

# 2014 Foreign Partner or Member Annual Return

# 592-F

Amended  Federal Extension

Taxable year: Beginning (mm/dd/yyyy) \_\_\_\_\_, and ending (mm/dd/yyyy) \_\_\_\_\_.

## Part I Withholding Agent

Business name		<input type="checkbox"/> SSN or ITIN <input type="checkbox"/> FEIN <input type="checkbox"/> CA Corp no. <input type="checkbox"/> CA SOS file no.	
First name	Initial	Last name	
Address (apt./ste., room, PO Box, or PMB no.)			
City (If you have a foreign address, see instructions.)			State   ZIP Code
Total Number of Foreign Partners or Members Included			

## Part II Tax Withheld

- 1 Total tax withheld from Schedule of Payees, excluding backup withholding (Side 2 and any additional pages) ..... **1** \_\_\_\_\_
- 2 Total backup withholding (Side 2 and any additional pages) ..... **2** \_\_\_\_\_
- 3 **Add line 1 and line 2.** This is the total amount of tax withheld. .... **3** \_\_\_\_\_
- 4 Amount withheld by another entity and being allocated to partners or members ..... **4** \_\_\_\_\_
- 5 Prior payments of foreign partners' or members' withholding for taxable year shown above ..... **5** \_\_\_\_\_
- 6 Amount credited from prior year's withholding ..... **6** \_\_\_\_\_
- 7 **Add line 4, line 5, and line 6.** This is the total amount of payments ..... **7** \_\_\_\_\_
- 8 **Balance due.** If line 3 is more than line 7, subtract line 7 from line 3. Remit the withholding payment with the Supplemental Payment Voucher from Form 592-A, along with Form 592-F. .... **8** \_\_\_\_\_
- 9 **Overpayment.** If line 7 is greater than line 3, subtract line 3 from line 7 (complete lines 10 and 11)... **9** \_\_\_\_\_
- 10 **Credit to next year.** Enter the amount from line 9 that you want applied to the 2015 Form 592-F .... **10** \_\_\_\_\_
- 11 **Refund.** Subtract line 10 from line 9 ..... **11** \_\_\_\_\_

<b>Sign Here</b>	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than withholding agent) is based on all information of which preparer has any knowledge.	
	Print or type withholding agent's name	Telephone ( )
	Withholding agent's signature	Date
	Print or type preparer's name	Preparer's PTIN
	Preparer's signature	Date
	Preparer's address	Telephone ( )

Withholding Agent's Name: \_\_\_\_\_ Withholding Agent's ID No.: \_\_\_\_\_

**Schedule of Payees** (Enter business or individual name, not both.)

**PRINT CLEARLY**

Business name			<input type="checkbox"/> SSN or ITIN <input type="checkbox"/> FEIN <input type="checkbox"/> CA Corp no. <input type="checkbox"/> CA SOS file no.		
First name	Initial	Last name	<input type="checkbox"/> If <b>backup withholding</b> , check the box		
Address (apt./ste., room, PO Box, or PMB no.)					
City (If you have a foreign address, see instructions.)				State	ZIP Code
Total income			Amount of tax withheld		

Business name			<input type="checkbox"/> SSN or ITIN <input type="checkbox"/> FEIN <input type="checkbox"/> CA Corp no. <input type="checkbox"/> CA SOS file no.		
First name	Initial	Last name	<input type="checkbox"/> If <b>backup withholding</b> , check the box		
Address (apt./ste., room, PO Box, or PMB no.)					
City (If you have a foreign address, see instructions.)				State	ZIP Code
Total income			Amount of tax withheld		

Business name			<input type="checkbox"/> SSN or ITIN <input type="checkbox"/> FEIN <input type="checkbox"/> CA Corp no. <input type="checkbox"/> CA SOS file no.		
First name	Initial	Last name	<input type="checkbox"/> If <b>backup withholding</b> , check the box		
Address (apt./ste., room, PO Box, or PMB no.)					
City (If you have a foreign address, see instructions.)				State	ZIP Code
Total income			Amount of tax withheld		

Business name			<input type="checkbox"/> SSN or ITIN <input type="checkbox"/> FEIN <input type="checkbox"/> CA Corp no. <input type="checkbox"/> CA SOS file no.		
First name	Initial	Last name	<input type="checkbox"/> If <b>backup withholding</b> , check the box		
Address (apt./ste., room, PO Box, or PMB no.)					
City (If you have a foreign address, see instructions.)				State	ZIP Code
Total income			Amount of tax withheld		

# Instructions for Form 592-F

## Foreign Partner or Member Annual Return

### General Information

At the end of the taxable year, partnerships and limited liability companies (LLCs) complete Form 592-F, Foreign Partner or Member Annual Return, to report the total withholding for the year and to allocate the income and related withholding to the foreign partners or members. When filing Form 592-F with the Franchise Tax Board (FTB), the withholding agent is no longer required to submit to the FTB Form 592-B, Resident and Nonresident Withholding Tax Statement, for each partner or member. However, withholding agents must continue to provide the partners or members with copies of Form 592-B.

For California withholding purposes:

- Nonresident includes all of the following:
  - Individuals who are not residents of California.
  - Corporations not qualified through the California Secretary of State (CA SOS) to do business in California or having no permanent place of business in California.
  - Partnerships or LLCs with no permanent place of business in California.
  - Any trust without a resident grantor, beneficiary, or trustee, or estates where the decedent was not a California resident.
  - Foreign refers to non-U.S.

Withholding on foreign partners or members is remitted to the FTB using Form 592-A, Payment Voucher for Foreign Partner or Member Withholding. For more information on the withholding requirements or to send withholding payments during the year, get Form 592-A.

A foreign partner may request to reduce or eliminate withholding of California tax on effectively connected taxable income (ECTI) from California sources allocable to a foreign partner (Federal Treasury Regulation 1.1446-6). The foreign partner must first sign and send federal Form 8804-C, Certificate of Partner-Level Items to Reduce Section 1446 Withholding, to the partnership. The foreign partner must sign and send Form 589, Nonresident Reduced Withholding Request, to the FTB along with a signed copy of federal Form 8804-C. The FTB will review the request within 21 business days. If the request is approved, the partnership should remit the reduced withholding amount to the FTB along with Form 592-A.

**Backup Withholding** – With certain limited exceptions, payers that are required to withhold and remit backup withholding to the Internal Revenue Service (IRS) are also required to withhold and remit to the FTB on income sourced to California. The California backup withholding rate is 7% of the payment. For California purposes, dividends, interests, and any financial institutions release of loan funds made in the normal course of business are exempt from backup withholding. For more information, go to [ftb.ca.gov](http://ftb.ca.gov) and search for **backup withholding**.

If a payee has backup withholding, the payee must contact the FTB to provide a valid Taxpayer Identification Number (TIN) before filing a tax return. The following are acceptable

TINs: social security number (SSN); individual taxpayer identification number (ITIN); federal employer identification number (FEIN); California corporation number (CA Corp no.); or CA SOS file number. Failure to provide a valid TIN will result in the denial of the backup withholding credit.

**Submitting Payments** – Use the Supplemental Payment Voucher from Form 592-A if you have a final withholding payment to remit with Form 592-F.

**Increase in Rates** – For taxable years beginning on or after January 1, 2012, the maximum personal income tax rate increased to 12.3%. In addition, non-California partnerships are subject to withholding requirements on a sale of California real property at a rate of 3 1/3% (.0333) of sales price or 12.3% of gain. The alternative withholding rate for the gain on sale of California real property by S corporations increased to 13.8% and 15.8% for financial S corporations.

**Do Not Round Cents to Dollars** – On this form, **do not** round cents to the nearest whole dollar. Enter the amounts with dollars and cents as actually withheld.

### A Purpose

Use Form 592-F to report the total withholding for the year on foreign partners or members under California Revenue and Taxation Code (R&TC) Section 18666. Form 592-F is also used by pass-through entities to pass-through withholding credit to their foreign partners or members.

**Do not** use Form 592-F if:

- You are reporting withholding on domestic nonresident partners or members. Use Form 592, Resident and Nonresident Withholding Statement.
- You are the buyer or escrow person withholding on the sale of real estate. Use Form 593, Real Estate Withholding Tax Statement, to report real estate withholding.

### B When and Where to File

For withholding on foreign partners or members, file Form 592-F, on or before the 15th day of the 4th month following the close of the partnership's or LLC's taxable year. If all the partners or members are foreign, Form 592-F must be filed on or before the 15th day of the 6th month after the close of the partnership's or LLC's taxable year.

Mail Form 592-F, the Supplemental Payment Voucher from Form 592-A, and payment to:

WITHHOLDING SERVICES AND  
COMPLIANCE  
FRANCHISE TAX BOARD  
PO BOX 942867  
SACRAMENTO CA 94267-0651

**Record Keeping** – The withholding agent retains this form for a minimum of four years and must provide it to the FTB upon request.

**10-Day Notification** – California follows federal law, which requires that withholding agents notify foreign payees within 10 days of any tax withheld.

For California withholding purposes, withholding agents should make a similar notification to nonresident payees. No particular form is required for this notification, and it is commonly done on the statement accompanying the distribution or payment. However, the withholding agent may choose to report the tax withheld to the payee on a Form 592-B.

### C Amending Form 592-F

**Important:** If you are amending only to correct the payee ID, contact us at the number listed under Additional Information.

If an error is discovered after Form 592-F has been filed, an amended Form 592-F can be filed to correct the error. Amended forms can only be filed by the withholding agent. To amend Form 592-F:

- Complete a new Form 592-F with the correct information and include all original payees. Do not use negative numbers when completing Form 592-F.
- Check the "Amended" box at the top of the form.
- Include a letter explaining what changes were made and why.
- Send the amended form and letter to the address listed under General Information B, When and Where to File.

**Example:** If a payee was incorrectly included on the original 2014 Form 592-F with an Amount of Tax Withheld of \$100, but should have been included on the 2013 Form 592-F, complete an Amended Form 592-F for 2014. Enter \$0.00 as the corrected Amount of Tax Withheld. Then, file an Amended Form 592-F for 2013. Include the payee that was originally left off as well as all of the payees from the original 2013 Form 592-F.

### D Federal Extension

Check the "Federal Extension" box at the top of the form if you filed for an extension to file federal Form 8804, Annual Return for Partnership Withholding Tax (Section 1446).

**Caution:** An extension to file is **not an extension to pay**. The final withholding payment is due on or before the original due date for Form 592-F regardless of an extension to file.

### E Electronic Filing Requirements

When the number of payees on Form 592-F is 250 or more, Form 592-F must be filed with the FTB electronically, using the FTB's Secure Web Internet File Transfer (SWIFT), instead of paper.

However, withholding agents must continue to provide payees with paper copies of Form 592-B.

For electronic filing, submit your file using the SWIFT process as outlined in FTB Pub. 923, SWIFT Guide for Resident, Nonresident, and Real Estate Withholding.

For the required file format and record layout for electronic filing, get FTB Pub. 1023S, Resident and Nonresident Withholding Electronic Submission Requirements.

If you are the preparer for more than one withholding agent, provide a separate electronic file for each withholding agent.

For electronic filing, submit your payment using Electronic Funds Transfer (EFT) or Form 592-A.

## F Interest and Penalties

Interest on late payments is computed from the due date of the withholding to the date paid. Failure to withhold may result in the withholding agent being personally liable for the amount of tax that should have been withheld and for interest and penalties.

A penalty will be assessed for failure to file complete, correct, and timely information returns (Form 592-F Schedule of Payees) with the FTB. The penalty is calculated per payee:

- \$15 if filed 1 to 30 days after the due date.
- \$30 if filed 31 days to 6 months after the due date.
- \$50 if filed more than 6 months after the due date.

## Specific Instructions

If completing Form 592-F by hand, enter all information requested using black or blue ink.

### Taxable Year

- Enter the beginning and ending dates for the partnership's or LLC's taxable year.
- Make sure the year in the upper left corner of the form matches the ending date of the taxable year.

**Private Mail Box (PMB)** – Include the PMB in the address field. Write "PMB" first, then the box number. Example: 111 Main Street PMB 123.

**Foreign Address** – Enter the information in the following order: City, Province/Region, Postal Code, and Country. Follow the country's practice for entering the postal code. **Do not** abbreviate the country's name.

## Part I Withholding Agent

Enter only business or individual information, not both, check the appropriate TIN box and enter the ID number. If your entity is a partnership, LLC, estate, or trust that was withheld upon by another entity because you are a foreign (non-U.S.) partner or member of that entity and you are passing through the withholding credit to your partners, members, or beneficiaries, enter your entity's name, ID number, and address in the business name area.

If you are filing Form 592-F only to pass-through withholding credits to your partners, members, or beneficiaries, enter your information in Part I.

**Do not** enter the name or ID number of the entity which originally withheld payments from you.

Enter the **total** number of foreign partners or members included on the Schedule of Payees.

## Part II Tax Withheld

**Line 1** – Enter the total withholding, excluding backup withholding, from the Schedule of Payees on Side 2 and from any additional pages of Schedule of Payees.

**Line 2** – Enter the total backup withholding from the Schedule of Payees on Side 2 and any additional pages of the Schedule of Payees.

**Line 3** – Add line 1 and line 2. This is the total amount of tax withheld.

**Line 4** – Enter the amount withheld by another entity and being allocated to your foreign partners or members. If any of the amount withheld by the other entity is to be used against the tax owed by your entity, do not include that amount in line 4. Attach a note to Form 592-F explaining how much of the credit will be used to offset your tax due. All additional amounts withheld by another entity must be allocated to your partners or members and may not be refunded on Form 592-F.

**Line 5** – Enter prior payments for the taxable year shown above from Forms 592-A.

**Line 6** – Enter the amount of foreign partner or member credit carried over from the prior withholding year.

**Line 8** – If line 3 is more than line 7, subtract line 7 from line 3. Remit the withholding payment using Electronic Funds Transfer (EFT), or the Supplemental Payment Voucher from Form 592-A, along with Form 592-F. **Important:** Include (but **do not** attach) a check or money order to the Supplemental Payment Voucher from Form 592-A for the full amount payable to the "Franchise Tax Board." Using black or blue ink, write the tax ID number and "2014 Form 592-A" on the check or money order.

**Line 9** – If line 7 is more than line 3, subtract line 3 from line 7 (complete lines 10 and 11).

**Line 10** – Enter the amount of your overpayment on line 9 that you want to credit to the 2015 Form 592-F.

## Schedule of Payees Instructions

Enter all the requested information for each payee you report as having received California source income to ensure each payee's withholding payment is applied timely and properly.

**Do not** include payees who did not receive allocable shares of withholding unless you are amending Form 592-F to exclude a payee originally reported in error.

**You must use the Schedule of Payees on Side 2 of Form 592-F to report all payees.**

If you withheld tax on multiple payees for the taxable year, complete and include additional copies of the Schedule of Payees from Side 2 of Form 592-F, as necessary. Include the withholding agent's name and ID number at the top of each additional page.

**Do not** leave a blank payee box unless you are at the end of the Schedule of Payees.

**Do not** attach your own schedules to this form. We only accept and process additional payees reported on the Schedule of Payees from Side 2 of Form 592-F.

**Business or Individual Name, Tax ID Number, and Address** – Enter only business or individual information for each payee, not both, check the appropriate TIN box and enter the ID number.

If this is a pass-through entity allocating to its foreign owners their respective share of withholding, **do not** enter the business name of your entity. Only enter the business or individual name of the foreign owner. For foreign addresses, see Specific Instructions.

**Backup Withholding** – If the payee is subject to backup withholding, check this box. If you are a foreign pass-through entity reporting backup withholding, attach the withholding statement that enables you to determine the specific payment to each recipient as required by the IRS.

**Total Income** – Enter the total income subject to withholding.

**Amount of Tax Withheld** – Enter the amount of tax withheld. Determine the California source taxable income allocable for the partner or member, then multiply by the applicable tax rate:

Income amount X Maximum tax rate for the partner or member.

### Tax Rates

12.3%	Non-corporate maximum tax rate
8.84%	Corporate maximum tax rate
10.84%	Bank and financial institution maximum tax rate

## Additional Information

For additional information or to speak to a representative regarding this form, call the Withholding Services and Compliance telephone service at: **888.792.4900** or **916.845.4900**.

OR write to:

WITHHOLDING SERVICES AND  
COMPLIANCE  
FRANCHISE TAX BOARD  
PO BOX 942867  
SACRAMENTO CA 94267-0651

You can download, view, and print California tax forms and publications at [ftb.ca.gov](http://ftb.ca.gov).

OR to get forms by mail write to:

TAX FORMS REQUEST UNIT  
FRANCHISE TAX BOARD  
PO BOX 307  
RANCHO CORDOVA CA 95741-0307

For all other questions unrelated to withholding or to access the TTY/TDD number, see the information below.

### Internet and Telephone Assistance

Website: [ftb.ca.gov](http://ftb.ca.gov)  
Telephone: 800.852.5711 from within the United States  
916.845.6500 from outside the United States  
TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

### Asistencia Por Internet y Teléfono

Sitio web: [ftb.ca.gov](http://ftb.ca.gov)  
Teléfono: 800.852.5711 dentro de los Estados Unidos  
916.845.6500 fuera de los Estados Unidos  
TTY/TDD: 800.822.6268 personas con discapacidades auditivas y del habla