TAXABLE YEAR

CALIFORNIA FORM

2009 Depreciation and Amortization 3885F

Attach to Form 541 or Form 109.

Name of estate or trust

FEIN

Assets placed in service after 12/31/08 (depreciation) Intangibles placed in service after 12/31/08 (amortization)			Depreciation			Amortization		
(a) Description of property	(b) Date placed in service (mo., day, yr.)	(c) Cost or other basis	(d) Method of figuring depreciation	(e) Life or rate	(f) Depreciation for this year	(g) Code section	(h) Period or percentage	(i) Amortization for this year
1								
Add line 1 column (f) and column (i) amounts. See instructions								

Depreciation

2 California depreciation for assets placed in service before January 1, 2009 . . . . . 2 _____
Be sure to make adjustments for any basis differences.

3 Total California depreciation. Add line 1(f) and line 2 . . . . . 3 _____

Amortization

4 California amortization for intangibles placed in service before January 1, 2009 . . . . . 4 _____
Be sure to make adjustments for any basis differences.

5 Total California amortization. Add line 1(i) and line 4 . . . . . 5 _____

6 Total depreciation and amortization. Add line 3 and line 5. Enter amount on the appropriate line of federal Schedules C or C-EZ, E (using California amounts), F, Form 541, line 15a or Form 109, Part II, line 21a. . . . . 6 _____

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 **ftb.ca.gov** and search for **conformity**. Additional information can be found in FTB Pub. 1001, Supplemental Guidelines to California Adjustments.

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.

A Purpose

Use form FTB 3885F, Depreciation and Amortization, to compute depreciation and amortization allowed as a deduction on Form 541, California Fiduciary Income Tax Return, or Form 109, California Exempt Organization Business Income Tax Return. Attach form FTB 3885F to Form 541 or Form 109.

Depreciation is the annual deduction allowed to recover the cost or other basis of business or income producing property with a determinable useful life of more than one year. Land is not depreciable.

Amortization is an amount deducted to recover the cost of certain capital expenses over a fixed period.

Generally, California conforms to federal law for assets placed in service on or after January 1, 1987. See R&TC Section 17250.

B Calculation Differences

California law has not always conformed to federal law regarding depreciation methods, special credits, or accelerated write-offs. Consequently, the recovery periods and the basis on which the depreciation is calculated may be different from the amounts used for federal purposes. Reportable differences may occur if all or part of your assets were placed in service:

- **Before January 1, 1987.** California disallowed depreciation under the federal Accelerated Cost Recovery System (ACRS). California depreciation is calculated in the same manner as in prior years for those assets.
- **On or after January 1, 1987.** California provides special credits and accelerated write-offs that affect the California basis for qualifying assets. California does not conform to all the changes to federal law enacted in 1993. Therefore, the California basis or recovery periods may be different for some assets.
- **On or after September 11, 2001.** 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 after September 10, 2001.
- **Amortization of Certain Intangibles.** California conforms to IRC Section 197 relating to the amortization of intangibles as of January 1, 1994. There is no separate California election required or allowed. However, for IRC Section 197 property acquired before January 1, 1994, the California adjusted basis as of January 1, 1994, must be amortized over the remaining federal amortization period.
- **American Recovery and Reinvestment Act of 2009.** California does not conform to the additional 50% first year special depreciation for qualified property acquired and placed in service on or after December 31, 2007, and before January 1, 2010, or certain qualifying property placed in service before January 1, 2011.
- **Election to Expense Certain Tangible Property. (IRC 179)** The election expense under IRC 179 does not apply to estates and trusts.

Differences may also occur for other less common reasons. This list is not intended to be all-inclusive of the federal and state differences. For more information about adjustments, get FTB Pub. 1001, or refer to the R&TC.

Specific Line Instructions

Line 1 – Complete columns (a) through (i) for each asset or group of assets placed in service after December 31, 2008. Enter the column (f) totals on line 1(f). Enter the column (i) totals on line 1(i).

Line 2 – Enter total California depreciation for assets placed in service before January 1, 2009, taking into account differences in asset basis or differences in California and federal tax law.

Line 4 – Enter total California amortization for intangibles placed in service before January 1, 2009, taking into account any differences in asset basis or differences in California and federal tax law.

Line 6 – Add line 3 and line 5. Enter the total on Line 6. If the estate or trust was engaged in a trade or business, complete form FTB 3885F and attach it to Form 541. Also complete and attach a copy of the federal Schedule C, Profit or Loss from Business, federal Schedule C-EZ, Net Profit from Business, federal Schedule E, Supplemental Income and Loss, and/or Schedule F (Form 1040) Profit or Loss From Farming, using California amounts, to Form 541. Follow federal instructions for "Depreciation, Depletion, and Amortization" regarding dividing the deductions between the fiduciary and the beneficiaries.

Form 109 filers: Enter the total on Form 109, Part II, Line 21a.

Attach a schedule if you need additional space.