

# 2011 Limited Liability Company Return of Income

# 568

For calendar year 2011 or fiscal year beginning month \_\_\_\_\_ day \_\_\_\_\_ year \_\_\_\_\_, and ending month \_\_\_\_\_ day \_\_\_\_\_ year \_\_\_\_\_.

Limited liability company name (type or print)			<b>A</b> Secretary of State (SOS) file number ● _____	
DBA			<b>B</b> FEIN ● _____	
Address (suite, room, PO Box, and PMB no.)			<b>C</b> Principal business activity name (same as federal)	
City		State	ZIP Code	
<b>E</b> Check accounting method ● (1) <input type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (attach explanation)		<b>F</b> Date business started in CA ● _____	<b>G</b> Enter total assets at end of year. See instructions. ● \$ _____	
<b>H</b> Check the applicable box ● (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> <b>FINAL RETURN</b> (3) <input type="checkbox"/> Amended return			<b>I</b> Principal business activity code (same as federal) ● _____	

		Whole dollars only	
Complete Schedule IW, LLC Income Worksheet (on Side 6) first to determine Line 1.			
	1 Total income from Schedule IW, Limited Liability Company Income Worksheet. See instructions . . . . . ●	1	00
	2 Limited Liability Company fee. See instructions . . . . . ●	2	00
	3 2011 annual Limited Liability Company tax. See instructions . . . . . ●	3	00
	4 Nonconsenting nonresident members' tax liability from Schedule T (Side 3) . . . . . ●	4	00
	5 <b>Total tax and fee.</b> Add line 2, line 3, and line 4. . . . . ●	5	00
	6 Amount paid with form FTB 3537 and 2011 form FTB 3522 and form FTB 3536 . . . . . ●	6	00
	7 Overpayment from prior year allowed as a credit . . . . . ●	7	00
	8 Withholding (Form 592-B and/or 593) . . . . . ●	8	00
	9 <b>Total payments.</b> Add line 6, line 7, and line 8. . . . . ●	9	00
	10 <b>Tax and fee due.</b> If line 5 is more than line 9, subtract line 9 from line 5. . . . . ●	10	00
	11 <b>Overpayment.</b> If line 9 is more than line 5, subtract line 5 from line 9. . . . . ●	11	00
	12 Amount of line 11 to be credited to 2012 tax or fee . . . . . ●	12	00
	13 <b>Use Tax.</b> See instructions . . . . . ●	13	00
	14 <b>Refund.</b> If the total of line 12 and line 13 is less than line 11; subtract the total from line 11. . . . . ●	14	00
	15 Penalties and interest. See instructions. . . . . ●	15	00
	16 <b>Total amount due.</b> Add line 10, line 12, line 13, and line 15, then subtract line 11 from the result. . . . . ●	16	00

<b>Single Member LLC Information and Consent — Complete only if the LLC is disregarded.</b>		● Federal TIN/SSN
Sole Owner's name (as shown on owner's return)		FEIN/CA Corp no./SOS File no.

Street Address, City, State, and ZIP Code		● Return filed with the FTB by the Owner	
Member's Consent Statement: I consent to the jurisdiction of the State of California to tax my LLC income and agree to file returns and pay tax as may be required by the Franchise Tax Board.		<input type="checkbox"/> (1) Form 540 <input type="checkbox"/> (5) Form 541 <input type="checkbox"/> (2) Form 100 <input type="checkbox"/> (6) Form 100S <input type="checkbox"/> (3) Form 565 <input type="checkbox"/> (7) Form 568 <input type="checkbox"/> (4) Other _____	
Signature ▶	Date	Title	

<b>Sign Here</b>	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. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
	Signature of officer ▶	Date	Telephone
	Officer's email address (optional)		● (    )

<b>Paid Preparer's Use Only</b>	Paid preparer's signature ▶	Date	Check if self-employed <input type="checkbox"/>	PTIN
	Firm's name (or yours, if self-employed) and address ▶			FEIN
				Telephone
				● (    )
May the FTB discuss this return with the preparer shown above (see instructions)? . . . . . ● <input type="checkbox"/> Yes <input type="checkbox"/> No				



**Schedule A Cost of Goods Sold**

1	Inventory at beginning of year	1		00
2	Purchases less cost of items withdrawn for personal use	2		00
3	Cost of labor	3		00
4	Additional IRC Section 263A costs. Attach schedule	4		00
5	Other costs. Attach schedule	5		00
6	<b>Total.</b> Add line 1 through line 5	6		00
7	Inventory at end of year	7		00
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on Schedule B, line 2	8		00

9 a Check all methods used for valuing closing inventory:  
 (1)  Cost (2)  Lower of cost or market as described in Treas. Reg. Section 1.471-4 (3)  Write down of "subnormal" goods as described in Treas. Reg. Section 1.471-2(c) (4)  Other. Specify method used and attach explanation \_\_\_\_\_  
 b Check this box if the LIFO inventory method was adopted this taxable year for any goods. If checked, attach federal Form 970   
 c Do the rules of IRC Section 263A (with respect to property produced or acquired for resale) apply to the LLC?  Yes  No  
 d Was there any change (other than for IRC Section 263A purposes) in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation  Yes  No

**Schedule B Income and Deductions**

**Caution:** Include **only** trade or business income and expenses on line 1a through line 22 below. See the instructions for more information.

Income	1 a Gross receipts or sales \$ _____ b Less returns and allowances \$ _____ c Balance ●	1c		00
	2 Cost of goods sold (Schedule A, line 8)	2		00
	3 GROSS PROFIT. Subtract line 2 from line 1c	3		00
	4 Total ordinary income from other LLCs, partnerships, and fiduciaries. Attach schedule	4		00
	5 Total ordinary loss from other LLCs, partnerships, and fiduciaries. Attach schedule	5		00
	6 Total farm profit. Attach federal Schedule F (Form 1040)	6		00
	7 Total farm loss. Attach federal Schedule F (Form 1040)	7		00
	8 Total gains included on Schedule D-1, Part II, line 17 (gain only)	8		00
	9 Total losses included on Schedule D-1, Part II, line 17 (loss only)	9		00
	10 Other income. Attach schedule	10		00
	11 Other loss. Attach schedule	11		00
	12 <b>Total income (loss).</b> Combine line 3 through line 11	12		00
Deductions	13 Salaries and wages (other than to members)	13		00
	14 Guaranteed payments to members	14		00
	15 Bad debts	15		00
	16 Deductible interest expense not claimed elsewhere on return	16		00
	17 a Depreciation and amortization. Attach form FTB 3885L \$ _____ b Less depreciation reported on Schedule A and elsewhere on return \$ _____ c Balance ●	17c		00
	18 Depletion. Do not deduct oil and gas depletion	18		00
	19 Retirement plans, etc.	19		00
	20 Employee benefit programs	20		00
	21 Other deductions. Attach schedule	21		00
	22 <b>Total deductions.</b> Add line 13 through line 21	22		00
	23 Ordinary income (loss) from trade or business activities. Subtract line 22 from line 12	23		00

**Schedule T Nonconsenting Nonresident Members' Tax Liability**

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Member's name	SSN, ITIN, or FEIN	Distributive share of income	Tax rate	Member's total tax due (see instructions)	Amount withheld by this LLC on this member – reported on Form 592-B	Member's net tax due

Total the amount of tax due. Enter the total here and on Side 1, line 4. If less than zero enter -0- \_\_\_\_\_  
 Attach additional sheets if necessary.

**Schedule K Members' Shares of Income, Deductions, Credits, etc.**

		(a) Distributive share items		(b) Amounts from federal K (1065)		(c) California adjustments		(d) Total amounts using California law	
Income (Loss)	1	Ordinary income (loss) from trade or business activities . . . . .		1	●				
	2	Net income (loss) from rental real estate activities. Attach federal Form 8825. . . . .		2					
	3	a	Gross income (loss) from other rental activities. . . . .		3a				
		b	Less expenses. Attach schedule . . . . .		3b				
		c	Net income (loss) from other rental activities. Subtract line 3b from line 3a . . . . .		3c				●
	4	Guaranteed payments to members . . . . .		4					●
	5	Interest income . . . . .		5					●
	6	Dividends. . . . .		6					●
	7	Royalties . . . . .		7					●
	8	Net short-term capital gain (loss). Attach Schedule D (568). . . . .		8					●
	9	Net long-term capital gain (loss). Attach Schedule D (568). . . . .		9					●
10	a	Total Gain under IRC Section 1231 (other than due to casualty or theft) . . . . .		10a					●
	b	Total Loss under IRC Section 1231 (other than due to casualty or theft) . . . . .		10b					●
	c	Total other loss. Attach schedule . . . . .		11c					
Deductions	12	Expense deduction for recovery property (IRC Section 179 and R&TC Sections 17267.2, 17267.6, and 17268). Attach schedule . . . . .		12					
	13	a	Charitable contributions. See instructions. Attach schedule. . . . .		13a				
		b	Investment interest expense . . . . .		13b				●
	13c	1	Total expenditures to which IRC Section 59(e) election may apply. Attach schedule. . . . .		13c1				
		2	Type of expenditures _____		13c2				
	13d	Deductions related to portfolio income . . . . .		13d					
13e	Other deductions. Attach schedule . . . . .		13e						
Credits	15	a	Withholding on LLC allocated to all members . . . . .		15a				
		b	Low-income housing credit . . . . .		15b				
		c	Credits other than the credit shown on line 15b related to rental real estate activities. Attach schedule . . . . .		15c				
		d	Credits related to other rental activities. Attach schedule . . . . .		15d				
		e	Nonconsenting nonresident members' tax paid by LLC . . . . .		15e				
		f	Other credits. Attach schedule . . . . .		15f				●
		g	New Jobs Credit . . . . .		15g				
Alternative Minimum Tax (AMT) Items	17	a	Depreciation adjustment on property placed in service after 1986 . . . . .		17a				
		b	Adjusted gain or loss . . . . .		17b				
		c	Depletion (other than oil and gas). . . . .		17c				
		d	Gross income from oil, gas, and geothermal properties . . . . .		17d				
		e	Deductions allocable to oil, gas, and geothermal properties . . . . .		17e				
		f	Other alternative minimum tax items. Attach schedule . . . . .		17f				
Other Information	18	a	Tax-exempt interest income . . . . .		18a				
		b	Other tax-exempt income . . . . .		18b				●
		c	Nondeductible expenses . . . . .		18c				
	19	a	Distributions of money (cash and marketable securities) . . . . .		19a				
		b	Distribution of property other than money . . . . .		19b				
	20	a	Investment income . . . . .		20a				
b		Investment expenses . . . . .		20b					
c		Other information. See instructions . . . . .		20c					
Analysis	21	a	Total distributive income/payment items. Combine lines 1, 2, and 3c through 11c. From the result, subtract the sum of lines 12 through 13e. . . . .		21a				●
		b	Analysis of members: Members	(a) Corporate	(b) Individual i. Active      ii. Passive		(c) Partnership	(d) Exempt Organization	(e) Nominee/Other

**Schedule L Balance Sheets.** See the instructions for Schedule L, before completing Schedules L, M-1, and M-2.

Assets	Beginning of taxable year		End of taxable year	
	(a)	(b)	(c)	(d)
1 Cash				
2 a Trade notes and accounts receivable				
b Less allowance for bad debts	( )		( )	
3 Inventories				●
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets. Attach schedule				●
7 Mortgage and real estate loans				
8 Other investments. Attach schedule				●
9 a Buildings and other depreciable assets				
b Less accumulated depreciation	( )		( )	●
10 a Depletable assets				
b Less accumulated depletion	( )		( )	
11 Land (net of any amortization)				●
12 a Intangible assets (amortizable only)				
b Less accumulated amortization	( )		( )	
13 Other assets. Attach schedule				●
14 Total assets				
<b>Liabilities and Capital</b>				
15 Accounts payable				●
16 Mortgages, notes, bonds payable in less than 1 year				●
17 Other current liabilities. Attach schedule				
18 All nonrecourse loans				●
19 Mortgages, notes, bonds payable in 1 year or more				●
20 Other liabilities. Attach schedule				●
21 Members' capital accounts				●
22 Total liabilities and capital				

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return.** Use total amount under California law.

If the partnership completed federal Schedule M-3 (federal Form 1065), see instructions.

1 Net income (loss) per books		6 Income recorded on books this year not included on Schedule K, line 1 through line 11c. Itemize:	
2 Income included on Schedule K, line 1 through line 11c, not recorded on books this year. Itemize ●		a Tax-exempt interest \$ _____	
3 Guaranteed payments (other than health insurance) . . . . .		b Other \$ _____	
4 Expenses recorded on books this year not included on Schedule K, line 1 through line 13e. Itemize:		c Total. Add line 6a and line 6b ●	
a Depreciation \$ _____		7 Deductions included on Schedule K, line 1 through line 13e, not charged against book income this year. Itemize:	
b Travel and entertainment \$ _____		a Depreciation \$ _____	
c Annual LLC tax \$ _____		b Other \$ _____	
d Other \$ _____		c Total. Add line 7a and line 7b ●	
e Total. Add line 4a through 4d ●		8 Total. Add line 6c and line 7c. . . . .	
5 Total of line 1 through line 4e . . . . .		9 Income (loss) (Schedule K, line 21a). Subtract line 8 from line 5. . . . .	

**Schedule M-2 Analysis of Members' Capital Accounts.** Use California amounts.

1 Balance at beginning of year		5 Total of line 1 through line 4	
2 Capital contributed during year		6 Distributions: a Cash ●	
a Cash ●		b Property ●	
b Property ●		7 Other decreases. Itemize ●	
3 Net income (loss) per books		8 Total of line 6 and line 7	
4 Other increases. Itemize ●		9 Balance at end of year. Subtract line 8 from line 5. . . . .	

**Schedule O Amounts from Liquidation used to Capitalize a Limited Liability Company.** (Complete only if initial return box is checked on Side 1, Question H).

Name of entity liquidated (if more than one, attach a schedule) \_\_\_\_\_

Type of entity:  (1) C Corporation  (2) S Corporation  (3) Partnership  (4) Limited Partnership  (5) Sole Proprietor  (6) Farmer

Entity identification number(s) FEIN \_\_\_\_\_ SSN or ITIN \_\_\_\_\_ Corporation \_\_\_\_\_ SOS \_\_\_\_\_

Amount of liquidation gains recognized to capitalize the LLC ● \_\_\_\_\_

**Schedule IW Limited Liability Company (LLC) Income Worksheet**

Enter your California income amounts on the worksheet. All amounts entered must be assigned for California law differences. **Use only amounts that are from sources derived from or attributable to California when completing lines 1-17 of this worksheet.** If your business is both within and outside of California, see Schedule IW instructions to assign the correct amounts to California. If the LLC is wholly within California, the total income amount is assigned to California and is entered beginning with line 1a. If the single member LLC (SMLLC) does not meet the 3 million criteria for filing Schedule B (568) and Schedule K (568), the SMLLC is still required to complete Schedule IW. Disregarded entities that do not meet the filing requirements to complete Schedule B or Schedule K should prepare Schedule IW by entering the California amounts attributable to the disregarded entity from the member's federal Schedule B, C, E, F (Form 1040), or additional schedules associated with other activities. Do not enter amounts on this worksheet that have already been reported by another LLC to determine its fee.

**See instructions on page 13 of the Form 568 Booklet for more information on how to complete Schedule IW.**

<b>1 a</b>	Total California income from Form 568, Schedule B, line 3. See instructions	<b>1a</b>	_____
<b>b</b>	Enter the California cost of goods sold from Form 568, Schedule B, line 2 and from federal Schedule F (Form 1040) (plus California adjustments) associated with the receipts assigned to California on line 1a	<b>1b</b>	_____
<b>2 a</b>	Gross California income of disregarded entities not included in lines 1 and 8 through 16	<b>2a</b>	_____
<b>b</b>	Enter the cost of goods sold of disregarded entities associated with the receipts assigned to California on line 2a	<b>2b</b>	_____
<b>3 a</b>	LLC's distributive share of ordinary income from pass-through entities	<b>3a</b>	_____
<b>b</b>	Enter the LLC's distributive share of cost of goods sold from other pass-through entities associated with the receipt assigned to California on line 3a (see Schedule K-1s (565), Table 3, line 1a)	<b>3b</b>	_____
<b>c</b>	Enter the LLC's distributive share of deductions from other pass-through entities associated with the receipt assigned to California on line 3a (see Schedule K-1s (565), Table 3, line 1b)	<b>3c</b>	_____
<b>4</b>	Add gross farm income from federal Schedule F (Form 1040). Use California amounts	<b>4</b>	_____
<b>5</b>	Enter the total of other income (not loss) from Form 568, Schedule B, line 10	<b>5</b>	_____
<b>6</b>	Enter the ordinary gains (not losses) and the recapture income from California Schedule D-1, Part II, line 17	<b>6</b>	_____
<b>7</b>	<b>Add line 1a through line 6</b>	<b>7</b>	_____
<b>8</b>	<b>California rental real estate</b>		
<b>a</b>	Enter the total gross rents from federal Form 8825, line 18a	<b>8a</b>	_____
<b>b</b>	Enter the total gross rents from all Schedule K-1s (565), Table 3, line 2	<b>8b</b>	_____
<b>c</b>	Add line 8a and line 8b	<b>8c</b>	_____
<b>9</b>	<b>Other California rentals.</b>		
<b>a</b>	Enter the amount from Schedule K (568), line 3a	<b>9a</b>	_____
<b>b</b>	Enter the amount from all Schedule K-1s (565), Table 3, line 3	<b>9b</b>	_____
<b>c</b>	Add lines 9a and 9b	<b>9c</b>	_____
<b>10</b>	<b>California interest.</b> Enter the amount from Form 568, Schedule K, line 5	<b>10</b>	_____
<b>11</b>	<b>California dividends.</b> Enter the amount from Form 568, Schedule K, line 6	<b>11</b>	_____
<b>12</b>	<b>California royalties.</b> Enter the amount from Form 568, Schedule K, line 7	<b>12</b>	_____
<b>13</b>	<b>California capital gains.</b> Enter the capital gains (not losses) included in Schedule D (568)	<b>13</b>	_____
<b>14</b>	<b>California 1231 gains.</b> Enter the amount of total gains (not losses) from Form 568, Schedule K, line 10a	<b>14</b>	_____
<b>15</b>	<b>Other California portfolio income (not loss).</b> Enter the amount from Form 568 Schedule K, line 11a	<b>15</b>	_____
<b>16</b>	<b>Other California income (not loss) not included in line 5.</b> Enter the amount from Form 568, Schedule K, line 11b	<b>16</b>	_____
<b>17</b>	<b>Total California income.</b> Add lines 7, 8c, 9c, 10, 11, 12, 13, 14, 15, and 16. Line 17 may not be a negative number. Enter here and on Form 568, Side 1, Line 1. If less than zero enter -0-	<b>17</b>	_____