

Do I Have to File?

Steps to Determine Filing Requirement

Step 1: Is your gross income (all income received from all sources in the form of money, goods, property, and services that are 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 (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, go to Step 3.

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

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

On 12/31/09, my filing status was:	and on 12/31/09, my age was: (If your 65th birthday is on January 1, 2010, you are considered to be age 65 on December 31, 2009)	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	14,622	17,889	20,339	11,698	14,965	17,415
		19,522	21,972	23,932	16,598	19,048	21,008
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)	29,245	32,512	34,962	23,396	26,663	29,113
	65 or older (one spouse/RDP)	34,145	36,595	38,555	28,296	30,746	32,706
	65 or older (both spouses/RDPs)	39,045	41,495	43,455	33,196	35,646	37,606
Qualifying widow(er)	Under 65 65 or older		17,889	20,339		14,965	17,415
			21,972	23,932		19,048	21,008
Dependent of another person Any filing status	Any age	More than your standard deduction (Use the California Standard Deduction Worksheet for Dependents on page 9 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 18 and under or a student under age 24 on their return. California allows you to report your child's interest and dividend income on your return if they are under age 14. For each child under age 14 who received more than \$1,900 of investment income in 2009, complete Form 540 and form FTB 3800, Tax Computation for Children Under Age 14 with Investment Income, to figure the tax on a separate Form 540 for your child.

If you qualify, you may elect to report your child's income of \$9,500 or less (but not less than \$950) 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. To get form FTB 3800 or FTB 3803, see "Order Forms and Publications" on page 63 or go to ftb.ca.gov.

Other Situations When You Must File

If you have a tax liability for 2009 or owe any of the following taxes for 2009, you must file Form 540.

- 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 \$1,900 (see paragraph above).
- Alternative minimum tax.
- Recapture taxes.
- Deferred tax on certain installment obligations.
- Tax on an accumulation distribution from a trust.

Filing Status

Use the same filing status for California that you used for your federal income tax return, unless you are in a same-sex marriage (explained under What's New on page 6) or a registered domestic partnership (RDP). If you are a same-sex married individual or an RDP and file single for federal, you must file married/RDP filing jointly or married/RDP filing

separately for California. If you are a same-sex married individual or an RDP and file head of household for federal purposes, you may file head of household for California purposes only if you meet the requirements to be considered unmarried or considered not in a domestic partnership.

Exception: If you file a joint return for federal purposes, 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 2009.
- A nonresident for the entire year and had no income from California sources during 2009.

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 that you would have used to file a federal income tax return.

If you filed a joint return and either you or your spouse/RDP was a nonresident for 2009, file the Long or Short Form 540NR, California Nonresident or Part-Year Resident Income Tax Return.

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

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

For purposes of California income tax, references to a spouse, husband, or wife also refer to a California registered domestic partner (RDP), unless otherwise specified. When we use the initials RDP they refer to

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both a California registered domestic “partner” and a California registered domestic “partnership,” as applicable. For more information on RDPs, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

Single – If any of the following was true on December 31, 2009:

- You were not 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, 2009, and did not remarry or enter into another registered domestic partnership in 2009.

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

- You were married or an RDP as of December 31, 2009, even if you did not live with your spouse/RDP at the end of 2009.
- Your spouse/RDP died in 2009 and you did not remarry or enter into another registered domestic partnership in 2009.
- Your spouse/RDP died in 2010 before you filed a 2009 return.

Married/RDP Filing Separately

- Community property rules apply to the division of income if you use the married/RDP filing separately status. For more information, get FTB Pub. 1031, Guidelines for Determining Resident Status, FTB Pub. 737, Tax Information for Registered Domestic Partners, FTB Pub. 776, Tax Information for Same-Sex Married Couples, FTB Pub. 1051A, Guidelines for Married/RDP Filing Separate Returns, or FTB Pub. 1032, Tax Information for Military Personnel. See “Order Forms and Publications” on page 63.
- You cannot claim a personal exemption credit for your spouse/RDP even if your spouse/RDP had no income, is not filing a return, and is not claimed as a dependent on another person’s return.
- You may be able to file as head of household if your child lived with you and you lived apart from your spouse/RDP during the entire last six months of 2009.

Head of Household

For the specific requirements that must be met to qualify for head of household filing status, get FTB Pub. 1540, California Head of Household Filing Status Information. In general, head of household filing status is for unmarried individuals and certain married individuals or RDPs living apart who provide a home for a specified relative. You may be entitled to use head of household filing status 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, 2009.
- You paid more than one-half the cost of keeping up your home for the year in 2009.
- 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.

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.

For more information, get FTB Pub. 1540 at ftb.ca.gov or see code 934 on page 63 to order FTB Pub.1540 by telephone.

Qualifying Widow(er) with Dependent Child

Fill in the circle on Form 540/540A, line 5 and use the joint return tax rates for 2009 if **all** five of the following apply:

- Your spouse/RDP died in 2007 or 2008 and you did not remarry or enter into another registered domestic partnership in 2009.
- 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 2009. 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.