99,350	7,040	4,846	5,790
86,351	86,450	5,841	3,688	4,591	92,851	92,950	6,445	4,250	5,195	99,351	99,450	7,050	4,855	5,800
86,451	86,550	5,850	3,696	4,600	92,951	93,050	6,454	4,260	5,205	99,451	99,550	7,059	4,864	5,809
86,551	86,650	5,859	3,704	4,609	93,051	93,150	6,464	4,269	5,214	99,551	99,650	7,068	4,874	5,818
86,651	86,750	5,868	3,712	4,619	93,151	93,250	6,473	4,278	5,223	99,651	99,750	7,077	4,883	5,828
86,751	86,850	5,878	3,720	4,628	93,251	93,350	6,482	4,288	5,232	99,751	99,850	7,087	4,892	5,837
86,851	86,950	5,887	3,728	4,637	93,351	93,450	6,492	4,297	5,242	99,851	99,950	7,096	4,901	5,846
86,951	87,050	5,896	3,736	4,647	93,451	93,550	6,501	4,306	5,251	99,951	100,000	7,103	4,908	5,853
87,051	87,150	5,906	3,744	4,656	93,551	93,650	6,510	4,316	5,260	IF YOUR TAXABLE INCOME IS OVER \$100,000 YOU MUST COMPUTE YOUR TAX USING THE TAX RATE SCHEDULES.				
87,151	87,250	5,915	3,752	4,665	93,651	93,750	6,519	4,325	5,270					
87,251	87,350	5,924	3,760	4,674	93,751	93,850	6,529	4,334	5,279					
87,351	87,450	5,934	3,768	4,684	93,851	93,950	6,538	4,343	5,288					
87,451	87,550	5,943	3,776	4,693	93,951	94,050	6,547	4,353	5,298					
87,551	87,650	5,952	3,784	4,702	94,051	94,150	6,557	4,362	5,307					
87,651	87,750	5,961	3,792	4,712	94,151	94,250	6,566	4,371	5,316					
87,751	87,850	5,971	3,800	4,721	94,251	94,350	6,575	4,381	5,325					
87,851	87,950	5,980	3,808	4,730	94,351	94,450	6,585	4,390	5,335					
87,951	88,050	5,989	3,816	4,740	94,451	94,550	6,594	4,399	5,344					
88,051	88,150	5,999	3,824	4,749	94,551	94,650	6,603	4,409	5,353					
88,151	88,250	6,008	3,832	4,758	94,651	94,750	6,612	4,418	5,363					
88,251	88,350	6,017	3,840	4,767	94,751	94,850	6,622	4,427	5,372					
88,351	88,450	6,027	3,848	4,777	94,851	94,950	6,631	4,436	5,381					
88,451	88,550	6,036	3,856	4,786	94,951	95,050	6,640	4,446	5,391					
88,551	88,650	6,045	3,864	4,795	95,051	95,150	6,650	4,455	5,400					
88,651	88,750	6,054	3,872	4,805	95,151	95,250	6,659	4,464	5,409					
88,751	88,850	6,064	3,880	4,814	95,251	95,350	6,668	4,474	5,418					
88,851	88,950	6,073	3,888	4,823	95,351	95,450	6,678	4,483	5,428					

# 2007 California Tax Rate Schedules



Go to [www.ftb.ca.gov](http://www.ftb.ca.gov) to e-file and eliminate the math. Or search our Website for **tax calculator** to use the online tax calculator to figure your tax.

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	\$ 6,827	\$ 0.00	+ 1.0%	\$ 0.00	
6,827	16,185	68.27	+ 2.0%	6,827	
16,185	25,544	255.43	+ 4.0%	16,185	
25,544	35,460	629.79	+ 6.0%	25,544	
35,460	44,814	1,224.75	+ 8.0%	35,460	
44,814	AND OVER	1,973.07	+ 9.3%	44,814	

## 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	\$ 13,654	\$ 0.00	+ 1.0%	\$ 0.00	
13,654	32,370	136.54	+ 2.0%	13,654	
32,370	51,088	510.86	+ 4.0%	32,370	
51,088	70,920	1,259.58	+ 6.0%	51,088	
70,920	89,628	2,449.50	+ 8.0%	70,920	
89,628	AND OVER	3,946.14	+ 9.3%	89,628	

## Schedule Z -

Use if your filing status is  
**Head of Household**

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	\$ 13,662	\$ 0.00	+ 1.0%	\$ 0.00	
13,662	32,370	136.62	+ 2.0%	13,662	
32,370	41,728	510.78	+ 4.0%	32,370	
41,728	51,643	885.10	+ 6.0%	41,728	
51,643	61,000	1,480.00	+ 8.0%	51,643	
61,000	AND OVER	2,228.56	+ 9.3%	61,000	

## How to Figure Tax Using the 2007 California Tax Rate Schedules

**Example:** John and Jackie 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.

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	\$ 13,654	\$ 0.00	+ 1.0%	\$ 0.00	
13,654	32,370	136.54	+ 2.0%	13,654	
32,370	51,088	510.86	+ 4.0%	32,370	
51,088	70,920	1,259.58	+ 6.0%	51,088	
70,920	89,628	2,449.50	+ 8.0%	70,920	
<b>89,628</b>	<b>AND OVER</b>	<b>3,946.14</b>	<b>+ 9.3%</b>	<b>89,628</b>	

	<b>Example</b>	<b>Your Income</b>
<b>Step 2:</b> They subtract the amount at the beginning of their range from their taxable income.	\$125,000 - 89,628 \$ 35,372	\$ - \$
<b>Step 3:</b> They multiply the result from Step 2 by the percentage for their range.	\$35,372 x .093 \$3,289.59	\$ x \$
<b>Step 4:</b> 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 \$7,236 on Long Form 540NR, line 20. For information on rounding, see "Filing in your return" on page 15.	\$3,946.14 + 3,289.59 \$7,235.73	\$ + \$

2007

Wage and Withholding Summary

W-2

Important: Attach this schedule directly behind Side 2 of your 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 table with fields: 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 table with fields: 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 table with fields: 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 table with fields: 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 table with fields: 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 table with fields: 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 table with fields: 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 table with fields: 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; Form 540, Form 540A, or Form 540NR (Long or Short), line 12. If completing Form 540X, report any W-2 income on line a, Column B, that was not reported on the original tax return.) \$

# 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 57 below. The amount you contribute either reduces your overpaid tax or increases your tax due. You may contribute to only the funds listed and cannot change the amount you contribute after you file your return. Go to our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov) and search for **voluntary contributions**.

Enter the amounts you want to contribute on the line for the fund on Side 2. Enter the total contributions on line 68.

Fund Name	Code	Description
California Seniors Special Fund	57	If you and/or your spouse/RDP are 65 years of age or older as of December 31, 2007, and claim the Senior Exemption Credit on line 9, you may make a combined total contribution of up to \$188 or \$94 per spouse/RDP. Contributions entered 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.
Alzheimer's Disease/Related Disorders Fund	58	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 care giving. 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.
California Fund for Senior Citizens	59	Contributions will provide support for the California Senior Legislature (CSL). The CSL are volunteers who prioritize statewide senior related legislative proposals in areas of health, housing, transportation, and community services. Any excess contributions not required by the CSL will be distributed to senior citizen service organizations throughout California.
Rare and Endangered Species Preservation Program	60	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.
State Children's Trust Fund for the Prevention of Child Abuse	61	Contributions will be used to fund programs for the prevention, intervention, and treatment of child abuse and neglect.
California Breast Cancer Research Fund	62	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, please see our Website at <a href="http://www.cbcrp.org">www.cbcrp.org</a> . Your contribution can help make breast cancer a disease of the past.
California Firefighters' Memorial Fund	63	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.
Emergency Food Assistance Program Fund	64	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.
California Peace Officer Memorial Foundation Fund	65	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.
California Military Family Relief Fund	66	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.
California Sea Otter Fund	67	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.

# Nonrefundable Renter's Credit Qualification Record



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 [www.ftb.ca.gov](http://www.ftb.ca.gov).

If you were a resident of California for at least six months in 2007 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, Tax Information for Registered Domestic Partners. **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 2007?**

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 2007, 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:**

- \$33,272 or less if single or married/RDP filing separately
- \$66,544 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 2007, 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 2007?**

**NO.** Go to question 6. **YES.** Go to question 5.

**5. For more than half the year in 2007, 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 2007?**

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 2007?**

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.** Stop here. You do not qualify for this credit.

**8. Were you single in 2007?**

**YES.** Go to question 11. **NO.** Go to question 9.

**9. Did your spouse/RDP claim the homeowner's property tax exemption anytime during 2007?**

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.** Go to question 10.

**10. Did you and your spouse/RDP maintain separate residences for the entire year in 2007?**

**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 2007. Enter the amount on the line below. If married/RDP filing jointly and one spouse/RDP claimed the homeowner's property tax exemption, 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		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 19 for Long Form 540NR.

Street Address

City, State, and ZIP Code

Dates Rented in 2007 (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

e-file at [www.ftb.ca.gov](http://www.ftb.ca.gov)

Credit Name	Code	Description
Child Adoption – Worksheet on page 19	197	50% of qualified costs in the year an adoption is ordered
Child and Dependent Care Expenses – FTB 3506 See the instructions on page 20	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 <a href="http://www.insurance.ca.gov">www.insurance.ca.gov</a>
Dependent Parent – Worksheet on page 19	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 <a href="http://www.treasurer.ca.gov">www.treasurer.ca.gov</a>
Joint Custody Head of Household – Worksheet on page 18	170	30% of tax up to \$374 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 LAMBRA
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 37	None	For California residents who paid rent for their principal residence for at least 6 months in 2007 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 2007
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
Rice Straw – Certification required	206	\$15 per ton of purchased rice straw grown in California Obtain certification from: Rice Straw Tax Credit Program, Department of Food and Agriculture, 1220 N Street, Room 140, Sacramento, CA 95814 or go to <a href="http://www.cdfa.ca.gov">www.cdfa.ca.gov</a>
Senior Head of Household – Worksheet on page 18	163	2% of taxable income up to \$1,146 for seniors who qualified for head of household in 2005 or 2006 and whose qualifying individual died during 2005 or 2006
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), 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 58.

Agricultural Products	175	Los Angeles Revitalization Zone (LARZ)	Salmon & Steelhead Trout Habitat
Commercial Solar Electric System	196	Hiring & Sales or Use Tax	Restoration
Commercial Solar Energy	181	Low-Emission Vehicles	Solar Energy
Employee Ridesharing	194	Manufacturers' Investment	Solar Pump
Employer Ridesharing: Large employer	191	Orphan Drug	Solar or Wind Energy System
Small employer	192	Political Contributions	Water Conservation
Transit passes	193	Recycling Equipment	Young Infant
Energy Conservation	182	Residential Rental & Farm Sales	
Joint Strike Fighter Wages	215	Ridesharing	
Joint Strike Fighter Property Cost	216		

# 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

### Registered Domestic Partners (RDP)

Effective for taxable years beginning on or after January 1, 2007, 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 will have the same legal benefits, protections, and responsibilities as married couples unless otherwise specified.

If you are a domestic partner who has registered with the California Secretary of State, effective for taxable years beginning on or after January 1, 2007, you must file a California nonresident income tax return using either the married/RDP filing jointly or married/RDP filing separately filing status.

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, effective for taxable years beginning on or after January 1, 2007, you are required to file a California nonresident 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 [www.ftb.ca.gov](http://www.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.

### Conformity

For updates regarding the following federal act, go to our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov) and search for **conformity**.

- Small Business and Work Opportunity Tax Act of 2007
- Mortgage Forgiveness Debt Relief Act of 2007

## 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 [www.ftb.ca.gov](http://www.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.

The California legislature enacted SB 615 (Stats. 2004.CH.388), which makes California law compatible with the Servicemembers Civil Relief Act (Public Law 108-189). This means that servicemembers domiciled outside of California and their spouses/RDPs 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.

**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, Tax Information for Military Personnel, and Form 540X, Amended Individual Income Tax Return, for additional information.

## Purpose

Use this schedule 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.

**Part-Year Residents** – Complete the Part-Year Resident Worksheet on page 48 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. Using the (a) amounts on line 9 and the (b) amounts on line 15, line 16, and line 20, use the line (b) amounts 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.

## 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.

#### 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 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 a publication or form go to our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov) or see page 58 of your 2007 California 540NR 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, Tax Information for Military Personnel.

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 W-2, 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 Revenue and Taxation Code, 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 \$100,000 or less.
- The total number of shares must be 1,000 or less.
- The corporation issuing the stock must designate that the stock issued is a California qualified stock option 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.

**Exclusion for Medical Expenses Reimbursement.** California allows an exclusion from gross income for employer-provided accident, health insurance, and medical expense reimbursement for registered domestic partners and that partner’s dependents if not previously deducted. Self-employed individuals may also claim a deduction for health insurance costs paid for themselves, their spouse or registered domestic partner, and their dependent(s), including the dependent(s) of their RDP. Enter this 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 between the ages of 14 and 18. (For more information, get FTB Pub. 1001, Supplemental Guidelines to California Adjustments.)
- Interest income from children under the age of 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.

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, included on the parent's or child's federal return and reported on the California return by the opposite taxpayer.

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, Supplemental Guidelines to California Adjustments, 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, Supplemental Guidelines to California Adjustments, if you received dividend income from:

- Noncash patronage dividends from farmers' cooperatives or mutual associations.
- A controlled foreign corporation.
- Distribution of pre-1987 earnings from S corporations.
- Undistributed capital gains for regulated investment company (RIC) shareholders.
- Dividend income from children between the ages of 14 and 18.
- Dividend income from children under the age of 14, included on the parent's or child's federal return and reported on the California return by the opposite taxpayer.

#### Line 10 – Taxable refunds, credits, or offsets of state and local income taxes

California does not tax the state income tax refund received in 2007. 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.

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, Supplemental Guidelines to California Adjustments, 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 controlled foreign corporation 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 12/31/03.
- 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 controlled foreign corporation 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 2006 California Schedule D (540NR).

Get FTB Pub. 1001, Supplemental Guidelines to California Adjustments, for more information about:

- 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 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 between the ages of 14 and 18.

#### 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.

Get FTB Pub. 1005, Pension and Annuity Guidelines, 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 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, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts.

#### 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), 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, Passive Activity Loss Limitations, for more information.

Use form FTB 3801, Passive Activity Loss Limitations, 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, Depreciation and Amortization Adjustments, 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, Supplemental Guidelines to California Adjustments, 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), line 12.

Use form FTB 3801, Passive Activity Loss Limitations, 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.

Use form FTB 3885A, Depreciation and Amortization Adjustments, 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.** Payments received from the PFL Program in 2007, are reported on your Form 1099-G in column B, line 19. For additional information, get FTB Pub. 1001, Supplemental Guidelines to California Adjustments.

#### 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 2006 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 up to \$10,000 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 2009, federal law allows an exclusion of income from discharge of indebtedness from the disposition of your principal residence. If you were personally liable for a mortgage and you were relieved of liability for the mortgage indebtedness by disposition of the property then you may have realized a gain. To the extent the amount discharged exceeded the fair market value at the time of disposition, the difference is income from discharge of indebtedness. See federal Publication 544, Sales and Other Disposition of Assets, for more information. If you excluded income from the discharge of indebtedness on your federal return enter the amount in 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 in 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, you may have an adjustment in column B or column C.  
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 29 (Self-Employed Health Insurance Deduction) – Most people do not have any entry in column B or column C.

Enter on line 29, column C, the amount paid for health insurance coverage (established under your business) for your registered domestic partner and their dependents. Your total California deduction cannot exceed the limitations explained in the federal instructions. Do not include health insurance costs for any month you were eligible to participate in any subsidized health plan maintained by you or your registered domestic partner's employer.

Enter on line 29, column B, the amount of health insurance cost included in column A, line 29, for any month you were eligible to participate in any subsidized health plan maintained by your registered domestic partner's employer.

- 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 joint or Qualifying widow(er) . . \$80,000 - \$100,000
- Individual not active, spouse participant . . . . . \$150,000 - \$160,000

Federal amounts have increased to:

- Single or Head of Household . . . . . \$52,000 - \$62,000
- Married filing joint/Qualifying widow(er) . . . . . \$83,000 - \$103,000
- Individual not active, spouse participant . . . . . \$156,000 - \$166,000

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. See FTB Pub. 1032, Tax Information for Military Personnel, 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. Enter zero on Schedule CA (540NR), column B. You are not allowed a deduction for California . . . . . **1** \_\_\_\_\_
- 2 Enter the total interest you paid in 2007 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 (see 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** \_\_\_\_\_
- 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** \_\_\_\_\_

(continued in next column)

**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), column C. . . . . **11** \_\_\_\_\_

- Line 34 (Tuition and fees deduction) - Enter the amount from column A, line 34 in 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.

**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 48.

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, Tax Information for Military Personnel, for additional 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 on page 10. 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, Pension and Annuity Guidelines.

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, Additional Taxes on Qualified Plans (including IRAs) and other Tax-Favored Accounts, 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, Additional Taxes on Qualified Plans (including IRAs) and other Tax-Favored Accounts, 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, Pension and Annuity Guidelines.

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

Enter your 2007 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 partnership, S corporation, estate, trust, 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, Taxation of Nonresidents and Individuals Who Change Residency.

**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 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 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 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 A for alimony payments, first compute your California ratio:

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

#### FULL-YEAR NONRESIDENT:

Multiply the federal deduction (line 31a, column A) by the California ratio (see above) and enter the amount in column E, line 31a.

#### PART-YEAR RESIDENT:

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), 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, Itemized Deductions, 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, 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 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), State Disability Insurance (SDI), and Voluntary Plan Disability Insurance (VPDI).
- Line 8, foreign income taxes.

If you are deducting either local general sales and use taxes or state and local income taxes as an itemized deduction on federal Schedule A, line 5, enter the amount on Schedule CA (540NR), line 39.

For tax years beginning in 2004 and 2005, the American Jobs Creation Act of 2004 allows taxpayers to elect to claim either local general sales and use taxes or state and local income taxes as an itemized deduction. If you are deducting either of these on line 5 of federal Schedule A, enter the amount on line 39.

#### Line 41 – Other Adjustments

**Adoption-related Expenses** – If you deducted adoption-related expenses on your federal Schedule A 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, 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, Employee Business Expense, or Form 2106-EZ, Unreimbursed Employee Business Expense, 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 prosecutive 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 (bracket the number). 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.

**Interest Expense Deduction** – Your California interest expense deduction may be different from your federal deduction. A deduction is allowed for interest paid on any loan or financed indebtedness from a utility company to purchase energy efficient equipment and products for California residences. Enter as a positive number 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 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 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.

**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.

**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.

#### **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 . . . . .	\$155,416
Married/RDP filing jointly or qualifying widow(er) . . . . .	\$310,837
Head of household . . . . .	\$233,129

**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 16 of your 2007 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.

	<b>A</b>	<b>B</b>	<b>C</b>
	<b>California Resident Amounts</b>	<b>California Nonresident Amounts</b>	<b>Total</b> 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
<b>Income</b>			
7 Wages, salaries, tips, etc. . . . . <b>7</b>			
8 Taxable interest income . . . . . <b>8</b>			
9 (a) Ordinary dividends. See instructions . . . . . <b>9(a)</b>			
10 Taxable refunds, credits, or offsets of state and local income taxes . . . . . <b>10</b>			
11 Alimony received . . . . . <b>11</b>			
12 Business income or (loss) . . . . . <b>12</b>			
13 (a) Capital gain or (loss). See instructions . . . . . <b>13(a)</b>			
14 Other gains or (losses) . . . . . <b>14</b>			
15 (b) Total IRA distributions. See instructions . . . . . <b>15(b)</b>			
16 (b) Total pensions and annuities. See instructions . . . . . <b>16(b)</b>			
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. See instructions. . . . . <b>17</b>			
18 Farm income or (loss) . . . . . <b>18</b>			
19 Unemployment compensation . . . . . <b>19</b>			
20 Social security benefits . . . . . <b>20</b>			
21 Other income. Identify _____ . . . . . <b>21</b>			
22 a <b>Totals:</b> 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. . . . . <b>22a</b>			

**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 part-year resident instructions for those lines.

California Adjustments —
2007 Nonresidents or Part-Year Residents

CA (540NR)

Important: Attach this schedule directly behind Long Form 540NR, Side 2.

Name(s) as shown on return

SSN or ITIN

Part I Residency Information. Complete all lines that apply to you and your spouse/RDP.

During 2007:

Yourself

Spouse/RDP

- 1 a I was domiciled in (enter state or country)
b I was in the military and stationed in (enter state or country)
2 I became a California resident (enter the state of prior residence and date of move)
3 I became a nonresident (enter new state of residence and date of move)
4 I was a nonresident of California the entire year (enter state or country of residence)
5 The number of days I spent in California (for any purpose) is:
6 I owned a home/property in California (enter "Yes" or "No")

Before 2007:

- 7 I was a California resident for the period of (enter dates)
8 I entered California on (enter date)
9 I left California on (enter date)

Part II Income Adjustment Schedule

Section A — Income

Table with 5 columns: A (Federal Amounts), B (Subtractions), C (Additions), D (Total Amounts Using CA Law), E (CA Amounts). Rows include wages, interest, dividends, refunds, alimony, business income, capital gain, IRA distributions, pensions, rental, farm income, unemployment, social security, and other income.

**Income Adjustment Schedule**

**Section B — Adjustments to Income**

	A	B	C	D	E
	Federal Amounts (taxable amounts from your federal return)	Subtractions See instructions (difference between CA & federal law)	Additions See instructions (difference between CA & federal law)	Total Amounts Using CA Law As If You Were a CA Resident (subtract column B from column A; add column C to the result)	CA Amounts (income earned or received as a CA resident and income earned or received from CA sources as a nonresident)
22 b Enter totals from Schedule CA (540NR), Side 1, line 22a, column A through column E. . . . .	<b>22b</b>				
23 Educator expenses. . . . .	<b>23</b>				
24 Certain business expenses of reservists, performing artists, and fee-basis government officials . . . . .	<b>24</b>				
25 Health savings account deduction . . . . .	<b>25</b>				
26 Moving expenses. . . . .	<b>26</b>				
27 One-half of self-employment tax . . . . .	<b>27</b>				
28 Self-employed SEP, SIMPLE, and qualified plans . . . . .	<b>28</b>				
29 Self-employed health insurance deduction . . . . .	<b>29</b>				
30 Penalty on early withdrawal of savings . . . . .	<b>30</b>				
31 a Alimony paid. b Enter recipient's: SSN _____ - _____ - _____ Last name _____ . . . . .	<b>31a</b>				
32 IRA deduction . . . . .	<b>32</b>				
33 Student loan interest deduction. . . . .	<b>33</b>				
34 Tuition and fees deduction. . . . .	<b>34</b>				
35 Domestic production activities deduction . . . . .	<b>35</b>				
36 Add line 23 through line 35 in each column, A through E . . . . .	<b>36</b>				
37 <b>Total.</b> Subtract line 36 from line 22b in each column, A through E. See instructions. <b>37</b>					

**Part III Adjustments to Federal Itemized Deductions**

38 <b>Federal itemized deductions.</b> Add the amounts on federal Schedule A (Form 1040), lines 4, 9, 15, 19, 20, 27, and 28 (or Schedule A (Form 1040NR), lines 3, 7, 8, 15, and 16). . . . .	<b>38</b>
39 Enter total of federal Schedule A (Form 1040), line 5 (State Disability Insurance, and state and local income tax or General Sales Tax) and line 8 (foreign taxes <b>only</b> ). See instructions . . . . .	<b>39</b>
40 Subtract line 39 from line 38 . . . . .	<b>40</b>
41 Other adjustments including California lottery losses. See instructions. Specify _____ . . . . .	<b>41</b>
42 Combine line 40 and line 41. . . . .	<b>42</b>
43 <b>Is your federal AGI (Long Form 540NR, line 13) more than the amount shown below for your filing status?</b> Single or married/RDP filing separately . . . . . <b>\$155,416</b> Head of household . . . . . <b>\$233,129</b> Married/RDP filing jointly or qualifying widow(er) . . . . . <b>\$310,837</b> <b>No.</b> Transfer the amount on line 42 to line 43. <b>Yes.</b> Complete the Itemized Deductions Worksheet in the instructions for Schedule CA (540NR), line 43 . . . . .	<b>43</b>
44 <b>Enter the larger of the amount on line 43 or your standard deduction listed below</b> Single or married/RDP filing separately . . . . . <b>\$3,516</b> Married/RDP filing jointly, head of household, or qualifying widow(er) . . . . . <b>\$7,032</b> . . . . .	<b>44</b>

**Part IV California Taxable Income**

45 <b>California AGI.</b> Enter your California AGI from line 37, column E. . . . .	<b>45</b>
46 Enter your deductions from line 44 . . . . .	<b>46</b>
47 <b>Deduction percentage.</b> Divide line 37, column E by line 37, column D. Carry the decimal to four places. If the result is greater than 1.0000, enter 1.0000. If less than zero, enter -0- . . . . .	<b>47</b>
48 <b>California Itemized/Standard Deductions.</b> Multiply line 46 by the percentage on line 47 . . . . .	<b>48</b>
49 <b>California Taxable Income.</b> Subtract line 48 from line 45. Transfer this amount to Long Form 540NR, line 22. If less than zero, enter -0- . . . . .	<b>49</b>

# 2007 California Capital Gain or Loss Adjustment

## D (540NR)

Name(s) as shown on return

SSN or ITIN

(a) Description of property <small>(Identify S corporation stock Example 100 shares of "Z" (S stock))</small>	(b) Sales price	(c) Cost or other basis	(d) Loss. If (c) is more than (b), subtract (b) from (c)	(e) Gain. If (b) is more than (c), subtract (c) from (b)
<b>1a</b>				
<b>1b</b>				
<b>2</b> Net gain or (loss) shown on California Schedule(s) K-1 (541, 565, 568, and 100S) . . . . .			<b>2</b>	
<b>3</b> Capital gain distributions (federal Form 1099-DIV, box 2a minus box 2c) . . . . .				<b>3</b>
<b>4</b> Total 2007 gain from all sources. Add column (e) amounts of line 1a, line 1b, line 2, and line 3 . . . . .				<b>4</b>
<b>5</b> 2007 loss. Add column (d) amounts of line 1a, line 1b, and line 2. Enter as a negative amount . . . . .			<b>5</b>	
<b>6</b> California capital loss carryover from 2006, if any. See instructions. Enter as a negative amount . . . . .			<b>6</b>	
<b>7</b> Total 2007 loss. Add line 5 and line 6. Enter as a negative amount . . . . .			<b>7</b>	
<b>8</b> Combine line 4 and line 7. If a loss, go to line 9. If a gain, go to line 10. . . . .				<b>8</b>
<b>9</b> If line 8 is a loss, enter the smaller of: (a) the loss on line 8. (b) \$3,000 (\$1,500 if married or an RDP filing a separate return). See instructions . . . . .				<b>9</b> ( )
<b>10</b> Enter the gain or (loss) from federal Form 1040, line 13 . . . . .				<b>10</b>
<b>11</b> Enter the California gain from line 8 or (loss) from line 9. . . . .				<b>11</b>
<b>12 a</b> If line 10 is <b>more</b> than line 11, enter the difference here and on Schedule CA (540NR) line 13, column B. . . . .				<b>12a</b>
<b>b</b> If line 10 is <b>less</b> than line 11, enter the difference here and on Schedule CA (540NR), line 13, column C . . . . .				<b>12b</b>

# 2007

## Depreciation and Amortization Adjustments

Do not complete this form if your California depreciation amounts are the same as federal amounts.

# 3885A

### Part I Identify the activity as passive or nonpassive. (See instructions.)

Business or activity to which form FTB 3885A relates

- 1**  This form is being completed for a passive activity.  
 This form is being completed for a nonpassive activity.

### Part II Election to Expense Certain Tangible Property (IRC Section 179).

**2** Enter the amount from line 12 of the Tangible Property Expense Worksheet in the instructions . . . . . **2**

### Part III Depreciation

(a) Description of property placed in service	(b) Date placed in service	(c) California basis for depreciation	(d) Method	(e) Life or rate	(f) California depreciation deduction
<b>3</b>					

- 4** Add the amounts on line 3, column (f) . . . . . **4**
- 5** California depreciation for assets placed in service prior to 2007 . . . . . **5**
- 6** Total California depreciation from this activity. Add the amounts on line 2, line 4, and line 5. . . . . **6**
- 7** Total federal depreciation from this activity. Enter depreciation from federal Form 4562 or 4562-FY, line 22. . . . . **7**
- 8 a** If line 6 is **more** than line 7, enter the difference here and see instructions . . . . . **8a**
- b** If line 6 is **less** than line 7, enter the difference here and see instructions . . . . . **8b**

### Part IV Amortization

(a) Description of costs	(b) Date placed in service	(c) California basis for amortization	(d) Code section	(e) Period or percentage	(f) California amortization deduction
<b>9</b>					

- 10** Total California amortization from this activity. Add the amounts on line 9, column (f) . . . . . **10**
- 11** California amortization of costs that began before 2007 . . . . . **11**
- 12** Total California amortization from this activity. Add the amounts on line 10 and line 11 . . . . . **12**
- 13** Total federal amortization from this activity. Enter amortization from federal Form 4562 or 4562-FY, line 44 . . . . . **13**
- 14 a** If line 12 is **more** than line 13, enter the difference here and see instructions . . . . . **14a**
- b** If line 12 is **less** than line 13, enter the difference here and see instructions . . . . . **14b**

# Instructions for California Schedule D (540NR)

## California Capital Gain or Loss Adjustment

### 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 [www.ftb.ca.gov](http://www.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.

Although federal law increased the IRC Section 179 expense to \$125,000, the maximum deduction amount under California law is \$25,000.

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) and the Schedule D (540NR) Worksheet for Nonresident and Part-Year Residents in order to complete column E on Schedule CA (540NR).

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, Supplemental Guidelines to California Adjustments, 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 August 10, 1993, 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 2007, 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 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, 1099-S, 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 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 – 2006 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 as a negative amount. Get FTB Pub. 1100, Taxation of Nonresidents and Individuals Who Change Residency.

**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 2008.

**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 2008. 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 365 days. For column D, multiply the amount in column B by the number of days you were a nonresident divided by 365 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 <b>CA resident for the entire year.</b>	Enter amounts earned or received from CA sources as if you were a <b>nonresident for the entire year.</b>	Enter amounts earned or received during the portion of the years you were a <b>CA resident.</b>	Enter amounts earned or received from CA sources during the portion of the year you were a <b>nonresident.</b>	<b>Total</b> 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 2008	

# Instructions for Form FTB 3885A

## Depreciation and Amortization Adjustments

### 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 [www.ftb.ca.gov](http://www.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 **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 September 10, 2001.
- 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) list them on the line for the type of income likely to be affected. You may also 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 2007, that has a carryover of unused cost from 2006. If you elect this deduction, reduce your California depreciable basis by the IRC Section 179 expense. Under California law the maximum Section 179 expense allowed in 2007 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 or 4562-FY for information.**

Tangible Property Expense Worksheet	
<b>1</b> Maximum dollar limitation for California. . . . .	<b>1</b> \$ 25,000
<b>2</b> Total cost of Section 179 property placed in service. . . . .	<b>2</b> _____
<b>3</b> Threshold cost of section 179 property before reduction in limitation. . . . .	<b>3</b> \$200,000
<b>4</b> Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- . . . . .	<b>4</b> _____
<b>5</b> Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0- . . . . .	<b>5</b> _____
<b>(a) Description of property</b>	<b>(b) Cost</b>
<b>6</b> _____	_____
<b>7</b> Listed property (elected Section 179 cost) . . . . .	<b>7</b> _____
<b>8</b> Total elected cost of Section 179 property. Add line 6 column (c) and line 7 . . . . .	<b>8</b> _____
<b>9</b> Tentative deduction. Enter the smaller of line 5 or line 8. . . . .	<b>9</b> _____
<b>10</b> Carryover of disallowed deduction from 2006 . . . . .	<b>10</b> _____
<b>11</b> Enter the smaller of business income (not less than -0-) or line 5. . . . .	<b>11</b> _____
<b>12</b> 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. . . . .	<b>12</b> _____
<b>13</b> Carryover of disallowed deduction to 2008. Add line 9 and line 10. subtract line 12 from the result. . . . .	<b>13</b> _____

#### 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 activities; on line 17 for federal Schedule E activities; and on line 18 for federal Schedule F 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.

# Instructions for Form FTB 3519

## Payment for Automatic Extension for Individuals

### What's New

#### Registered Domestic Partners (RDP)

For purposes of California income tax, references to a spouse, a husband, or a wife also refer to a Registered Domestic Partner (RDP) unless otherwise specified. For more information on RDPs, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

**Round Cents to Dollars** – Beginning with the 2007 tax forms, round cents to the nearest whole dollar. For example, round \$50.50 up to \$51 or round \$25.49 down to \$25.

### General Information

Use form FTB 3519 **only** if both of the following apply:

- You cannot file your 2007 return by April 15, 2008.
- You owe tax for 2007.

When you file your 2007 return, you can **e-file**. Go to our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov). Use Form 540A, Form 540, or Long Form 540NR. If you use form FTB 3519, you may not file Form 540 2EZ or Short Form 540NR.

Use the worksheet below to determine if you owe tax.

- If you **do not** owe tax, **do not** complete or mail this voucher. However, file your return by October 15, 2008.
- If you owe tax, choose one of the following payment options:
  - Web Pay:** To make a payment online or to schedule a future payment (up to one year in advance), go to our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov) and search for **web pay**. **Do not** mail the voucher to us.
  - Credit Card:** Use your major credit card. Call (800) 272-9829 or go to the Website [www.officialpayments.com](http://www.officialpayments.com), use code 1555. Official Payments Corp. charges a convenience fee for using this service. **Do not** mail the voucher to us.

Corp. charges a convenience fee for using this service. **Do not** mail the voucher to us.

- Check or Money Order:** Complete the payment voucher below and mail it with your check or money order to the Franchise Tax Board (FTB). Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.
- Installment Agreement:** Go to our Website at [www.ftb.ca.gov](http://www.ftb.ca.gov) and search for **installments** or get FTB 3567, Installment Agreement Request Booklet.

### Penalties and Interest

If you fail to pay your total tax liability by April 15, 2008, 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, 2008, you find that your estimate of tax due was too low, pay the additional tax as soon as possible to avoid further accumulation of penalties and interest. Pay your additional tax with another form FTB 3519 voucher. If you do not file your tax return by October 15, 2008, you will incur a late filing penalty plus interest from the original due date of the return.

### Taxpayers Residing or Traveling Outside the USA

If you are living or traveling outside the USA on April 15, 2008, the deadline to file your return and pay the tax is June 16, 2008. Interest will accrue from the original due date (April 15, 2008) until the date of payment. If you need additional time to file, you will be allowed a six-month extension without filing a request. To qualify for the extension, file your tax return by December 15, 2008. To avoid any late-payment penalties, pay your tax liability by June 16, 2008. When filing your tax return, attach a statement to the front indicating that you were "Outside the USA on April 15, 2008."

### TAX PAYMENT WORKSHEET KEEP FOR YOUR RECORDS

1	Total tax you expect to owe. This is the amount you expect to enter on Form 540 or 540A, line 34; or Long Form 540NR, line 42. . . . .	1	00
2	Payments and credits:		
	a California income tax withheld (including real estate and nonresident withholding) . . . . .	2a	00
	b California estimated tax payments and amount applied from your 2006 tax return. . . . .	2b	00
	(Check your estimated tax payments on our Website at <a href="http://www.ftb.ca.gov">www.ftb.ca.gov</a> and search for <b>my account</b> .)		
	c Other payments and credits, including any tax payments made with any previous form FTB 3519 voucher. . . . .	2c	00
3	Total tax payments and credits. Add line 2a, line 2b, and line 2c . . . . .	3	00
4	Tax due. Is line 1 more than line 3? . . . . .	4	00

- No. Stop here.** You have no tax due. **DO NOT MAIL THE PAYMENT VOUCHER.** Your return, when filed by October 15, 2008, will verify that you qualified for the extension.
- Yes.** Subtract line 3 from line 1. This is your tax due. Enter the tax due amount from line 4 as the "Amount of payment" on the form FTB 3519 voucher below. Fill in your name(s), address, and SSN(s) or ITIN(s), and separate the voucher from this page where it says "DETACH HERE." Make a check or money order payable to the "Franchise Tax Board." Also write your SSN or ITIN and "2007 FTB 3519" on the check or money order. Enclose, but **do not** staple your check or money order with the voucher and mail to: **FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0051**

Save the stamp – pay online or by credit card!

✂ DETACH HERE \_\_\_\_\_ IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM \_\_\_\_\_ DETACH HERE ✂

Calendar year – File and Pay by April 15, 2008

TAXABLE YEAR

CALIFORNIA FORM

**2007**

**Payment for Automatic Extension for Individuals**

**3519 (PIT)**

Your first name	Initial	Last name	Your SSN or ITIN
_____	_____	_____	_____
If joint payment, spouse's/RDP's first name	Initial	Last name	Spouse's/RDP's SSN or ITIN
_____	_____	_____	_____
Address (including number and street, PO Box, or PMB no.)			Apt. no./Ste. no.
_____			_____
City	State	ZIP Code	
_____	_____	_____	

IF PAYMENT IS DUE, MAIL TO:

FRANCHISE TAX BOARD  
PO BOX 942867  
SACRAMENTO CA 94267-0051

If amount of payment is zero, do not mail form } ▶

Amount of payment

\_\_\_\_\_ 00

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**Visit our Website:**

**[www.ftb.ca.gov](http://www.ftb.ca.gov)**

# Paying Your Taxes

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## General Information

You must file and pay 100% of the amount you owe by April 15, 2008, 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 convenience 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.

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## 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 [www.ftb.ca.gov](http://www.ftb.ca.gov). With Web Pay, you can schedule it, and forget it!

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## 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:

- [www.officialpayments.com](http://www.officialpayments.com) Select Payment Center
- **(800) 2PAY-TAX or (800) 272-9829** Follow the recorded instructions.

Official Payments charges a convenience 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 transaction at that time.

<b>Fee:</b>	2.5% of tax amount charged (round to nearest cent)	<b>Example:</b>	Tax Payment = \$754.00
	Minimum fee: \$1		2.5% Fee = \$18.84

**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.

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## 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 before your schedule 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. Go to [www.ftb.ca.gov](http://www.ftb.ca.gov) and search for **My 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 [www.ftb.ca.gov](http://www.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 2005-2007 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. Most libraries have forms and schedules for you to photocopy (a nominal fee may apply).

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

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 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?

Go to [www.ftb.ca.gov/individuals/vita/sites.asp](http://www.ftb.ca.gov/individuals/vita/sites.asp) for information about free help through the volunteer program, and how to find a site in your area.

View your California wage and withholding information  
View your FTB-issued 1099-G and 1099-INT information  
View your Tax Payments and Balance Due

**Online**  
with  
My FTB Account

Go to [www.ftb.ca.gov](http://www.ftb.ca.gov) and search for **My Account**.

## 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 58.

## 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

**Página Electrónica: [www.ftb.ca.gov](http://www.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 58.

## 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, 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?



