TAXABLE YEAR

CALIFORNIA SCHEDULE

2009 Trust Allocation of an Accumulation Distribution J (541)

Attach to Form 541.

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

Name of trust

FEIN

Part I Accumulation Distribution

For definitions and special rules, see the federal Treasury Regulations under IRC Sections 665–668. See the instructions for federal Form 4970, Tax on Accumulation Distribution of Trusts, for certain income minors may exclude and for special rules for multiple trusts.

1	Enter amount from 2009 Schedule B (541), line 10		1	
2	Enter amount from 2009 Schedule B (541), line 7	2		
3	Enter amount from 2009 Schedule B (541), line 9	3		
4	2009 distributable net income. Subtract line 3 from line 2. If line 3 is more than line 2, enter -0-		4	
5	2009 accumulation distribution. Subtract line 4 from line 1		5	

Part II Ordinary Income Accumulation Distribution. Enter the applicable throwback years below.

If the distribution is thrown back more than four years (starting with the earliest applicable taxable year beginning after December 31, 1968), attach additional schedules. If the trust was a simple trust, see federal Treasury Regulation Section 1.665(e) – 1A(b).		Throwback year ending	Throwback year ending	Throwback year ending	Throwback year ending
6 Distributable net income. See instructions	6				
7 Distributions. See instructions	7				
8 Undistributed net income. Subtract line 7 from line 6	8				
9 Enter amount from Part III, line 25	9				
10 Subtract line 9 from line 8	10				
11 Enter amount of prior accumulation distributions thrown back to any of these years	11				
12 Subtract line 11 from line 10	12				
13 Allocate the amount on line 5 to the earliest applicable taxable year first. Do not allocate an amount greater than the amount on line 12 for the same year.	13				
14 Divide line 13 by line 10 and multiply the result by line 9	14				
15 Add line 13 and line 14	15				
16 Tax-exempt interest included on line 13. See instructions	16				
17 Subtract line 16 from line 15	17				

Part III Taxes Imposed on Undistributed Net Income. Enter the applicable throwback years below.

If more than four throwback years are involved, attach additional schedules. See General Instructions. If the trust received an accumulation distribution from another trust, see the federal Treasury Regulations under IRC Sections 665-668.		Throwback year ending	Throwback year ending	Throwback year ending	Throwback year ending
18 Tax. See instructions	18				
19 Total net capital gain. Enter amount from Form 541, Side 1, line 6, for 1969-1979; Form 541, Side 1, line 7, for 1980-1986; Form 541, Side 1, line 6, for 1987-1990; Form 541, Side 1, line 4, for 1991-2008	19				
20 Net capital gain distributed to beneficiaries. See instructions	20				
21 Net capital gain undistributed. Subtract line 20 from line 19	21				
22 Total taxable income. See instructions	22				
23 Enter percent (divide line 21 by line 22) but not more than 100%	23				
24 Multiply amount on line 18 by percent on line 23	24				
25 Tax on undistributed net income. Subtract line 24 from line 18. Enter here and on Part II, line 9	25				

Part IV **Allocation to Beneficiary.** See Part IV Instructions below. Complete Part IV for each beneficiary.

If the accumulation distribution is allocated to more than one beneficiary, attach an additional Schedule J with Part IV completed for each additional beneficiary. If more than four throwback years are involved, attach additional schedules.

Beneficiary's name			Identifying number		
Beneficiary's address (number and street, PO Box, or PMB no.)	Apt. no./Ste. no.		**(a)** Enter amount from Part II, line 13 allocated to this beneficiary	**(b)** Enter amount from Part II, line 14 allocated to this beneficiary	**(c)** Enter amount from Part II, line 16 allocated to this beneficiary
City, State, and ZIP Code					
26 Throwback year ending _____		**26**			
27 Throwback year ending _____		**27**			
28 Throwback year ending _____		**28**			
29 Throwback year ending _____		**29**			
30 Total. Add amounts from line 26 through line 29		**30**			

General Information

California has conformed to federal provisions of the Taxpayer Relief Act of 1997 repealing the throwback rules for certain domestic trusts. However, if the trust did not pay tax on the beneficiary's interest because the beneficiary was contingent, the income that would have been taxed is included by the beneficiary in the year it is distributable or distributed; see California Revenue and Taxation Code (R&TC) Section 17745(b).

Purpose

File Schedule J (541), Trust Allocation of an Accumulation Distribution, with Form 541, California Fiduciary Income Tax Return, to report an accumulation distribution by domestic complex trusts and certain foreign trusts.

Access by Internet

You can download, view, and print California tax forms and publications at **ftb.ca.gov.**

Specific Instructions

Part I

Accumulation Distribution in 2009

Generally, the beneficiary may exclude amounts accumulated before the beneficiary becomes age 21. For multiple trusts exceptions, see Internal Revenue Code (IRC) Sections 665 and 667(c). The trustee reports the total amount of the accumulation distribution before any reduction for income accumulated before the beneficiary becomes age 21. The beneficiary claims the exclusion when filing form FTB 5870A, Tax on Accumulation Distribution of Trusts, if the multiple trust rules do not apply. This is because one trustee may be unaware that the beneficiary may be a beneficiary of other trusts with other trustees.

Part II

You must complete Part III before completing this part.

Ordinary Income Accumulation Distribution

Line 6 – Distributable net income for earlier years. Enter the applicable amounts as follows:

Throwback Year(s):	Amount From:
1969-1978	Schedule H, (Form 541), line 5
1979	Part D, (Form 541), line 5
1980	Form 541, line 55
1981-1984	Form 541, line 57
1985-1986	Schedule 3, (Form 541), line 11
1987	Schedule 3, (Form 541), line 9
1988-1998	Schedule B, (Form 541), line 8
1999-2008	Schedule B, (Form 541), line 7

Line 7 – Distributions made during earlier years. Enter the applicable amounts as follows:

Throwback Year(s):	Amount From:
1969-1978	Schedule I, (Form 541), line 3
1979	Part D, (Form 541), line 8
1980	Form 541, line 58
1981-1984	Form 541, line 60
1985-1986	Schedule 3, (Form 541), line 14
1987	Schedule 3, (Form 541), line 13
1988-1998	Schedule B, (Form 541), line 12
1999-2008	Schedule B, (Form 541), line 11

Line 16 – Tax-exempt interest included on line 13. For each throwback year, divide line 15 by line 6 and multiply the result by one of the following:

Throwback Year(s):	Amount From:
1969-1978	Schedule H, (Form 541), line 2(a)
1979	Part D, (Form 541), line 2(a)
1980	Form 541, line 52(a)
1981-1984	Form 541, line 54(a)
1985-1986	Schedule 3, (Form 541), line 3
1987	Schedule 3, (Form 541), line 2
1988-2008	Schedule B, (Form 541), line 2

Part III

Taxes Imposed on Undistributed Net Income

For the regular tax computation, if there is a capital gain, complete line 18 through line 25 for each throwback year. If there is no capital gain for any year (or there is a capital loss for every year), enter on line 9 the amount of the tax for each year entered for line 18; **do not** complete Part III.

If the trust received an accumulation distribution from another trust, see the federal Treasury Regulations under IRC Sections 665-668.

Line 18 – Tax

Enter the applicable tax amounts as follows:

Throwback Year(s):	Amount From:
1969	Form 541, line 20
1970-1971	Form 541, line 21
1972-1979	Form 541, line 19
1980-1981	Form 541, line 23
1982-1984	Form 541, line 23(c)
1985-1986	Form 541, line 24(c)
1987-1989	Form 541, line 22(c)
1990-1996	Form 541, line 20(a)
1997-2008	Form 541, line 21(a)

Line 20 – Enter the applicable net capital gain distributed as follows:

Throwback Year(s):	Amount From:
1969	Form 541, Side 1, line 17 plus amounts from Schedule F-1 (541), lines 1 and 2
1970-1971	Form 541, Side 1, line 18 plus amounts from Schedule F-1 (541), lines 1 and 2
1972-1979	Schedule F-1 (541), lines 1(a)-1(c)
1980	Schedule K-1 (541), lines 2-4
1981	Schedule K-1 (541), lines 1-3
1982	Schedule D (541), line 25
1983	Schedule D (541), line 30
1984	Schedule D (541), line 33
1985-1986	Schedule D (541), line 28
1987	Schedule D (541), line 24
1988-2008	Schedule D (541), line 9(a)

Line 22 – Total taxable income

Enter the applicable amounts as follows:

Throwback Year(s):	Amount From:
1969	Form 541, line 19
1970-1971	Form 541, line 20
1972-1979	Form 541, line 18
1980-1984	Form 541, line 22
1985-1986	Form 541, line 23
1987-1989	Form 541, line 21
1990-1996	Form 541, line 19
1997-2008	Form 541, line 20

Part IV

Allocation to Beneficiary

Complete Part IV for each beneficiary. If the accumulation distribution is allocated to more than one beneficiary, attach an additional copy of Schedule J with Part IV completed for each additional beneficiary. If more than four throwback years are involved, attach additional schedules.

Nonresident Beneficiaries. In the case of a nonresident beneficiary, enter on line 26 through line 29, column (a), only that ratio of income from California sources as the amount on Part II, line 13 bears to the amount on Part II, line 10. Enter on line 26 through line 29, column (b), only that ratio of the amount on Part II, line 14 as the amount in column (a) bears to the amount on Part II, line 13.

Attach separate schedules supporting allocation of income to sources within and outside California.

Under R&TC Section 17953, income from trusts deemed distributed to nonresident beneficiaries is income from sources within California only if derived out of trust income derived from sources within California. Generally, for purposes of R&TC Section 17953, the nonresident beneficiary shall be deemed to be the owner of intangible personal property from which the income of the trust is derived.

If the beneficiary is a nonresident individual or a foreign corporation, see IRC Section 667(e) about retaining the character of the amounts distributed to determine the amount of withholding tax.

The beneficiary may use form FTB 5870A to compute the tax on the distribution.