Filing an Early Tax Return In Place of the 4th Installment. If you file your 2014 tax return by January 31, 2015, and pay the entire balance due, you do not have to make your last estimated tax payment. In addition, you will not owe a penalty for the fourth installment.

Annualization Option. If you do not receive your taxable income evenly during the year, you may be to your advantage to annualize your income. This method allows you to match your estimated tax payments to the actual period when you earned the income. You may use the annualization schedule included with the 2013 form FTB 5805, Underpayment of Estimated Tax by Individuals and Fiduciaries.

Farmers and Fishermen. If you are a farmer or fisherman, and at least two-thirds of your 2013 and 2014 gross income is from farming or fishing, you may do either of the following:

• Pay all of your estimated tax by January 15, 2015.
• File your tax return for 2014 on or before March 3, 2015, and pay the total tax due. In this case, you need not make estimated tax payments for 2014. Use the 2013 form FTB 5805F, Underpayment of Estimated Tax by Farmers and Fishermen, to determine if you paid the required estimated tax. If the estimated tax is underpaid, attach the completed form FTB 5805F to the back of your tax return.

Fiscal Year. If you file your tax return on a fiscal year basis, your due dates will be the 15th day of the 4th, 6th, and 9th months of your fiscal year and the 1st month of the following fiscal year. If the due date falls on a weekend, or legal holiday, use the next business day.

Mental Health Services Tax. If your taxable income or nonresident CA source taxable income is more than $1,000,000, complete the worksheet below.

A. Taxable income from Form 540, line 19, or Long Form 540NR, line 35

B. Less: 

C. Subtotal $1,000,000

D. Tax rate - 1% 

E. Mental Health Services Tax – Multiply line C by line D.

Enter this amount here and on line 17 of the 2014 CA Estimated Tax Worksheet. on the next page.

E How to Use Form 540-ES Payment Form

Use the CA Estimated Tax Worksheet and your 2013 California income tax return as a guide for figuring your 2014 estimated tax. Be sure that the amount shown on line 21 of the CA Estimated Tax Worksheet has been reduced by any overpaid tax on your 2013 tax return which you chose to apply toward your 2014 estimated tax payment.

Note: If you filed Form 540 2EZ for 2013, do not use the Form 540 2EZ instructions to figure amounts on this worksheet. Instead, get the 2013 California 540 Personal Income Tax Booklet.

1. Complete the Record of Estimated Tax Payments on the next page for your files.

2. Paying your tax:

• Web Pay – Make a payment online or schedule a future payment (up to one year in advance), go to ftb.ca.gov for more information. Do not mail Forms 540-ES to us.

• Credit card – Go to ftb.ca.gov and search for payment by credit card or call 800.727.9829. You will be charged a fee for this service. Do not mail Forms 540-ES if you pay by credit card.

• Check or money order – There is a separate payment form for each due date. Be sure you use the form with the correct due date shown in the top margin of the form.

Fiscal year filers: Enter the month of your fiscal year end (located directly below the form’s title). Print your name, address, and social security number (SSN) or individual taxpayer identification number (ITIN) in the space provided on Form 540-ES. If you have a foreign address, enter the information in the following order: City, Country, Province/Region, and Postal Code. Follow the country’s practice for entering the postal code. Do not abbreviate the country name.

Complete the amount of payment line of the form by entering the amount of the payment that you are sending. Using black or blue ink, make your check or money order payable to the “Franchise Tax Board.” Write your SSN or ITIN and “2014 Form 540-ES” on it and mail to the address on the form. Make all checks and money orders payable in U.S. dollars and drawn against a U.S. financial institution.

F Failure to Make Estimated Tax Payments

If you do not make the required estimated payments, if you pay an installment after the date it is due, or if you underpay any installment, a penalty may be assessed on the portion of estimated tax that was underpaid from the due date of the installment to the date of payment or the due date of your tax return, whichever is earlier. Get the 2013 form FTB 5805 for more information.
2014 California Estimated Tax Worksheet  
Keep this worksheet for your records.

1  Residents: Enter your estimated 2014 California AGI. Nonresidents and part-year residents: Enter your estimated 2014 total AGI from all sources. Military servicemember/spouses, get FTB Pub. 1032, Tax Information for Military Personnel  .

2  a If you plan to itemize deductions, enter the estimated total of your itemized deductions  .
   b If you do not plan to itemize deductions, enter the standard deduction for your filing status:
   $3,906 single or married/RDF filing jointly, head of household, or qualifying widow(er)  .
   c Enter the amount from line 2a or line 2b, whichever applies  .
   d Subtract line 2c from line 1  .

4  Tax. Figure your tax on the amount on line 3 using the 2013 tax table for Form 540, or Long Form 540NR. Also include any tax from form FTB 3800, Tax Computation for Certain Children with Investment Income, and form FTB 3803, Parents’ Election to Report Child’s Interest and Dividends  .

5  Residents: Skip to line 6a. Nonresidents and part-year residents:
   a Enter your estimated California taxable income from Schedule CA (540NR), Part IV, line 49  .
   b Compute the CA Tax Rate: Tax on total taxable income from line 4  .

5b Total taxable income from line 3

6  a Residents: Enter the exemption credit amount from the 2013 instructions for Form 540  .
   b Nonresidents or part-year residents: Enter the CA credit proration percentage. Divide line 5a by line 3. If more than 1 enter 1.0000  .
   c Enter your estimated California taxable income from Schedule CA (540NR), Part IV, line 49  .

7  Nonresidents: CA prorated exemption credits. Multiply the total exemption credit amount by line 6b  .

8  Residents: Subtract line 6a from line 4. Nonresidents or part-year residents: Subtract line 7 from line 5c  .

9  Tax on accumulation distribution of trusts. See instructions for form FTB 5870A, Tax on Accumulation Distribution of Trusts  .

10 Add line 8 and line 9  .

11 Credits for joint custody head of household, dependent parent, senior head of household, and child and dependent care expenses. Nonresidents and part-year residents: For the child and dependent care expenses credit, use the amount from your 2013 Long Form 540NR, line 50. For the other credits listed on line 11, multiply the total 2013 credit amount by the ratio on line 6b  .

12 Subtract line 11 from line 10  .

13 Other credits (such as other state tax credit). See the 2013 instructions for Form 540, or Long Form 540NR  .

14 Subtract line 13 from line 12  .

15 Interest on deferred tax from installment obligations under IRC Sections 453 or 453A  .

16 Alternative Minimum Tax. See Schedule P (540 or 540NR)  .

17 Mental Health Services Tax Worksheet, line E (on page 1 of these instructions)  .

18 2014 Estimated Tax. Add line 14 through line 17. Enter the result, but not less than zero  .

19 a Multiply line 18 by 90% (.90). Farmers and fishermen multiply line 18 by 66 2/3% (.6667)  .

   b Enter the sum of line 48, line 61, and line 62 from your 2013 Form 540 or the sum of line 63, line 71, and line 72 from your Long Form 540NR  .

   c Enter the amount from your 2013 Form 540 line 17; or Long Form 540NR, line 32  .

   d Is the amount on line 19c more than $150,000 ($75,000 if married/RDP filing separately)?  .

   Yes. Go to line 19e. No. Enter the lesser of line 19a or line 19b. Skip line 19e and 19f and go to line 20  .

   e Multiply 110% (1.10) by the sum of line 48, line 61, and line 62 from your 2013 Form 540 or the sum of line 63, line 71, and line 72 from your Long Form 540NR  .

   f Enter the lesser of line 19a or line 19e and go to line 20 (if your California AGI is equal to or greater than $1,000,000/$500,000 for married filing separately, use line 19a)  .

Caution: Generally, if you do not prepay at least the amount on line 19d (or 19f if no amount on line 19d), you may owe a penalty for not paying enough estimated tax. To avoid a penalty, make sure your estimated tax on line 18 is as accurate as possible. If you prefer, you may pay 100% of your 2014 estimated tax (line 18)  .

20 California income tax withheld and estimated to be withheld during 2014 (include withholding on pensions, annuities, etc.)  .

21 Balance. Subtract line 20 from line 19d (or line 19f if no amount on line 19d). If less than $500 (or less than $250, if married/RDP filing separately), you do not have to make a payment at this time  .

22 Installment amount. Multiply the amount on line 21 by 30%. Enter the results on the 1st and 4th installments of your Forms 540-ES. Multiply the amount on line 21 by 40%. Enter the result on the 2nd installment of your Forms 540-ES. There is not a required 3rd installment payment. If you will earn your income at an uneven rate during the year, see Annualization Option in the instructions under paragraph D  .

Record of Estimated Tax Payments

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<th>Payment form number</th>
<th>(a) Date</th>
<th>(b) Web Pay/Credit card and confirmation number</th>
<th>(c) Amount paid</th>
<th>(d) 2013 overpayment applied</th>
<th>(e) Total amount paid and credited add (c) and (d)</th>
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Total                                               |

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