

Tax Practitioner Guidelines for Computer-Prepared Returns

Introduction

The Franchise Tax Board (FTB) has established these guidelines for tax practitioners who use personal computers to computer-prepare the following income tax returns, schedules, and tax payment vouchers filed on paper:

- Form 100, California Corporation Franchise or Income Tax Return
- Form 100S, California S Corporation Franchise or Income Tax Return
- Form 100W, California Corporation Franchise or Income Tax Return — Water's-Edge Filers
- Form 100X, Amended Corporation Franchise or Income Tax Return
- Form 100-ES, Corporation Estimated Tax
- Form 540, California Resident Income Tax Return
- Form 540-ES, Estimated Tax for Individuals
- Form 540 2EZ, California Resident Income Tax Return
- Form 540NR, California Nonresident or Part-Year Resident Income Tax Return (Long and Short)
- Form 540-V, Payment Voucher for 540 Returns
- Form 540X, Amended Individual Income Tax Return
- Form 541-ES, Estimated Tax for Fiduciaries
- Form 565, Partnership Return of Income
- Form 568, Limited Liability Company Return of Income
- Form FTB 3519, Payment for Automatic Extension for Individuals
- Form FTB 3522, LLC Tax Voucher
- Form FTB 3536, Estimated Fees for LLCs
- Form FTB 3537, Payment for Automatic Extension for LLCs
- Form FTB 3538, Payment for Automatic Extension for LPs, LLPs, and REMICs
- Form FTB 3539, Payment for Automatic Extension for Corps and Exempt Orgs
- Form FTB 3563, Payment for Automatic Extension for Fiduciaries
- Form FTB 3582, Payment Voucher for Individual e-filed Returns
- Form FTB 3586, Payment Voucher for Corps and Exempt Orgs e-filed Returns
- Form FTB 3587, Payment Voucher for LP, LLP, and REMIC e-filed Returns
- Form FTB 3588, Payment Voucher for LLC e-filed Returns
- Form FTB 3843, Payment Voucher for Fiduciary e-filed Returns
- Schedule K-1 (100S), Shareholder's Share of Income, Deductions, Credits, etc.
- Schedule K-1 (565), Partner's Share of Income, Deductions, Credits, etc.
- Schedule K-1 (568), Member's Share of Income, Deductions, Credits, etc.

This publication also provides information on:

- California's e-file Program. See page 12.
- Filing Business Entity returns, including paperless Schedules K-1 (565 or 568). See page 14.

If you prepare your clients' tax returns by hand, you must use the official forms as printed and distributed by the FTB or an FTB-approved substitute version.

By following these guidelines, you help accelerate processing and get your clients' refunds to them faster.

As a tax practitioner, you do not need approval from us to computer-prepare your clients' tax returns. However, make sure that the tax software you use produces FTB-approved forms. Ask your software provider for a copy of its FTB-approval letter for the form(s) you want to prepare.

If you use electronic software that allows you the ability to create tax forms that your clients will file with the FTB, they may need our approval first. Get FTB Pub. 1098, Part I, Annual Requirements and Specifications for the Development and Use of Substitute, Scannable, and Reproduced Tax Forms, and form FTB 1096, Agreement to Comply with FTB Pub. 1098 Annual Requirements and Specifications, for more information.

To ensure you receive software updates and other information necessary to produce FTB-approved forms, register with your software provider, as necessary, upon receiving the product.

What's New for 2013

Form 540A Elimination

For taxable years beginning 2013, Form 540A has been eliminated because:

- Use of the Form 540A continues to decrease each year and less than 2% of taxpayers file this form.
- Form 540A is available only in paper format either in the tax booklet or printed from the FTB website.
- In 2004, tax preparation software stopped generating Form 540A.

Taxpayers who previously filed Form 540A will need to use Form 540 2EZ or Form 540.

Form 541 e-file

The FTB offers e-filing for fiduciaries filing Form 541, California Fiduciary Income Tax Return, for taxable years beginning on or after January 1, 2013. Check with the software provider to see if they support fiduciary (estate or trust) e-filing.

Optical Character Recognition (OCR)

Some forms were completely formatted for OCR (Forms 540, 540 2EZ, and Schedule W-2). For other forms, only the entity area was formatted for OCR (Forms 100, 100S, 100W, 565, and 568 and Schedule K-1s (100S, 565, and 568)). As a result of the format change, the number of pages for these forms increased.

Date format

The year format changed from 2-digits to 4-digits on all forms.

Entity Area Changes on Tax Returns:

- **Additional Information** – An additional information line was added below the taxpayer name.
 - For Personal Income Tax (PIT) use the Additional Information field for "In-Care-Of" name and other supplemental address information only.
 - For Business Entities (BE) use the Additional Information field for "Owner/Representative/Attention" name and other supplemental address information only.
- **Foreign Address** – Foreign address line was added below the city, state, zip code line. If there's a foreign address enter the city, foreign country name, foreign province/state/county name, and foreign postal code in the appropriate boxes. Do not abbreviate the foreign country name. Follow the country's practice for entering the province/state/county name and foreign postal code.
- **PMB (Private Mail Box)** – The PMB is listed separately from the street address line on Forms 540, 540 2EZ, 540NR Long, 540NR Short, 540X, 100, 100S, 100W, 100X, 565, 568, and FTB 3533.
- **Return Process Code (RP)**
 - Personal Income Tax Forms: The PACARRP box changed to ARRP box on Forms 540, 540 2EZ, 540NR Long, 540NR Short, 540X, and 541.
 - Business Entity Forms: A new BE "RP" box was added to the Forms 100, 100S, 100W, 100X, 565, and 568. The BE "RP" box will allow RP codes for disaster, CFC motion picture credit, and military designations.

2D Barcode

For the 2013 taxable year, 2D barcodes will be available on software prepared Form 540 2EZ, Form 540, and certain attached forms and schedules. Tax preparation software companies have the option to develop either a 2D barcode version of Form 540 2EZ and Form 540 or a standard Form 540 2EZ and scannable Form 540 for tax year 2013. If the tax preparation software produces a 2D Barcode Form 540 2EZ or Form 540, the 2D barcodes will print directly on the form. When assembling the tax return for filing, follow the assembly guidelines on page 19.

Keying Symbol

The vertical rectangle keying symbol was replaced by the bullseye keying symbol. The bullseye keying symbol was added to many business entity forms.

Legislative Update

For information regarding legislation changes, go to ftb.ca.gov and search for **legislation**.

Processing Changes for Withholding Forms and Payments

We implemented new processing changes for withholding forms and payments. These new changes ensure fast, accurate processing of withholding forms and payments. You must use updated forms and procedures to report and pay amounts you have withheld from California source income. For more information, go to ftb.ca.gov and search for **withholding forms and payments**.

New Forms

- Form FTB 3843, Payment Voucher for Fiduciary e-filed Returns

Obsolete Forms

- Form 540A, California Resident Income Tax Return
- FTB 3830, 2D Barcode Data Sheet
- Publication 776, Tax Information for Same-Sex Married Couples

Support of the Scannable Format in Forms and Payment Forms

FTB supports the use of the following forms and payment forms in a scannable format:

Scannable Form 540	Scannable voucher FTB 3538
Scannable voucher Form 100-ES	Scannable voucher FTB 3539
Scannable voucher Form 540-ES	Scannable voucher FTB 3563
Scannable voucher Form 540-V	Scannable voucher FTB 3582
Scannable voucher Form 541-ES	Scannable voucher FTB 3586
Scannable voucher FTB 3519	Scannable voucher FTB 3587
Scannable voucher FTB 3522	Scannable voucher FTB 3588
Scannable voucher FTB 3536	Scannable voucher FTB 3843
Scannable voucher FTB 3537	

In an effort to expedite processing, reduce costs, and minimize manual intervention, we request that tax preparation software companies no longer produce or support these forms in a format other than scannable. The exception is for Form 540, where tax software preparation companies have the option to develop either the scannable or 2D barcode version.

Format Changes

Form 100

- Form increased from 5 sides to 6 sides.
- Side 1 reformatted for optical character recognition (OCR).
- Side 1, Line 15 changed.
- Side 2, Line 19 changed.
- Side 2, Line 20 changed.
- Side 2, Lines 26a and 26b added keying symbol for the 'code'.
- Side 2, Line 43 added keying symbol.
- Side 3, Schedule Q, Question M modified.
- Side 4, Schedule F, Lines 14, 20, 20a, 23, 24, and 25 added keying symbol.
- Side 5, Schedule V, Lines 1, 2, and 6 added keying symbol.

- Side 5, Schedule L added numerous keying symbol (columns a – d).
- Side 6, Schedule M-1, Line 9 added keying symbol.
- Side 6, Schedule D, Part I, Lines 2 and 3 added keying symbol.
- Side 6, Schedule D, Part II, Lines 6 and 7 added keying symbol.

Form 100S

- Form increased from 5 sides to 6 sides.
- Side 1 reformatted for optical character recognition (OCR).
- Side 1, Line 12 modified.
- Side 2, Lines 16, 18, and 19 modified.
- Side 2, Lines 24a and 24b added keying symbol for the 'code'.
- Side 2, Line 32 modified.
- Side 2, Line 42 added keying symbol.
- Side 3, Question P modified.
- Side 4, Schedule F, Lines 2, 3, 4, 6, 7, 9, 10, 12, 13, 14a, 14b, 15, 16, 19a, and 19b added keying symbol.
- Side 4, Schedule L, Column (b) Line 25, Column (c) Lines 2a, 12a, and Column (d) Lines 2b, 15, and 25 added keying symbol.
- Side 5, Schedule M-2, Column (a), Lines 3, 5 and Column (c), Line 1 added keying symbol.
- Side 5, Schedule V, Lines 1, 5, and 7 added keying symbol.
- Side 6, Schedule K, Column (b) Lines 8, 9 and Column (c) Lines 1, 7, 8, 9, 10a, 10b, 12e and Column (d) Lines 3a, 3b, 11, 12e added keying symbol.

Form 100W

- Form increased from 5 sides to 6 sides.
- Side 1 reformatted for optical character recognition (OCR).
- Side 1, Line 15 modified.
- Side 2, Lines 19, 20, and 21 modified.
- Side 2, Lines 26a and 26b added keying symbol for the 'code'.
- Side 2, Line 42 added keying symbol.
- Side 3, Schedule Q, Question M modified.
- Side 4, Schedule F, Lines 14, 20, 20a, 23, 24, and 25 added keying symbol.
- Side 5, Schedule V, Lines 1 and 2 added keying symbol.
- Side 5, Schedule L added numerous keying symbol (columns a – d).
- Side 6, Schedule M-2, Line 8 added keying symbol.

Form 109

- Side 1, Line 11d added keying symbol.
- Side 1, Line 27 added keying symbol.
- Side 3, Schedule B, Lines 1 – 3 added keying symbol for the 'code'.
- Side 3, Schedule R deleted 'yes' 'no' question and check boxes.
- Side 3, Schedule R, Part A, Part B moved to Part A.
- Side 3, Schedule R, Part A title changed to "Standard Method – Single-Sales Factor Formula".
- Side 3, Schedule R, Part B, Part A moved to Part B.
- Side 3, Schedule R, Part B title changed to "Three Factor Formula".
- Schedule R, Part B deleted line 4.
- Schedule R, Part B rennumbers lines 5 and 6 to lines 4 and 5.

Form 199

- Side 1, Part I, Line 15 added keying symbol.

Form 540

- Form increased from 3 sides to 5 sides.
- Form modified for OCR.
- Side 1, Line 10 added keying symbol to all the boxes in the dependent table.
- Side 2, Line 31 keying symbol added in front of bottom two check boxes.
- Side 2, Line 34 keying symbol added in front of check boxes.
- Side 2, Lines 43 and 44 deleted keying symbol from 'credit name' field.
- Side 2, Lines 43 and 44 added keying symbol for the 'code'.
- Side 3, added space for 2D barcode.
- Side 5, Line 113 added keying symbol in front of both check boxes.

Form 540 2EZ

- Form increased from 2 sides to 4 sides.
- Form modified for OCR.
- Side 1, Line 8 added keying symbol to all the boxes in the dependent table.
- Side 2 added space for 2D barcode.

Form 540NR Long

- Side 1, Line 10 added keying symbol to all the boxes in the dependent table.
- Side 2, Line 31 added keying symbol in front of last two check boxes.
- Side 2, Line 41 added keying symbol in front of check boxes.
- Side 2, Lines 58 and 59 deleted keying symbol from 'credit name' field.
- Side 2, Lines 58 and 59 added keying symbol for the 'code'.
- Side 3, Line 123 added keying symbol in front of check boxes.

Form 540NR Short

- Side 1, Line 10 added keying symbol to all the boxes in the dependent table.

Form 540X

- Form increased from 2 sides to 3 sides.
- Side 1, Line b modified.
- Side 1, Lines 1 – 16, Column C deleted line numbers.
- Side 2, Lines 17 – 21, Column C deleted line numbers.

Form 541

- Side 3, Line 41 added keying symbol.

Form 565

- Form increased from 4 sides to 5 sides.
- Entity area and Lines J – HH reformatted for OCR.
- Side 1, Entity information area removed "DBA" field.
- Side 2, Lines 30 and 32 added keying symbol.
- Side 2, Line P modified.
- Side 3, Line W modified.
- Side 3, Line BB modified.
- Side 3, added Line FF question for the "doing business as" name.
- Side 3, added Line GG questions for "operated as another business type".
- Side 3, added Line HH questions for "operated outside California".

Form 568

- Form increased from 6 sides to 7 sides.
- Entity area and Lines J – HH reformatted for OCR.
- Side 1, Entity information area removed "DBA" field.
- Side 2, Lines L (1), S, and U (2) modified.
- Side 2, Line L (2) added keying symbol.
- Side 3, added Line FF question for the "doing business as" name.
- Side 3, added Line GG questions for "operated as another business type".
- Side 3, added Line HH questions for "operated outside California".
- Side 3, Schedule B, Lines 2, 14, and 16 added keying symbol.
- Side 5, Schedule K, Column (d), Lines 1, 2, 3a, 11a, 11b, 13e, 19a, and 19b added keying symbol.
- Side 5, Schedule K, Line 12 modified.
- Side 6, Schedule L, Column (b), Lines 9b, 11, 18, 19, and 21 added keying symbol.
- Side 2, Schedule IW added keying symbol.

Form 570

- Side 1, "Check entity type:" deleted.

Form 588

- Side 1, Part III deleted keying symbol.
- Side 1, Signature section modified.
- Side 1, Part IV deleted 'Payee Information' block.
- Side 2, Part IV deleted one 'Payee Information' blocks.

- Side 2, Part IV titled changed from "Payee Information" to "Schedule of Payees" and the instruction modified.
- Side 2, "Reason for Waiver Request Letter Codes" title changed to "Waiver Request Reason Codes".
- Side 2, Waiver Request Reason Codes, Lines A and D modified.

Form 589

- Part I, Withholding Agent section modified.
- Part II, Payee section modified.
- Part III, Item "F" replaced with "I".
- Part IV, Line 14 modified.

Form 592

- Side 1, Signature section reformatted.
- Side 1, Part III "Tax Withheld" added above line 1.
- Side 1, Part III, Lines 3 and 7 modified.
- Side 2, Schedule of Payees, Line "DBA (if Applicable)" deleted.
- Side 2, "Total Income and Withholding For This Page Only" and "Total Lines" deleted.

Form 592-B

- Checkbox for "Amended" added.
- Part II title changed to "Payee".
- Part III, "F – Elective Withholding" added.
- Part III, Box G title changed to "Elective Withholding / Indian Tribe".
- Part III, Box H title changed to "Allocations of Foreign (non-U.S.) Nonresident Partners/Members".
- Part III, Box I added "Other" and deleted "(describe)".

Form 592-F

- Side 1, Signature section reformatted.
- Side 2 "Withholding Agent's Name and Number" title at the top of the page modified.
- Side 2, "Total Income and Withholding for This Page Only" and "Total Lines" deleted.

Form FTB 1115

- Part I added keying symbol.

Form FTB 1117

- Part I added keying symbol.

Form FTB 2416

- Column (i), Line 9 added keying symbol.

Form FTB 3523

- Side 2, Part I, Line 45 modified.
- Side 2, Part II, Lines 47a, 47b and 48 renumbered to 47, 48, and 49.
- Side 2, Part II, Lines 48 and 49 modified.
- Side 3, Part III added.

Form FTB 3541

- Side 1, Part I, Line 10 modified.
- Side 1, Part I, Line 11 added.
- Side 1, Part II, Lines renumbered.
- Side 1, Part III, Column (a), Line 14 added to 1st box and renumbered subsequent lines.
- Side 2, Part IV, Lines renumbered.
- Side 2, Part IV, Line 18 modified.

Form FTB 3544

- Added keying symbol to the entire form.

Form FTB 3544-A

- Added keying symbol to the entire form.

Form FTB 3575

- Side 1, Part II, Section B, Line 8 modified.
- Side 2, Part II, Section C, Line 10 modified.

Form FTB 3805Q

- Side 1, Entity section – added keying symbol.
- Side 1, Part I, Line 6 added keying symbol.
- Side 1, Part I, Line 6 modified.
- Side 1, Part I, Lines 7, 8, and 9 added.

- Side 1, Part I 'Elections to Waive Carryback' paragraph and check box added.
- Side 1, Part II, Line 2, Column (e) and (h) added keying symbol.
- Side 2, Part III added new 'NOL Carryback' section.
- Side 2, Part IV renamed 'Part III' to 'Part IV'.
- Side 2, Part IV, Line 3 added keying symbol.

Form FTB 3805V

- Side 1, Part I, Section A, Line 25 modified.
- Side 1, Part I, Section A, Lines 26, 27, and 28 added.
- Side 2, Section B, Line 25 modified.
- Side 2, Section B, Lines 26, 27, and 28 added.
- Side 3, Section C 'Elections to Waive Carryback' paragraph and check box added.
- Side 4, Part IV added.

Form FTB 3805Z

- Side 1, Line E modified.
- Side 1, Part III, Line 3 modified.
- Side 1, Part IV, Line 4 modified.
- Side 1, Part V, Line 5c modified.
- Side 1, Part V, Line 5c check box added.
- Side 2, Schedule Z, Part I, Line 4 modified.

Form FTB 3807

- Side 1, Line E modified.
- Side 1, Part IV, Line 4 modified.
- Side 1, Part V, Line 5c modified.
- Side 1, Part V, Line 5c check box added.

Form FTB 3808

- Side 1, Line H deleted and subsequent line relettered.
- Side 2, Schedule Z, Part I, Line 1 modified.

Form FTB 3809

- Side 1, Line H deleted and relettered subsequent lines.
- Side 1, Part II deleted and subsequent Parts III, IV, and V renumbered and lines 3 – 6 renumbered.
- Side 1, Part III, Lines 3a, 3b and 3c modified.
- Side 2, Schedule Z, Part I, Line 1 modified.
- Side 2, Schedule Z, Part I, Lines 1 and 7 added keying symbol.
- Side 2, Schedule Z, Part I, Line 4 modified.
- Side 2, Schedule Z, Part II, Line 9b, Column (b) shaded.
- Side 2, Schedule Z, Part II, Line 11, Column (b) shaded.
- Side 2, Schedule Z, Part II, Line 13, Column (b) shaded.

Form FTB 3811

- Side 1, Part II, Line 4 modified.
- Side 1, Part II, Line 4 shading deleted.

Form FTB 3832

- Lines 1 – 7, 2nd column "Nonresident member's name" added keying symbol.
- Lines 1 – 7, last column, "Nonresident member's SSN, ITIN, and FEIN" added keying symbol.

Form FTB 5805

- Form increased from 2 sides to 3 sides.
- Sides 1 and 2 reformatted for OCR.
- Side 1, Part I added space for 2D barcode.

Schedule B/C/D/H (100S)

- Side 3, Schedule H, Part I, Line 4, Column (c) and (d) added keying symbol.
- Side 3, Schedule H, Part II, Line 4, Column (g) added keying symbol.
- Side 3, Schedule H, Part III, Line 4, Column (g) added keying symbol.

Schedule CA (540)

- Side 1, Part I, Section B, Line 27, Column B deleted keying symbol and shaded box.
- Side 2, added space for 2D barcode.

Schedule CA (540NR)

- Side 2, Part II, Section B, Line 27, Column B deleted keying symbol and shaded box.

Schedule D (540)

- Form increased from 1 side to 2 sides.
- Side 1, Line 1, Column (a) consecutive lettering added to each line.
- Side 1, Line 3 modified.
- Side 2, Line 9(b) modified.
- Side 2, added space for 2D barcode.

Schedule D (540NR)

- Side 1, Line 1, Column (a) consecutive lettering added to each line.
- Side 1, Line 3 modified.
- Side 1, Line 9(b) modified.

Schedule H (100)

- Part I, Line 4(d) added keying symbol.
- Part II, Line 4(g) added keying symbol.

Schedule H (100W)

- Part I, Line 4(d) added keying symbol.
- Part II, Line 4(g) added keying symbol.

Schedule J (541)

- Part IV, Line 31 question added for "nonresident beneficiary".

Schedule K-1 (100S)

- Side 1, Line 3, Columns (d) and (e) added keying symbol.
- Side 2, Line 15(a), Columns (d) and (e) added keying symbol.

Schedule K-1 (565)

- Side 1, Lines G(1) and G(2) added keying symbol.
- Side 2, Line 3, Columns (d) and (e) added keying symbol.
- Side 3, Line 17(a), Columns (d) and (e) added keying symbol.
- Side 3, Lines 19(a) and 19(b), Column (d) added keying symbol.

Schedule K-1 (568)

- Side 1, Lines F(1) and G(2) added keying symbol.
- Side 2, Line 3, Columns (d) and (e) added keying symbol.
- Side 3, Line 17(a), Columns (d) and (e) added keying symbol.
- Side 3, Lines 19(a) and 19(b), Column (d) added keying symbol.

Schedule P (100)

- Sides 1 and 2, Parts I, II, and III added keying symbol to all lines and columns.
- Side 2, Part II, Section A2, Lines 5 – 8 added keying symbol for the 'code'.
- Side 2, Part II, Section B, Lines 11 – 14 added keying symbol for the 'code'.

Schedule P (100W)

- Sides 1 and 2, Parts I, II, and III added keying symbol to all lines and columns.
- Side 2, Part II, Section A2, Lines 5 – 8 added keying symbol for the 'code'.
- Side 2, Part II, Section B, Lines 11 – 14 added keying symbol for the 'code'.

Schedule P (540)

- Side 1, Part I, Line 13i renamed "Pollution control facilities".
- Side 1, Part I, Line 13f renamed "Research and experimental".
- Side 2, Part III, added space for 2D barcode.

Schedule P (540NR)

- Side 1, Part I, Line 13h renamed "Pollution control facilities".
- Side 1, Part I, Line 13i renamed "Research and experimental".
- Side 2, Part II, Line 29o renamed "Pollution control facilities".
- Side 2, Part II, Line 29p renamed "Pollution control facilities".
- Side 3, Part III, Section A2, Lines 8 – 11 added keying symbol for the 'code'.
- Side 3, Part III, Section A2, Line 11, Column (c) added keying symbol.
- Side 3, Part III, Section B2, Lines 18 – 21 added keying symbol for the 'code'.

- Side 3, Part III, Section B2, Line 21, Column (c) added keying symbol.
- Side 3, Part III, Section C, Line 23, Column (c) added keying symbol.

Schedule R

- Side 1, Line 18a added keying symbol.
- Side 1, Line 18a modified.
- Side 2, Line 35 modified.
- Side 3, Schedule R-1 deleted question, keying symbol, and check boxes at the top of the page.
- Side 3, Schedule R-1, Part A, Part B moved to Part A.
- Side 3, Schedule R-1, Part A title changed to “Standard Method – Single-Sales Factor Formula”.
- Side 3, Schedule R-1, Part B, Part A moved to Part B.
- Side 3, Schedule R-1, Part B title changed to “Three Factor Formula”.
- Side 3, Schedule R-1, Part B, Line 5 modified.
- Side 3, Schedule R-1, Part B, Line 5 modified calculation to read “divide Line 4 by 3”.
- Side 4, Schedule R-3, Line 3, columns (b) and (c) added keying symbol.
- Side 4, Schedule R-4, Lines 1 and 2, Columns (a) – (e) added keying symbol.
- Side 5, Schedule R-5, Lines 7 and 16 added keying symbol.
- Side 5, Schedule R-6, Lines 8 and 10 modified.
- Side 5, Schedule R-6, Line 15 added keying symbol.
- Side 6, Schedule R-7, Part I, Section A added keying symbol to all lines and columns.
- Side 7, Schedule R-7, Part II added keying symbol to all rows and columns.

Schedule S (540)

- Part II, Line 7 added keying symbol for “state abbreviation”.

Voluntary Contributions

Please note the following information regarding the voluntary contributions:

Repealed Voluntary Contribution Funds

- Code 414 ALS/Lou Gehrig’s Disease Research Fund

New Voluntary Contribution Funds

- Code 424 Protect Our Coast & Oceans Fund
- Code 425 Keep Arts in Schools Fund
- Code 426 American Red Cross, California Chapters Fund

Important Reminders

- Taxpayers may request Direct Deposit of their refund to two separate bank accounts on all Personal Income Tax Returns.
- For Personal Income Tax Returns, the ARRP “RP” Area is configured differently and, when applicable, based on your input, the software you use will print these codes to designate special processing:
 - 9 = Disaster
 - C = Spouse/RDP deceased
 - D = Taxpayer deceased
 - O = Outside the USA
 - U = Military - Combat Zone/Overseas

See the special instructions for “Disaster, Outside the USA, and Military Designations on Scannable 540 and Substitute Computer-Generated Forms 540, 540 2EZ, Long and Short 540NR, and 540X” on this page.

- For Business Entity Income Tax Returns, the “RP” Area is new and, when applicable, based on your input, the software you use will print these codes to designate special processing:
 - 9 = Disaster
 - F = CFC Motion Picture Credit
 - U = Military - Combat Zone/Overseas

See the special instructions for “Disaster, CFC Motion Picture Credit, and Military Designations on Substitute Computer-Generated Forms 100, 100S, 100W, 100X, 565, and 568” on the next page.

“Amount of Payment” – Exception for all Estimate Payment Forms

To better meet taxpayers’ expectations and enable us to optimize efficient processing of scannable estimate payment forms (Forms 100-ES, 540-ES, and 541-ES), we allow software programs to leave the taxpayer’s “Amount of payment” dollar amount blank. This provides a solution for your clients who determine their estimate payment amount at a later date allowing them to enter the payment amount by hand.

To help ensure accurate processing of your clients’ payments, use the current year’s payment forms when paying current year tax liabilities.

California Secretary of State (SOS) File No.

- The SOS file no. is **always** numeric and **must** begin with a “19” or “20” (The “19” and “20” represents the first two digits of the year the file number was assigned to the taxpayer by the SOS.) (e.g., “200412345678”)
- The SOS file no. should be 12 digits long.
- If the SOS file no. is not available to you, the software you use will zero fill the SOS File No. field. (e.g., 000000000000)

Use of Hyphens in Street Address Field

Hyphens can only be used in the street address field for all personal income tax, business income tax forms, payment forms, and vouchers (scannable and substitute versions).

Disaster, Outside the USA, and Military Designations on Scannable Form 540 and Substitute Computer-Generated Forms 540, 540 2EZ, Long and Short 540NR, and 540X

We continue to enlist the support from preparers to identify their clients with a disaster, outside the USA, or military special processing requirement. In addition to instructions to “write the disaster, outside the USA, or military special circumstance, in red ink, in the top margin on Side 1,” of scannable Form 540, and substitute computer-generated Forms 540, 540 2EZ, Long and Short 540NR, and 540X, the tax software you use will print code “9” (Disaster), code “O” (Outside the USA), and code “U” (Military) in the ARRP area’s “RP” box. (Check with your software provider to see if they support this option.)

Disasters

Taxpayers affected by certain disasters are legislatively granted additional time to file tax returns and make tax payments, including estimated tax payments (Internal Revenue Code Section 7508A/ California Revenue and Taxation Code Section 18572). We **do** abate interest and any late filing or late payment penalties during the extension period.

Please ensure the following information is written in red ink in the top margin of your clients’ California tax return:

- Disaster – enter the specific name of the disaster (e.g., “DISASTER – Rim Fire 2013”).

Although the disaster code in the ARRP area’s “RP” box will tell us the taxpayer was affected by some disaster, we also need the **specific disaster identified in red ink** in the top margin of the return. With this specific information, we can process the return quickly with the correct extension, if an extension was granted, and adjust interest and penalties as needed.

For more details about how to claim a state tax disaster loss deduction for your clients, get FTB Pub. 1034, Disaster Loss How to Claim a State Tax Deduction.

Outside the USA

For taxpayers residing or traveling outside the USA on April 15, 2014, the deadline to file their tax return and pay the tax is June 16, 2014. Interest will accrue from the original due date until the date of payment. If additional time is needed to file, an automatic six-month extension will be allowed. To qualify for the extension, file the tax return by December 15, 2014.

When filing the tax return, write “**Outside the USA on April 15, 2014**” at the top of the tax return **written in red ink**, or include it according to your software’s instructions. To avoid any late-payment penalties, pay the tax liability by June 16, 2014.

Military – Combat Zone/Overseas

Combat Zone – Service members of the Armed Forces (including National Guard and reservists called to active duty) and civilians acting under the direction of the Armed Forces in support of those forces, are allowed an extension of 180 days after leaving a combat zone or qualified hazardous duty area (QHDA) for filing returns and paying taxes without interest or penalties. In addition to the 180 days, they are allowed an additional extension of up to 107 days (the number of days they were in a combat zone or QHDA during the filing season).

We need the following information **written in red ink** in the top margin of the return:

- Combat Zone
- Location or area served: _____
- Dates of deployment: From MM/DD/YYYY To MM/DD/YYYY

With this information, we can allow the correct extended due date, adjust interest and penalties as needed, and prevent premature billings from being mailed.

Military Overseas – Service members of the Armed Forces (including National Guard and reservists called to active duty) and Merchant Marines working beyond the boundaries of the United States, are allowed an extension of 180 days after returning from overseas for filing returns and paying tax without interest or penalties.

We need the following information **written in red ink** in the top margin of the return:

- Military Overseas
- Dates of deployment: From MM/DD/YYYY To MM/DD/YYYY

With this information, we can allow the correct extended due date, adjust interest and penalties as needed, and prevent premature billings from being mailed.

For more information, get FTB Pub. 1032, Tax Information for Military Personnel.

Disaster, CFC Motion Picture Credit, and Military Designations on Substitute Computer-Generated Forms 100, 100S, 100W, 100X, 565, and 568

New this year, we will enlist the support from preparers to identify their clients with a disaster, CFC Motion Picture Credit, or military special processing requirement on business entity tax return. In addition to instructions to “write the disaster, CFC Motion Picture Credit, or military special circumstance, in red ink, in the top margin on Side 1,” of substitute computer-generated Forms 100, 100S, 100W, 100X, 565, and 568, the tax software you use will print code “9” (Disaster), code “F” (CFC Motion Picture Credit), and code “U” (Military) in the RP area’s “RP” box. (Check with your software provider to see if they support this option.)

Disasters

Follow the Disaster instructions for Scannable Form 540 on page 5.

CFC Motion Picture Credit.

Taxpayers **attaching** form FTB 3541, California Motion Picture and Television Production Credit, to the tax return should **write “CFC Credit” in red ink** at the top margin of the tax return.

Military - Combat Zone/Overseas

Follow the Military instructions for Scannable Form 540 on this page.

The FTB Conforms with IRS Notices 2004-54 and 2007-79

We will accept the same alternative forms of signature as described in IRS Notices 2004-54 and 2007-79. Specifically, it permits income tax return preparers to sign original returns, as well as e-file authorizations such as forms FTB 8453, FTB 8454, FTB 8455, and FTB 8879, by rubber stamp, mechanical device, or computer software program. These alternative methods of signing must include either a facsimile of the individual preparer’s signature or the individual preparer’s printed name.

Income tax return preparers who use alternative methods of signing must provide all of the other preparer information that is required on returns and extensions, such as the name, address, relevant employer identification number, the preparer’s individual identification number (preparer tax identification number), and phone number.

To Verify Personal Income Tax Estimate Payments

A significant number of personal income tax returns are delayed during processing because taxpayers claim the wrong amount of estimate payment. Confirming personal income tax estimate payments first will resolve many issues where your clients claim amounts or payments that we do not have on record. This could expedite processing and reduce the number of notices your clients receive in connection with claiming the wrong amount of payments.

How can you help? Go to ftb.ca.gov and search for **myftb account** to view:

- Estimated tax payments
- Payment history
- Account summary
- FTB-issued 1099G and 1099-INT information
- Wage and withholding information

To complete one of the requests listed above for your client, tax professionals will need to register with a valid email address, your social security number, and one of the following identification numbers:

- Preparer tax identification number (PTIN)
- Electronic filer identification number (EFIN)
- California Tax Education Council (CTEC) number
- California Certified Public Accountant (CPA) number
- Enrolled agents: Use your PTIN or EFIN.

To view a client’s account, tax professionals should have their client’s permission and must provide the following information from the client’s tax return:

- Client’s social security number
- Client’s last name
- Year of the tax return
- Filing status used on the tax return
- California AGI on the tax return

To ensure the security of taxpayer information, **be sure to use the log off button to exit** the “MyFTB Account.” For information about your client’s federal income tax account, please contact the IRS at 800.829.1040.

Envelope Guidelines

Follow these guidelines if you provide pre-printed envelopes or labels to customers for delivery to the FTB. Doing so will expedite processing and reduce processing problems.

- Use white envelopes only – **no colored envelopes**.
- Use sans serif fonts.
- Ensure envelopes you use contain the correct address and ZIP +4 extension.

Check with your envelope supplier to make sure your supply of envelopes have current year FTB returned mail addresses in sans serif font, or go to ftb.ca.gov and search for **contact us**.

What is Needed to Computer-Prepare California Tax Forms

Tax practitioners must produce computer-prepared forms using:

- Software that produces FTB-approved forms
- Personal computer hardware required by the software to produce FTB-approved forms (i.e., printer fonts, etc.)
- Good quality, white, standard, stock machine paper (8 1/2 x 11 at minimum 20 lb. weight)
- Black ink
- Software user manuals that include instructions for correctly producing FTB-approved forms

In addition, reading your software provider's user manual (and ALL "**Read Me's**," etc.) will help ensure you have the necessary hardware and printer fonts to correctly produce FTB-approved forms. **Note:** "**Read Me's**" are a great resource tool to learn about enhancements or revisions made to the software you use.

All printing must be:

- Laser or ink jet
- Courier 12-point, or standard print font (no bold font)
- Alpha characters must be in upper case
- Original printed output (no corrections or photocopies accepted)
- On one side of the paper (scannable forms only; see list on page 2)

General Information About Scannable Form 540

(A graphic of this form is shown on page 16.)

We use an automated processing system to capture information from scannable Form 540, rather than having the information entered manually by key data operators.

Scannable Form 540 **must** have a scannable band (scanband) area that contains the taxpayer's tax data. The scanband directly follows the taxpayer's entity area (Name and Address) on Side 1. The two and three-digit field numbers and amounts in the scanband correspond to the line numbers, on the tax return. Dependents, direct deposit, and tax preparer information appear in the scanband. Even though the tax data will print in the scanband and the conventional area of the form, we "capture" only the tax data in the scanband. Monetary amounts in the scanband **must** be whole dollars only, without decimal points or other punctuation. The rest of scannable Form 540 is like the official form.

To ensure the integrity of the scanband data, if **any** corrections are made, you must reprint the entire scannable Form 540 tax return before your client (or you) mail it to the FTB.

We will capture the tax practitioner's identification number, i.e., federal employer identification number (FEIN), and the preparer's tax identification number (PTIN) from all personal and business entity (corporation, partnership, limited liability company) income tax returns.

Guidelines on How to Enter Taxpayer Entity Information on Computer-Prepared Personal Income Tax Returns (scannable Form 540 and substitute Forms 540, 540 2EZ, Long and Short 540NR, and 540X)

Taxpayer entity information is arranged in fixed positions with defined field lengths. Each field is dedicated to hold specific information such as:

- Spouse/RDP name
- Executor/guardian name
- Apartment number and/or letter
- Private mailbox (for the "PMB" to print) and PMB number (or letter)
- Deceased date of taxpayer or taxpayer's spouse/RDP, if any
- Date of Birth for taxpayer and spouse/RDP, if any
- Prior name, if any

It is critical that you enter the taxpayer entity information correctly. This will help us to accurately process your clients' tax returns, and help ensure that your clients' refund checks print with the correct name(s) and address. Your clients' entity information should print like the examples shown under "*Taxpayer Entity Information Examples*" shown on page 8.

Personal Income Taxpayer Name and Address Entry Instructions

Use these instructions when you enter your client's name and address information. It will help reduce processing time and help ensure that refund checks are mailed to the correct name(s) and address.

- Alpha characters **must** be in upper case, Courier, 12-point font.
- Other than the hyphen (-) and slash (/), use no punctuation or symbols in the Street Address field.

See *Taxpayer Entity Information Examples*: JORDAN A TAXPAYER JR and AUSTIN M TEXAN on page 8.

- **Do not** use commas or periods to separate address information.
- **Do not** space or use punctuation in the Name Control (first four letters of the taxpayer's last name) field.

Example: McPeak	Enter: MCPE
O'Toole	Enter: OTOO
De Martino	Enter: DEMA
Lee	Enter: LEE
Lee-Smith	Enter: LEES

Forms 541-ES, FTB 3563, and FTB 3843: Name control for all estates is "ESTA" and for all trust "TRUS". Name control follows the estate's or trust's FEIN.

- **Do not** include titles or ranks such as DR, MD, ENSIGN, SGT, etc.
- Use Roman numerals (alpha characters) for numeric suffixes that follow the last name.
- Never use a space in name field(s). **Exception:** Use one space for JR, SR, II, etc. following the last name.

Example: First Name: JoAnne	Enter: JOANNE
Last Name: Von Wodtke	Enter: VONWODTKE
Last Name: Lee-Smith	Enter: LEESMITH
Last Name: Rush, Sr.	Enter: RUSH SR

See *Taxpayer Entity Information Example*: JORDAN A TAXPAYER JR and KAITLYNN G TAXPAYER on page 8.

- Enter last name of taxpayer and/or spouse/RDP, if different from the last name used on last year's return, in the Prior Name fields. (Example: Marriage or registered domestic partner in the current tax year changes spouse's/RDP's maiden name.)

See *Taxpayer Entity Information Example*: JORDAN A TAXPAYER JR and KAITLYNN G TAXPAYER on this page.

- The taxpayer and spouse/RDP SSN must be 11 digits (includes “-”). Enter “000-00-0000” in the SSN field if an individual has applied for or does not have an SSN. See next bullet.
- Individual Taxpayer Identification Number (ITIN): If a taxpayer has a “ITIN,” it should be entered in the SSN field.

Form 541-ES and form FTB 3563: The FEIN must be 10 digits (includes “-”). Enter “00-0000000” if the fiduciary has applied for or does not have a FEIN.

- Enter Principal Business Activity (PBA) code, if applicable, (scannable Form 540 and substitute Long Form 540NR only). Otherwise, leave this field blank.

See *Taxpayer Entity Information Example*: SARAH E. LEE on this page.

- Enter deceased date of death for taxpayer or spouse/RDP, if any, in appropriate field. Format is MM-DD-YYYY. No punctuation other than the “-.”

See *Taxpayer Entity Information Example*: ROBERT J SMITH on this page.

- Use standard abbreviations for the suffix of the street name. See “**Standard Abbreviations**” on this page.
- Do not** enter apartment and apartment number/letter in the Street Address field. Enter in the designated “Apartment” and “Apartment Number” fields. These fields are on the same line as the “Street Address” field. **Note**: Use these abbreviations in the “Apartment” field: APT, BLDG, SP, STE, RM, FL, or UN, as applicable.

See *Taxpayer Entity Information Example*: MICKEY J BEEHAPPY and LYNN S BEEHAPPY on this page.

- Additional Information field is a supplemental field used only for: “in care of” name and additional address information. Other than slash(/) use no punctuation or symbols in this field.

See *Taxpayer Entity Information Example*: AUSTIN M TEXAN on this page.

- Military “APO” or “FPO” addresses:
 - Enter “APO” or “FPO” in the first three positions of the City field.
 - Do not** enter the name of the city for “APO” and “FPO” addresses.
 - Enter two-character alpha state code in the State field:

City field	State Code	ZIP Code Range
APO	AA	34000-34099
APO	AE	09000-09999
FPO	AP	96200-96699

See *Taxpayer Entity Information Example*: ELIJAH M MISSION on this page.

- In the State field, use the standard two-digit abbreviation for the state and United States possession. See “**State and U.S. Possessions**” on page 9.
- The ZIP Code can be 10 digits (includes hyphen “-”).
- If you have a foreign address enter the city, foreign country name, foreign province/state/county name, and foreign postal code in the appropriate boxes. **Do not** abbreviate the foreign country name. Follow the country’s practice for entering the province/state/county name and foreign postal code.

See *Taxpayer Entity Information Example*: CHRIS A JACKSON and PAT G JACKSON on this page.

- Date of Birth for taxpayer and spouse/RDP, if any.

See *Taxpayer Entity Information Example*: JORDAN A TAXPAYER and KAITLYNN G TAXPAYER on this page.

- Apply these guidelines, then truncate if the information exceeds the field length.

Taxpayer Entity Information Examples:

111-11-1111 LEE 13 PBA 123456
SARAH E LEE

1234 STATE ST

CROWN CA 12345

111-11-1111 TAXP 222-22-2222 13
JORDAN A TAXPAYER JR
KAITLYNN G TAXPAYER SINGLENFREE

12345½ SHORT ST

ANYPLACE CA 12345 06-13-1948 02-04-1957

111-11-1111 TEXA 13

AUSTIN M TEXAN

HOMESTYLE NURSING HOME

1234 BEAUTIFUL DR-21

WELCOME CA 54321

111-11-1111 BEEH 222-22-2222 13

MICKEY J BEEHAPPY

LYNN S BEEHAPPY

9876 LONGNAME WY STE 141 PMB 263

WALLACE CA 12345-6789

111-11-1111 SMIT 13

ROBERT J SMITH 03-12-2013

KIMBERLY SMITH

3452 BUSY DR UN 5

BORDERTOWN CA 12345

111-11-1111 MISS 13

ELIJAH M MISSION

PO BOX 888

APO AE 09876

111-11-1111 JACK 222-22-2222 13

CHRIS A JACKSON

PAT G JACKSON

9876 LONG NAME WAY

LONDON

ENGLAND NOTTING HILL W11 2BQ

If there is no spouse/RDP name, taxpayer or spouse/RDP prior last name, additional information, etc., the tax software you use will leave these areas blank.

Standard Abbreviations

AIR FORCE BASE	AFB	PARKWAY	PKY
APARTMENT	APT	PLACE	PL
AVENUE	AV	PLAZA	PLZ
BOULEVARD	BL	POINT	PT
BUILDING	BLDG	POST OFFICE BOX	PO BX
CAUSEWAY	CSWY	ROAD	RD
CENTER	CTR	ROOM	RM
CIRCLE	CIR	SAN/SANTO	SN
COURT	CT	SOUTH *	S
CROSSING	XING	SOUTHEAST *	SE
DEPARTMENT	DEPT	SOUTHWEST *	SW
DRIVE	DR	SPACE	SP
EAST *	E	SQUARE	SQ
EXPRESSWAY	EXPY	STREET	ST
FLOOR	FL	SUITE	STE
FREEWAY	FWY	TERRACE	TER
HIGHWAY	HWY	TRACK	TRAK
LANE	LN	UNIT	UN
LOOP	LP	WALK	WK
NORTH *	N	WALKWAY	WKWY
NORTHEAST *	NE	WAY	WY
NORTHWEST *	NW	WEST *	W
NUMBER	NO		

Never use mixed upper/lower case or # sign.

*Abbreviate only when used as a direction.

State and U.S. Possessions Abbreviations

Alabama	AL	Montana	MT
Alaska	AK	Nebraska	NE
American Samoa	AS	Nevada	NV
Arizona	AZ	New Hampshire	NH
Arkansas	AR	New Jersey	NJ
California	CA	New Mexico	NM
Colorado	CO	New York	NY
Connecticut	CT	North Carolina	NC
Delaware	DE	North Dakota	ND
Dist Columbia	DC	Northern Mariana Islands	MP
Federated States of Micronesia	FM	Ohio	OH
Florida	FL	Oklahoma	OK
Georgia	GA	Oregon	OR
Guam	GU	Palau	PW
Hawaii	HI	Pennsylvania	PA
Idaho	ID	Puerto Rico	PR
Illinois	IL	Rhode Island	RI
Indiana	IN	South Carolina	SC
Iowa	IA	South Dakota	SD
Kansas	KS	Tennessee	TN
Kentucky	KY	Texas	TX
Louisiana	LA	Utah	UT
Maine	ME	Vermont	VT
Marshall Islands	MH	Virgin Islands	VI
Maryland	MD	Virginia	VA
Massachusetts	MA	Washington	WA
Michigan	MI	West Virginia	WV
Minnesota	MN	Wisconsin	WI
Mississippi	MS	Wyoming	WY
Missouri	MO		

Miscellaneous Information

Tax Preparer Identification Number: Paid Preparer Information.

Effective January 1, 2011, the IRS requires a paid tax preparer to get and use a preparer tax identification number (PTIN). If the preparer has a federal employer identification number (FEIN), it should be entered only in the space provided.

Direct Deposit of Refund (DDR)

DDR is available to your clients who file their personal income tax return Forms 540, 540 2EZ, Long 540NR, and Short 540NR electronically or on paper and to your business entity clients who file Forms 100, 100S, 100W, and 109. When your clients select this option, be sure to complete **ALL DDR fields** in the "Direct Deposit of Refund" area Side 5 on Form 540; Side 4 on Form 540 2EZ; Side 3 on Forms Long 540NR and Short 540NR; Side 2 on Forms 100, 100S and 100W; and Side 1 on Form 109.

Mandatory Electronic Payments – Your personal income tax clients are required to remit their payments electronically if they make an estimate or extension payment exceeding \$20,000 or if the total tax liability shown on their original tax return exceeds \$80,000 for any taxable year that begins on or after January 1, 2009. Once your clients meet the threshold, all subsequent payments regardless of amount, tax type, or taxable year must be remitted electronically. Individuals that do not send the payment electronically will be subject to a 1% noncompliance penalty. Electronic payments can be made using Web Pay on FTB's website, electronic funds withdrawal (EFW) as part of the e-file return, or their credit card. For more information, go to ftb.ca.gov and search for **mandatory epay**.

Payment Options

- **Electronic Funds Withdrawal** – Instead of paying by check or money order, use this convenient 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.

- **Web Pay** – Your clients can enjoy the convenience of online bill payment with Web Pay. This secure service lets them pay the current amount owed and schedule future payments, such as estimated tax, up to one year in advance. They select the amount to pay and when to pay it. We deduct the payment from their bank account on the date selected. Your client's social security number or ITIN, bank account and routing number is needed to use this service. For more information go to ftb.ca.gov and search for **web pay**.

Business entity income tax clients can make payments electronically at the FTB website with Web Pay. After a one-time online registration, your business entity clients can make an immediate payment or schedule payments up to a year in advance. For more information, go to ftb.ca.gov and search for **web pay**.

- **Credit Card** – Whether your clients e-file or file by mail, they may use their Discover, MasterCard, Visa, or American Express to pay their tax (tax return balance, extension payment, estimated tax payment, or tax due with bill notice). They can make payments online or by phone. For more information about fees, etc., call 800.272.9829, or visit officialpayments.com.
- **Check or Money Order** – Using the current year's form to make a current year payment, your clients should:

1. Make a check or money order payable to the "Franchise Tax Board." Using black or blue ink, make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

2. Write their tax ID number (SSN or ITIN, FEIN, CA corp. no., or CA SOS file no.), tax form, and tax year on the check or money order.

3. Mail the payment to the correct address. Go to ftb.ca.gov and search for **contact us**.

What are Keying Symbols?

Keying symbols are important. Although we process most personal income tax returns through our automated imaging system, there are times when certain returns require manual intervention by us.

Keying symbols are shown on all computer-prepared tax returns, including the conventional areas on sides 2, 3, 4, and 5 of scannable Form 540. They will print to the left of specified tax data line numbers. They reduce time and guide key data operators to enter the correct tax return information.

Exact placement, shape, and size of keying symbols that will be present on the 2013 personal and business income tax returns is shown below in the snapshot of a 2013 Form 540.

Before you give your clients their tax returns to file, please verify that these symbols are present. If they are not present, please read your software company's user manual to make sure you have the minimum hardware and printer fonts necessary to print FTB-approved forms. If you cannot determine why the keying symbols do not print correctly, contact your software provider's technical support staff.

<input type="checkbox"/> FTB 3803	● 31	00
172,615, see instructions	● 32	00
.....	● 33	00
.....	● 34	00
.....	● 35	00
and amount.	● 43	00
and amount.	● 44	00
.....	● 45	00
.....	● 46	00

Fiscal Year Filers

If any of your clients file their personal income tax return on a fiscal year basis, the tax software you use must accommodate their needs. Not all tax software products support the filing of fiscal year personal income tax returns. As a result, you may need to complete the tax returns for your fiscal year clients by hand.

Always remember to enter the fiscal year date as the filing date for your fiscal year clients; otherwise, we will process the tax return as a calendar year tax return. When this happens, the tax return most likely will appear to be delinquent in some way. As a result, your fiscal year clients could receive a delinquent or late payment of tax penalty or an underpayment of estimated tax penalty and may be assessed interest.

Contact your software provider and confirm the tax software you use supports fiscal year filing for personal income tax filers.

Prior Year and Amended Returns

Do not use 2013 software to file a prior year tax return. File current year forms for current year tax liabilities. (e.g., Use the 2014 Form 540-ES to make 2014 estimate tax payments.)

Amend personal income tax Forms 540, 540 2EZ, and Long or Short 540NR by completing Form 540X, Amended Individual Income Tax Return. When amending Long or Short Form 540NR, you **must** also attach a revised Long or Short Form 540NR to Form 540X.

Amend corporate income tax Forms 100, 100S, and 100W by completing Form 100X, Amended Corporation Franchise or Income Tax Return.

Amend partnership and limited liability company (LLC) Forms 565 and 568 by completing a new Form 565 or 568. Check the box marked "Amended return" on side 1 of each form. For more information on how to file amended partnership and LLC returns get the Form 565 or Form 568 tax booklet.

Payment Forms

There are several types of scannable payment forms:

- Form 100-ES, Corporation Estimated Tax, is used by business entities to figure and pay the business entity's estimated tax.
- Form 540-ES, Estimated Tax for Individuals, is used by individual taxpayers to figure and pay their estimated tax.
- Form 540-V, Payment Voucher for 540 Returns, is used **only** if individual taxpayers file a computer-generated Form 540, California Resident Income Tax Return, and have a balance due. **If no balance is due, do not complete or mail this form.**
- Form 541-ES, Estimated Tax for Fiduciaries, is used to figure and pay estimated tax for an estate or trust.
- Form FTB 3519, Payment for Automatic Extension for Individuals, is used **only** if individual taxpayers cannot file their 2013 tax return by April 15, 2014, and tax is due.
- Form FTB 3522, LLC Tax Voucher, is used to pay the annual LLC Tax of \$800 by the 15th day of the 4th month **after the beginning** of the taxable year.
- Form FTB 3536, Estimated Fee for LLCs, is used by limited liability companies (LLCs) to estimate and pay the LLC fee by the 15th day of the 6th month **after the beginning** of the taxable year.
- Form FTB 3537, Payment for Automatic Extension for LLCs, is used **only** if a limited liability company owes tax or fees for 2013 and is unable to file Form 568, Limited Liability Company Return of Income, by the original due date. Also see form FTB 3536 for more information.
- Form FTB 3538, Payment for Automatic Extension for LPs, LLPs, and REMICs, is used **only** if a partnership owes tax for 2013 and is unable to file Form 565, Partnership Return of Income, by the original due date, and tax is due.

- Form FTB 3539, Payment for Automatic Extension for Corps and Exempt Orgs, is used **only** if a corporation or exempt organization owes tax for 2013 and is unable to file its return by the original due date, and tax is due.
- Form FTB 3563 (541), Payment for Automatic Extension for Fiduciaries, is used **only** if an estate or trust cannot file Form 541, California Fiduciary Income Tax Return, by the original due date, and tax is due.
- Form FTB 3582 (e-file), Payment Voucher for Individual e-filed Returns, is used **only** when a taxpayer electronically files their tax return and there is a balance due.
- Form FTB 3586 (e-file), Payment Voucher for Corps and Exempt Orgs e-filed Returns, is used **only** when a corporation electronically files its tax return, and there is a balance due.
- Form FTB 3587, Payment Voucher for LP, LLP, and REMIC e-filed Returns, is used **only** when a partnership electronically files its Form 565 tax return and there is a balance due.
- Form FTB 3588, Payment Voucher for LLC e-filed Returns, is used **only** when a limited liability company electronically files its Form 568 tax return and there is a balance due.
- Form FTB 3843, Payment Voucher for Fiduciary e-filed Returns, is used **only** when an estate or trust files tax return electronically and there is a balance due.

Do not use any of the forms shown above to make installment payments for your clients that owe tax. Only we can set up an installment agreement plan for your clients. Get form FTB 3567, Installment Agreement Request, for information on how to request an installment agreement plan for your clients. For more information or to download forms to request an installment agreement, go to ftb.ca.gov and search for **installment agreement request**.

Remind your clients NOT to mail any payment form, listed above to the FTB if the "Amount of payment" is zero (0).

FTB Taxpayer Signature and Authentication Policy

Our policy is to ensure proper authentication of the information provided to us by taxpayers. The level of authentication needed on specific documents depends on several factors, including how we use the information. To help you determine whether or not we will accept photocopies or facsimiles of a taxpayer's signature, we have categorized the level of signature authentication required into three groups. The category and its number (C1, C2, or C3) will print after the form number on each tax form. The three categories are:

- | | |
|-----------------|---|
| Category 1 (C1) | Original authentication required; facsimiles acceptable only if original is subsequently provided. |
| Category 2 (C2) | Copy of signature is sufficient proof that original was signed; photocopy or facsimile is acceptable. |
| Category 3 (C3) | No authentication required. |

Additional Credit Names, Codes, and Acronym Names

The tax software you use should include the credit acronym and code number for each additional credit shown below. See "Claiming Additional Credits on Personal and Business Entity Tax Returns (Forms 100, 100S, 100W, 540, and Long Form 540NR)," on page 12.

*PIT = Personal Income Tax

*CT = Corporation Tax

Credit Name	Code	Acronym	PIT*	CT*
California Motion Picture and Television Production	223	MOVIETVPROD	X	X
Child Adoption	197	CHILD ADOPT	X	
Child and Dependent Care Expenses	232	CHILDDP EXP	X	
Community Development Financial Institution Investments	209	CDFI INVEST	X	X
Dependent Parent	173	DEP PARENT	X	
Disabled Access for Eligible Small Businesses	205	DSABL ACCESS	X	X
Donated Agricultural Products Transportation	204	DONATE AGTRN	X	X
Donated Fresh Fruits or Vegetables	224	DONATE FRESH	X	X
Enhanced Oil Recovery	203	ENHNC OILREC	X	X
Enterprise Zone Employee	169	E/Z EMPL	X	
Enterprise Zone Hiring & Sales or Use Tax	176	E/Z HIRE/USE	X	X
Environmental Tax	218	ENVRNMNTL TAX	X	X
First Time Buyer	222	1ST TM HMBYR	X	
Joint Custody Head of Household	170	JT CSTDY HOH	X	
Local Agency Military Base Recovery Area (LAMBRA) Hiring & Sales or Use Tax	198	LAMBRA HR/US	X	X
Low-Income Housing	172	LOW-INC HOUS	X	X
Manufacturing Enhancement Area (MEA) Hiring	211	MEA HIRE	X	X
Natural Heritage Preservation Tax	213	HERITAGE	X	X
2010 New Home	221	10NEWHOME	X	
New Jobs	220	NEWJOBS	X	X
Nonrefundable Renter's	NONE	NONE	X	
Other State Tax	187	OTHER STATE	X	
Prior Year Alternative Minimum Tax	188	PRIOR YR AMT	X	X
Prison Inmate Labor	162	INMATE LABOR	X	X
Research	183	RESEARCH	X	X
Senior Head of Household	163	SR HOH	X	
Targeted Tax Area (TTA) Hiring	210	TTA HIRE/USE	X	X

Repealed Credits with Carryover Provisions

	Code	Acronym	PIT*	CT*
Agricultural Products	175	AGRI PRODUCT	X	X
Commercial Solar Electric System	196	COMSLR EL CO	X	X
Commercial Solar Energy	181	COM SLR NRG	X	X
Contribution of Computer Software	202	CTB COMPSOFT		X
Employee Ridesharing: Employee Vanpool Program	194	R/S EMPL VN	X	
Employer Child Care Contribution	190	CHLDCARE CTR	X	X
Employer Child Care Program	189	CHLDCARE PRG	X	X
Employer Ridesharing: Large Employer	191	R/S LG EMPLR	X	X
Small Employer	192	R/S SM EMPL	X	X
Transit Passes	193	R/S TRANSIT	X	X
Energy Conservation	182	NRG CSRV CO	X	X
Farmworker Housing: New Construction/ Rehabilitation	207	F/W HS CONST		X
Joint Strike Fighter: Property Costs	216	JSFPROPERTY	X	X
Wages	215	JSFWAGES	X	X
Los Angeles Revitalization Zone Hiring & Sales or Use Tax	159	LARZ HRE/USE	X	X
Low-Emission Vehicles	160	LOW-EMS VHCL	X	X
Manufacturers' Investment	199	MFG INVSTMNT	X	X
Orphan Drug	185	ORPHN DRG CO	X	X
Political Contributions	184	POLTCL CTB	X	
Recycling Equipment	174	RCYCL EQUIP	X	X
Residential Rental & Farms Sales	186	RES RNT/FARM	X	
Rice Straw	206	RICE STRAW	X	X
Ridesharing	171	R/S CO	X	X
Salmon & Steelhead Trout Habitat Restoration	200	SALMON/TROUT	X	X
Solar Energy System	180	SLR NRG CO	X	X
Solar Pump	179	SLR PUMP CO	X	X
Solar or Wind Energy	217	SOLAR ENERGY	X	X
Technological Property Contribution	201	TECHPROP CTB		X
TTA Sales and Use Tax	210	TTA HIRE/USE	X	X
Water Conservation	178	WATRCSRV CO	X	
Young Infant	161	YNG INFNT CO	X	

Additional Credits

Field numbers 43 and 44 in the scanband on scannable Form 540 are where your clients' additional credit amounts, if any, print. The appropriate three-digit numeric credit code **must** precede the additional credit amount.

Additional Credit Example

Dependent Parent Credit (code 173) of \$20 in field number 43. The scanband on Form 540 will look like this:

43 17320

Claiming Additional Credits on Personal and Business Entity Tax Returns (Forms 100, 100S, 100W, 540, and Long Form 540NR)

When your clients claim additional credits, the credit acronym, code, and amount should print on the applicable lines of Forms 100, 100S, 100W, 540, and Long Form 540NR. (The credit acronym, code, and amount of credit will print on the applicable line on side 2 of scannable Form 540.)

When a client claims credits on Schedule P (100, 100W, 540, or 540NR) and the credits are listed in more than one section, the tax software you use should total column (b) of the credits that have the same codes and bring the total forward to the applicable line of the tax return being filed.

If your client has any other credits to claim on Schedule P (100, 100W, 540, or 540NR), the tax software you use should add the amounts from column (b) for those credits and bring the total forward to the applicable line of the tax return being filed.

California's e-file Program

California R&TC Section 18621.9 requires practitioners who prepare more than 100 individual state income tax returns annually and who prepare one or more current year returns using tax preparation software to e-file. For more information about mandatory e-file, go to ftb.ca.gov and search for **mandatory e-file**.

The FTB and the IRS have approved over 350,000 tax practitioners to provide e-filing services to more than thirteen million California taxpayers expected to e-file during the 2013 filing season. Participating in the California e-file Program has many benefits for you and your clients. Here are some highlights:

- **Faster refunds** – Refunds can be deposited directly into your client's bank account within five to seven banking days after the tax return is filed.
- **Proof of receipt** – We provide acknowledgement that we have accepted the tax return for processing.
- **Opportunity to correct errors** – Our system performs up-front edits on all incoming e-file tax returns. We let you know if we detect any errors, what those errors are, and allow you time to make any corrections. This step reduces subsequent notices to your clients.
- **Accurate tax returns** – Because most errors can be resolved before we accept your tax return for processing, less than one percent of e-file tax returns require special handling.
- **Safe** – We use the latest technologies to ensure the security and privacy of all taxpayer information. Our Secure Web Internet File Transfer System (SWIFT) only allows HTTPS and FTPS protocols plus 128-bit Encryption using digital certificates from VeriSign. We have never experienced a breach of security in our e-file program. We have successfully processed over 114 million e-filed tax returns since 1994.

California e-file Program Enrollment Requirements (Individual and Business e-file)

FTB no longer requires e-file providers to submit a separate enrollment application for authorization to electronically file individual or business tax returns.

Providers approved to participate in the IRS Electronic Filing (e-file) Program are now automatically enrolled in the California e-file Program. In addition, we will automatically receive any updates that you make to your IRS account.

Requirements for e-file participation:

To be automatically enrolled in our e-file program, you must be an accepted participant in the IRS e-file Program. We receive confirmation from the IRS after they accept you into their program.

Use your IRS-assigned Electronic Filer Identification Number (EFIN) to e-file with the FTB. If you transmit returns, use your IRS-assigned Electronic Transmitter Identification Number (ETIN) with the FTB.

Comply with the guidelines in FTB Pub. 1345, Handbook for Authorized e-file Providers.

Once you receive your IRS EFIN, you can verify your enrollment with California by contacting our e-Programs Customer Service at 916.845.0353.

Guidelines on How to Enter Taxpayer Entity Information on Computer-Prepared Business Entity (BE) Tax Returns (Forms 100, 100S, 100W, 100X, 565, and 568) and Tax Payment Forms

BE Entity ID Number, Name, and Address Entry Instructions

BE entity information is arranged in fixed positions with defined field lengths. Each field is dedicated to hold specific information. Use these instructions when you enter your client's entity ID number, name, and address information. It will help reduce processing time and help ensure refunds are mailed to the correct name and address.

- All taxpayer data must print in Courier 12-point font, not bold.
- Alpha characters **must** be upper case.
- Entity ID number is a corporation number, federal employer identification number (FEIN), or California Secretary of State (SOS) file number. The number can be up to 12 digits - (the FEIN includes a hyphen.)
 - **Entity ID Number** field must be one of the following:
 - **Forms 100, 100S, 100W, 100X, 100-ES, FTB 3539, and FTB 3586**
 - Corporation number – Numeric, 7 digits, no preceding alpha character or dashes, spaces, or punctuation; includes leading zeros (e.g., "1234567" or "0000000")
 - CA SOS File Number – If an LLC elects to be taxed as a corporation, enter CA SOS number. Numeric, 12 digits. Number must begin with 19 or 20 (e.g., "200412345678"). If not available, zero fill (e.g., "000000000000").
 - **Forms 565, FTB 3538, and FTB 3587**
 - FEIN – Numeric, 10 digits, includes hyphen (–) (e.g., "12-3456789" or "00-0000000")
 - **Forms 568, FTB 3522, FTB 3536, FTB 3537, and FTB 3588**
 - CA SOS File Number – Numeric, should be 12 digits
 - The SOS file number **must** begin with "19" or "20" (e.g., "200412345678"). If not available, zero fill (e.g., "000000000000").

- When the entity has applied for or does not have an Entity ID Number, enter the appropriate number of zeros in the Entity ID Number field. When entering zeros for the FEIN, include the hyphen (e.g., "00-0000000"). **Do not** enter "Applied For."
- **Entity Name Control** field must contain the first 4 characters of the corporation, exempt organization, partnership, or LLC name **with these exceptions**:
 - Spell out ampersand (&) as "AND" if (&) is contained in the first 4 characters of the Entity's name. (See *Business Entity Information Example 1* on this page.)
 - **Do not** space or use symbols or any punctuation, including hyphens (-) and slashes (/). (See *Business Entity Information Example 2* on this page.)
 - **Do not** use "The" when it is the first word in the Entity's name. (See *Business Entity Information Example 4* on this page.)
 - **Do not** use punctuation, hyphens, or blanks in the name control.

Examples: Entity name: The LTP LLC Enter: LTPL
 Entity name: ABC Incorporated Enter: ABCI
 Entity name: 012-015 Apts Enter: 0120
 Entity name: 9 Twelve Enter: 9TWE
 Entity name: BZX Enter: BZX
 Entity name: 9-12 Enter: 912

- **Enter Form Type Indicator** as:
 - Forms 100, 100S, and 100W = 1
 - Form 109 = 2
 - Form 199 = 3
 - If more than one form, or no form indicated = 0
- **Enter Taxable Year Beginning (TYB) and Taxable Year Ending (TYE)**
 - TYB = "MM-DD-YYYY" (Enter "00-00-0000" **only** if TYB is unknown.)
 - TYE = "MM-DD-YYYY" (Enter "00-00-0000" **only** if TYE is unknown.)
 - **Enter Business Entity name** – Use business name, as is:
 - The corporation, partnership, or LLC name may contain embedded spaces, hyphens (-), slashes (/), and ampersands (&). (See *Business Entity Information Examples 1, 2, and 3* on this page.)
 - **Do not** use any other symbols or punctuation in the Business Entity Name field.
- **Street Address Information:**
 - Other than the hyphen (-) and slash (/), use no punctuation or symbols in the Street Address field.
 - **Do not** use commas or periods to separate address information.
 - Use standard abbreviations for the suffix of the street name. See "**Standard Abbreviations**" on page 8.
 - **Do not** enter suite and suite number/letter in the Street Address field. Enter in the designated "Suite" and "Suite Number" fields. These fields are on the same line as the "Street Address" field. Use these abbreviations in the "Suite" field: STE, RM, FL, BLDG, or UN, as applicable.
 - Enter Private Mailbox (PMB) and PMB number/letter in the "PMB" and "PMB number/letter" fields. These fields are on the same line as the "Street Address" field. "PMB" will print with a PMB number/letter. If no "PMB," the software you use will leave both fields blank.
 - Use the Additional Information field for "Owner/ Representative/Attention" name and other supplemental address information **only**. Other than the slash (/), use no punctuation or symbols in this field.

- Military "APO" or "FPO" addresses:
 - Enter "APO" or "FPO" in the first three positions of the City field.
 - **Do not** enter the name of the city for "APO" and "FPO" addresses. Enter the two-digit state code in the State field:

City Field	State Field	ZIP Code Range
APO	AA	34000-34099
APO	AE	09000-09999
FPO	AP	96200-96699

- In the State field, use the standard two-character alpha abbreviation for the state or United States possession. See "**State and U.S. Possessions**" on page 9.
- The ZIP Code can be 10 digits (includes hyphen "-").
- If you have a foreign address enter the city, foreign country name, foreign province/state/county name, and foreign postal code in the appropriate boxes. **Do not** abbreviate the foreign country name. Follow the country's practice for entering the province/state/county name and foreign postal code. (See *Business Entity Information Example 5* below.)
- Apply these guidelines, then truncate if the information exceeds the field length.

Business Entity Information Examples:

Example 1 Corporation

```
0000823      LPAN  44-1234567      200412345678      13  FORM 1
TYB 01-01-2013  TYE 12-31-2013
LP & T CONSULTING SERVICES INCORPORATED
B GANGLER
9646 BUTTERFIELD WY
RANCHO CORDOVA      CA 95670-3720
(123) 456-7890
```

Example 2 Partnership

```
99-7654321  LZ      1999712345678      (123)456-7890      13  FORM 0
TYB 01-01-2013  TYE 12-31-2013
L - Z
5800 SANTA ANITA AV      STE 2
EL MONTE      CA 92102-1230
```

Example 3 LLC:

```
200387654321  2013  95-8654321      (123)456-7890      13  FORM 0
TYB 00-00-0000  TYE 00-00-0000
2011 - 2015 - 2017 - 2019 WHASSUP
4900 W CAMBRIDGE
ATLANTA      GA 30303
```

Example 4 Exempt Organization:

```
7777888      LTPL  99-7777777      200412345678      13  FORM 0
TYB 01-01-2013  TYE 12-31-2013
THE LTP LLC
C VEGA
4545 BUTTERFLY LN      PMB 15
SACRAMENTO      CA 95823
(123) 456-7890
```

Example 5 Foreign Address Corporation:

```
7779311      ALLE  98-7654321      199912345678      13  FORM 0
TYB 01-01-2013  TYE 12-31-2013
ALL ENGLAND ENTERTAINMENT
1963 ABBEY LANE      PMB 15
LONDON
ENGLAND      NOTTING HILL W11 2BQ
(123) 987-6541
```

Filing Business Entity Returns

To ensure accurate and timely processing of your clients' business entity returns that require Schedules K-1 (100S, 541, 565, or 568), use software that produces FTB-approved schedules. Make sure that the substitute forms you use meet our requirements. Schedules K-1 (565 and 568) filed with incomplete information may cause us to contact the partnership or limited liability company (LLC) for more information or return the Schedules K-1 to the partnership or LLC. Either circumstance may subject the partnership or LLC to penalties.

Do not file

- K-1 data on microfiche or diskette
- Federal Schedule K-1 (1065)
- Database printout information
- Abbreviated schedules

California Encourages Tax Preparers to File Paperless Schedules K-1 (565 or 568)

For the highest rate of accuracy and rapid processing of your clients' Schedules K-1 (565 or 568), file them on CD or portable USB/flash drive.

If you want to produce Schedules K-1 (565 or 568), use software that produces FTB-approved paperless formatting or contact a professional who can format them for you. For more information, go to ftb.ca.gov and get FTB Pub. 1062, Guide for Filing Paperless Schedules K-1 (565 or 568).

Mail Forms 565 and 568 to the FTB using the appropriate addresses. **Do not** attach paper Schedules K-1 (565 or 568).

Compliance with Partnership and LLC Filing Requirements for Paperless Schedules K-1 (565 and 568)

Before you submit your clients' paperless Schedules K-1 (565 or 568), make sure you complete the procedures shown below. Doing so will further ensure error-free files and timely processing.

- Mail Forms 565 and 568 to the FTB using the appropriate addresses. **Do not** attach paper Schedules K-1 (565 or 568).
- Confirm Schedules K-1 (565 or 568) have been formatted and put on a CD or portable USB/flash drive for **each** person identified on Forms 565, Question K or 568, Question J.
- Confirm all fields on the Schedules K-1 (565 or 568) are formatted and completed as described in FTB Pub. 1062.
- Verify the paperless Schedules K-1 (565 or 568) that you format on a CD or portable USB/flash drive, reconcile to Forms 565 or 568, Schedule K-1 (565 or 568), and have been pre-tested with the K-1 (565 or 568) TestWare.
- Provide your clients with the information contained on their paperless Schedules K-1 (565 or 568) before April 15, or the applicable filing date. **Reminder:** The information you provide your clients does not have to print on a Schedule K-1 (565 or 568); it may be in a test format.

You can download and send multiple partnership and LLC Schedules K-1 (565 or 568) to us on the same CD or portable USB/flash drive. It is not necessary to provide a separate CD or portable USB/flash drive for each individual partnership or LLC. Use form FTB 3604, Transmittal of Paperless Schedules K-1 (565 or 568), on CD or portable USB/flash drive, to provide the name, FEIN, and number of Schedules K-1 (565 or 568) that are included for each partnership or LLC on the CD or portable USB/flash drive.

K-1 (565 or 568) TestWare

We provide K-1 (565 or 568) TestWare as a tool to help you accurately prepare paperless Schedules K-1 (565 or 568). The program validates the K-1 (565 or 568) files and enables you to submit your clients' Schedules K-1 (565 or 568) error-free via CD or portable USB/flash drive. The TestWare can also expand your files from a delimited format into the format required to process the K-1 information through our mainframe. **Reminder:** You can download a copy of the K-1 (565 or 568) TestWare at ftb.ca.gov or you can call the e-Programs Customer Service at 916.845.0353.

Substitute Schedules K-1 (565 or 568) Filing Requirements

If you choose to develop your clients' Schedules K-1 (565 or 568) (paperless or paper format), you must follow the same substitute forms review and approval requirements used by tax software developers, transfer agents, and others. You must complete and return to the FTB form FTB 1096. FTB Pub. 1098 includes the information you need to develop FTB-approved forms. To get a copy of form FTB 1096 or FTB Pub. 1098, go to ftb.ca.gov.

The paper format of Schedules K-1 (565 or 568) may be either a one-sided or two-sided format. The one-sided format includes only those tax data lines applicable to the partner or member. The two-sided format includes all tax data lines. Software companies choose the format to include in their tax products and both formats require approval from the FTB.

Common Trusts and Investment Clubs

Common trust funds and investment clubs should use Form 565, Partnership Return of Income, to report their filing information. To help ensure accurate processing, common trust funds are required to use the principal business activity (PBA) code 525920. Investment clubs are required to use PBA code 523910. For more information, see the instructions for federal Form 1065, U.S. Partnership Return of Income.

Power of Attorney (POA)

We have a centralized POA database where we store POA declaration information we receive from your customers and clients. Only authorized FTB employees can view the POA declaration information.

We can mail a copy of most FTB computer-generated notices (some computer-generated notices are not yet available for this service) to the primary representative.

For more information about Power of Attorney, go to ftb.ca.gov and search for **power of attorney**.

PLEASE NOTE: When filing a Power of Attorney from any other state agency, the form used must clearly state that the taxpayer wishes to be represented for FTB matters by specifying the exact tax year and California form number in question (e.g., 2013 California Form 540).

The Power of Attorney Form – Form FTB 3520, Power of Attorney Declaration:

To ensure accurate and timely processing of your client's POA declaration, be sure to provide the required information:

- Taxpayer's name and address.
- Taxpayer's SSN (or ITIN, if applicable) and/or business identification number.
- Name, address, telephone, and fax number of the individual(s) the taxpayer is authorizing to represent them.
- The specific years or periods involved.
- A clear expression of the authorities the taxpayer is granting the representative.
- Taxpayer's signature and date. If a joint authorization, both spouses/RDPs must sign.
- For fiduciary or corporate Power of Attorney a signature and title are required.

How to File a Power of Attorney with the FTB

Mail to:

STATE OF CALIFORNIA
POA UNIT MS F283
FRANCHISE TAX BOARD
PO BOX 2828
RANCHO CORDOVA CA 95741-2828

For faster service, you may fax form FTB 3520 to the FTB at: 916.843.5440.

Where To Get Income Tax Forms and Publications By Internet

Go to ftb.ca.gov.

Tax Professionals Services Available on the FTB Website

Visit the Tax Professionals area at ftb.ca.gov. You will find helpful information for CPAs, enrolled agents, and attorneys. Topics include:

- **e-file for tax professionals** – online services and other paperless options
- **Compliance initiatives**
- **Law, legislation, & form updates**
- **Practitioner services**
- **Procedures & practices**
- **Tax agencies and professional organizations**
- **Subscription services**

FTB's Tax Practitioner Services

The Practitioners' Hotline is dedicated to helping CPAs, enrolled agents, attorneys, and other tax practitioners with questions on tax law, forms, California reporting requirements, and account resolution matters.

We encourage you to provide any of the acceptable Power Of Attorney forms to us. The information you provide on any of these forms allows you to receive confidential or sensitive taxpayer information. We will accept the following Power of Attorney forms:

- Forms FTB 3520, Power of Attorney Declaration
- Board of Equalization (BOE) Form 392, Power of Attorney
- Federal Form 8821, Tax Information Authorization
- Federal Form 2848, Power of Attorney and Declaration of Representative
- Employment Development Department Form DE 48, Power of Attorney Declaration

The BOE, EDD, and federal forms must clearly state that the taxpayer also wishes to be represented for FTB matters by specifying the exact year and California form number in question (e.g. 2013 California Form 540).

The Tax Practitioners' Hotline telephone number is 916.845.7057. If you call, be ready to provide client information such as social security number (or ITIN, if applicable), latest notice received, or facts relating to the inquiry. Customer Service Representatives can respond to questions on both personal income tax law and corporation tax law.

You can fax correspondence 24 hours a day, seven days a week. The fax number is 916.845.9300. When you fax your correspondence, be sure your cover sheet includes your business letterhead, fax number, and daytime telephone number. In addition, please submit a copy of your Power of Attorney (e.g., form FTB 3520), if you have not already submitted one to us. To help ensure a response by fax, it is recommended that you keep your fax machine turned on at all times.

The Tax Practitioner's Hotline is staffed year round, 8 a.m. to 5 p.m., weekdays, except state holidays.

2013 Scannable Form 540 Assembly Guidelines

Federal tax return when required.

Supporting California forms and schedules

California Schedule W-2

Form 540, Side 5

Form 540, Side 4

Form 540, Side 3

Form 540, Side 2

Form 540, Side 1

"SCANBAND" Must contain tax data.

Enclose, but do not staple Form 540-V and check or money order.

Do not attach any withholding forms here. See Schedule W-2, Wage and Tax Statement.

California Resident Income Tax Return 2013 FORM 540 C1 Side 1

APPE ATTACH FEDERAL RETURN

111-11-1111 JONH 222-22-2222 13 PBA 123456
 JORN S JONES
 JANE D JONES 10-31-2013 SMITH
 HANE OF ANYTOWN APT 23
 123 MAIN ST ANYTOWN CA 94705-1111 08-09-1937 11-14-1938 C

01	2	45	0	404	0	ADP	122013
06	0	46	0	405	0	FS	0
09	1	106	47	0	406	0	3800
10	4	01304	48	0	407	0	3803
11	1410	63	0	408	0	SCMGI	0
12	5000	62	0	410	0	5870A	1
13	33000	63	0	412	0	5805 5805P	0
14	1500	64	0	413	15	UBSIGNER	1
16	300	73	250	415	0	CPDIP 87654321	0
17	32400	72	0	420	0	FN 123456789	0
18	13500	73	0	421	0	CCP	0
19	18900	74	0	422	25	3805P	0
31	226	75	250	423	0	NGDC	0
32	1410	91	250	424	0	3540	0
33	0	92	0	425	0	3805E	0
34	300	93	250	426	0	3807	0
35	300	94	0	110	050	3808	0
40	0	95	10	111	0	3809	0
41	0	400	0	112	0	3549A	0
42	0	401	10	113	0	TRC1397	0
43	0	402	0	115	190	TRC1341	0
44	0	403	0	116	100		
				117	90		

JAMES JONES
 SON
 JANET JONES
 DAUGHTER DDRI 321010123
 MICHAEL SMITH GRANDCHILD 01234567890123456
 MICHELLE SMITH GRANDCHILD DDRI 121343565
 0000000987654321 2

1 Single 4 Head of household (with qualifying person). See instructions.
 2 Married/RDP filing jointly. See inst. 5 Qualifying widow(er) with dependent child. Enter year spouse/RDP died
 3 Married/RDP filing separately. Enter spouse's/RDP's SSN or ITIN above and full name here
 If your California filing status is different from your federal filing status, check the box here
 6 If someone can claim you (or your spouse/RDP) as a dependent, check the box here. See inst.

613 3101136

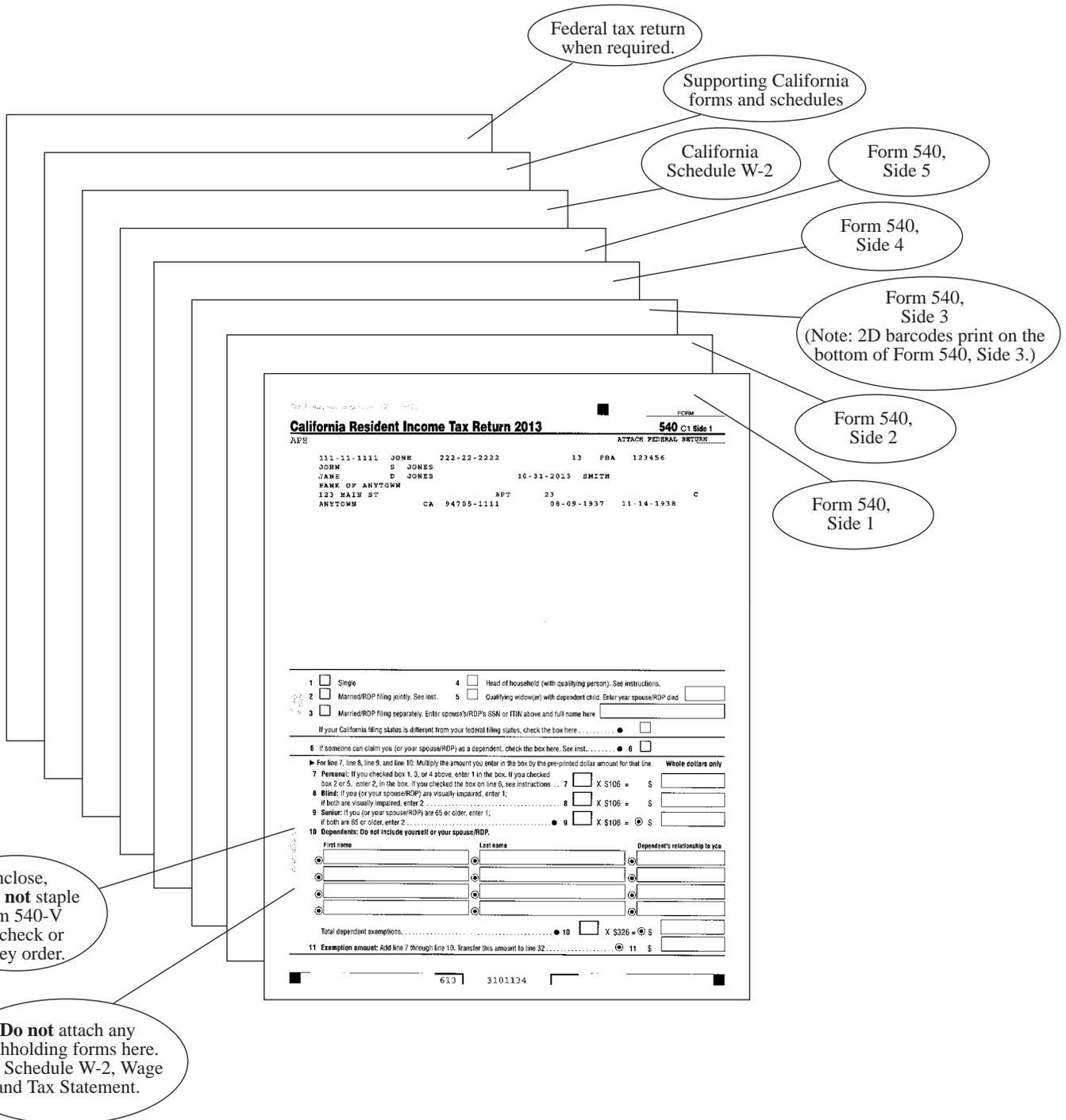
Tax Practitioner Tips for Computer-Preparing, Assembling, and Mailing Scannable Form 540

Item/Activity	Scannable Form 540
Monetary Amounts (Taxpayer's Tax Data)	Monetary amounts must print in the scanband and must be whole dollars without decimal points or other punctuation. Monetary amounts in the conventional area of the form must include decimal points or a vertical rule (penny line). Note: Most software is programmed to print whole dollars only followed by a decimal point.
Additional Credits Line 43 and Line 44	Credit acronym, code number, and amount will print on the applicable line(s) on Side 2 of the form. See example on page 12.
Direct Deposit of Refund (DDR)	DDR consists of three fields for two separate accounts: 1) DDR routing number (Must be 9 positions. The first two positions must be 01 through 12 or 21 through 32). 2) DDR account number. 3) DDR account type. You must complete all fields for each DDR options you select. Otherwise, leave all fields blank.
Making Corrections*	Do not make hand written corrections on the tax return. Do not modify the name(s), address, or tax data information. If there is an error, print a new tax return.
Submit Original Tax Returns*	Submit original (hardcopy) tax returns. Do not submit a photocopy. Tax returns should be single-sided, not two-sided.
Attaching Wage Statements	Attach California Schedule W-2, Wage and Tax Statement, directly behind Side 5 of scannable Form 540. California Schedule W-2 – If your software does not populate this form, you must include the “state” copy of federal Form(s) W-2, W-2G, and any Form(s) 592-B, 593, and federal Form(s) 1099 showing California tax withheld to it.
Attaching California Supporting Forms and Federal Forms	Scannable Form 540 may require attachments. Include California supporting forms and schedules behind California Schedule W-2, and follow with federal forms and schedules.
Payment and Form 540-V	Enclose check or money order with Form 540-V, Payment Voucher for 540 Returns, with the tax return. Do not staple Form 540-V and check or money order to tax return. Make all payments in U.S. dollars and drawn against a U.S. financial institution. Clients should use black or blue ink to complete their check or money order.
Assembling Tax Return	Assemble tax return according to assembly guidelines on page 16. Do not staple the tax return. Leave loose.
Where to Mail the Tax Return	REFUND OR NO AMOUNT DUE: FRANCHISE TAX BOARD PO BOX 942840 SACRAMENTO CA 94240-0009 AMOUNT YOU OWE: FRANCHISE TAX BOARD PO BOX 942867 SACRAMENTO CA 94267-0009

* Apply these rules to all scannable payment forms (Forms 100-ES, 540-ES, 540-V, 541-ES, FTB 3519, 3522, 3536, 3537, 3538, 3539, 3563, 3582, 3586, 3587, 3588, and 3843). Mail to the address shown on each form.

2013 Substitute Form 540 with 2D Barcode Assembly Guidelines

Important: Tax preparation software that produce 2D barcode tax returns will print a Substitute Form 540 with the barcodes printed on Form 540, Side 3.



California Resident Income Tax Return 2013 **540** C1 Side 1

APR 111-11-1111 JONK 222-22-2222 13 PBA 123456
 JOHN S JONES
 JANE D JONES 10-31-2013 SMITH
 RANK OF ANYTOWN
 123 MAIN ST APT 23
 ANYTOWN CA 94705-1111 08-09-1937 11-14-1938 C

1 Single 4 Head of household (with qualifying person). See instructions.
 2 Married/RDP filing jointly. See inst. 5 Qualifying widow(er) with dependent child. Enter year spouse/RDP died
 3 Married/RDP filing separately. Enter spouse's/RDP's SSN or ITIN above and full name here

6 If someone can claim you (or your spouse/RDP) as a dependent, check the box here. See inst. 6

7 Personal: If you checked box 1, 3, or 4 above, enter 1 in the box. If you checked box 2 or 5, enter 2 in the box. If you checked the box on line 6, see instructions ... 7 X \$106 = \$
 8 Blind: If you (or your spouse/RDP) are visually impaired, enter 1;
 if both are visually impaired, enter 2; ... 8 X \$106 = \$
 9 Senior: If you (or your spouse/RDP) are 65 or older, enter 1;
 if both are 65 or older, enter 2; ... 9 X \$106 = \$

10 **Dependents: Do not include yourself or your spouse/RDP.**

First name	Last name	Dependent's relationship to you
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Total dependent exemptions 10 X \$326 = \$

11 **Exemption amount:** Add line 7 through line 10. Transfer this amount to line 32 11 \$

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Tax Practitioner Tips for Computer-Preparing, Assembling, and Mailing Substitute Form 540 2EZ and Form 540 with 2D Barcodes

Item/Activity	Substitute Form 540 2EZ with 2D Barcodes	Substitute Form 540 with 2D Barcodes
Monetary Amounts (Taxpayer's Tax Data)	Monetary amounts in the conventional area of the form may include decimal points or a vertical rule (penny line).	Same as Form 540 2EZ.
Line 43 and Line 44	Not applicable.	Credit acronym, code, and amount will print on the applicable line(s) on Form 540, Side 2. See example on page 12.
Direct Deposit of Refund (DDR)	DDR consists of three fields for two separate accounts: 1) DDR routing number (Must be 9 positions. The first two positions must be 01 through 12 or 21 through 32). 2) DDR account number. 3) DDR account type. You must complete all fields for each DDR option you select. Otherwise, leave all fields blank.	Same as Form 540 2EZ.
Making Corrections*	Do not make hand written corrections on the tax return. Do not modify the name(s), address, or tax data information. If there is an error, print a new tax return.	Same as Form 540 2EZ.
Submit Original Tax Returns*	Submit original (hardcopy) tax returns. Do not submit a photocopy. Tax returns should be single-sided, not two-sided.	Same as Form 540 2EZ.
2D Barcodes	2D barcodes print on Form 540 2EZ, Side 2.	2D barcodes print on Form 540, Side 3.
Attaching Wage Statements	California Schedule W-2, Wage and Tax Statement – If your software doesn't populate this form, you must attach "state" copy of Form(s) W-2, W-2G, and 1099 showing CA tax withheld to it. Attach Schedule W-2 directly behind Side 4 of Form 540 2EZ.	Same as Form 540 2EZ with these exceptions: Attach any Form(s) 592-B and 593 showing CA tax withheld to Schedule W-2. Attach Schedule W-2 directly behind Side 5.
Attaching California Supporting Forms and Federal Forms	Never attach the federal tax return.	Form 540 may require attachments. Include California supporting forms and schedules behind California Schedule W-2, and follow with federal forms and schedules.
Payment and Form 540-V	Enclose check or money order with Form 540-V, Payment Voucher for 540 Returns, with the tax return. Do not staple Form 540-V and check or money order to tax return. Make all payments in U.S. dollars and drawn against a U.S. financial institution. Clients should use black or blue ink to complete their check or money order.	Same as Form 540 2EZ.
Assembling Tax Return	No assembly.	Assemble tax return according to assembly guidelines on page 18. Do not staple the tax return. Leave loose.
Where to Mail the Tax Return	REFUND OR NO AMOUNT DUE: FRANCHISE TAX BOARD PO BOX 942840 SACRAMENTO CA 94240-0009 AMOUNT YOU OWE: FRANCHISE TAX BOARD PO BOX 942867 SACRAMENTO CA 94267-0009	Same as Form 540 2EZ.

* Apply these rules to all scannable payment forms (Forms 100-ES, 540-ES, 540-V, 541-ES, FTB 3519, 3522, 3536, 3537, 3538, 3539, 3563, 3582, 3586, 3587, 3588, and 3843). Mail to the address shown on each form.

Tax Practitioner Tips for Computer-Preparing, Assembling, and Mailing Form 540 2EZ, Long or Short Form 540NR, and Form 540X

Item/Activity	Form 540 2EZ	Long or Short form 540NR	Form 540X
Monetary Amounts (Taxpayer's Tax Data)	Monetary amounts may include decimal points or a vertical rule (penny line).	Same as Form 540 2EZ.	Same as Form 540 2EZ.
Additional Credits	Your clients may not claim additional credits.	Credit acronym, code, and amount will print on the applicable line(s) of Long Form 540NR only. (Your clients may not claim additional credits on Short Form 540NR.)	Not applicable.
Direct Deposit of Refund (DDR)	DDR consists of three fields: 1) DDR routing number (Must be 9 positions. The first two positions must be 01 through 12 or 21 through 32). 2) DDR account number. 3) DDR account type. You must complete all fields for each DDR option you select. Otherwise, leave all fields blank.	Same as Form 540 2EZ.	Not applicable.
Making Corrections	Do not make handprint corrections on the tax return. Do not modify the name(s), address, or tax data information. If there is an error, print a new tax return.	Same as Form 540 2EZ.	Same as Form 540 2EZ.
Submit Original Tax Returns	Submit the original (hard copy) tax returns. Do not submit a photocopy.	Same as Form 540 2EZ.	Same as Form 540 2EZ.
Attaching Wage Statements	California Schedule W-2, Wage and Tax Statement – If your software doesn't populate this form, you must attach "state" copy of Form(s) W-2, W-2G, and 1099 showing CA tax withheld to it. Attach Schedule W-2 directly behind Side 4 of Form 540 2EZ.	Short Form 540NR – Same as Form 540 2EZ with this exception: Attached Schedule W-2 directly behind Side 3. Long Form 540NR – Same as Form 540 2EZ with these exceptions: Attach a copy of any Form(s) 592-B and 593 showing CA tax withheld to Schedule W-2. Attached Schedule W-2 directly behind Side 3.	Same as Form 540 2EZ.
Attaching California Supporting Forms and Federal Forms	Never attach the federal tax return.	Short Form 540NR – Never attach the federal tax return. Long Form 540NR – Attach any supporting California forms and schedules. Always attach the complete federal tax return with all supporting federal forms and schedules.	Attach all supporting forms and schedules for items changed. Include federal forms and schedules if you made a change to your federal return. Include name and SSN for taxpayer (and taxpayer's spouse/RDP, if any,) (or ITIN, if applicable) on all attachments. Include complete copies of the Federal Audit Report(s) if you are reporting changes made by the IRS.
Payment and Form 540-V	Enclose check or money order with Form 540-V, Payment Voucher for 540 Returns, with the tax return. Do not staple Form 540-V and check or money order to tax return. Make all payments payable in U.S. dollars and drawn against a U.S. financial institution. Clients should use black or blue ink to complete their check or money order.	Same as Form 540 2EZ.	Same as Form 540 2EZ.
Where to Mail the Tax Return	REFUND OR NO AMOUNT DUE: FRANCHISE TAX BOARD PO BOX 942840 SACRAMENTO CA 94240-0001 AMOUNT YOU OWE: FRANCHISE TAX BOARD PO BOX 942867 SACRAMENTO CA 94267-0001	Same as Form 540 2EZ.	Same as Form 540 2EZ.