

# 2017 Instructions for Form 540 2EZ

References in these instructions are to the Internal Revenue Code (IRC) as of **January 1, 2015**, and the California Revenue and Taxation Code (R&TC).

## Things you need to know before you complete Form 540 2EZ

Determine if you qualify to use Form 540 2EZ. See "Qualifying to Use Form 540 2EZ" on page 3.

### You cannot use Form 540 2EZ if:

- You file a joint tax return and either spouse/RDP was a nonresident in 2017. Use Long or Short Form 540NR, California Nonresident or Part-Year Resident Income Tax Return. These forms are available online at [ftb.ca.gov/forms](http://ftb.ca.gov/forms) or file online using **e-file**.
- You are married/RDP and file a separate tax return. Get Form 540 online at [ftb.ca.gov/forms](http://ftb.ca.gov/forms) or file online through **CalFile** or **e-file**.
- You have income from a source outside of California.
- You have income from a source not listed on this form.
- You made estimate payments or have an estimated tax payment transfer from 2016.
- You have Real Estate or Other Withholding from Form 592-B or Form 593.

**Note:** The lines on Form 540 2EZ are numbered with gaps in the line number sequence. For example, lines 14 through 15 do not appear on Form 540 2EZ, so the line number that follows line 13 on Form 540 2EZ is line 16.

If you need to amend your California resident income tax return, check the box at the top of Form 540 2EZ indicating AMENDED return and attach Schedule X, California Explanation of Amended Return Changes. For specific instructions, see "Instructions for Filing a 2017 Amended Return" on page 15.

Social security benefits may be taxable for federal tax purposes but are **not** taxable for California tax purposes.

## Specific Line Instructions

### Name(s) and Address

Print your first name, middle initial, last name, and address in the spaces provided at the top of the form.

### Suffix

Use the Suffix field for generational name suffixes such as "SR", "JR", "III", "IV". Do not enter academic, professional, or honorary suffixes.

### Additional Information

Use the Additional Information field for "In-Care-Of" name and other supplemental address information only.

### Foreign Address

If you have a foreign address, follow the country's practice for entering the city, county, province, state, country, and postal code, as applicable, in the appropriate boxes. **Do not** abbreviate the country name.

### Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN)

Enter your SSN or ITIN in the spaces provided. If you file a joint tax return, enter the SSN or ITIN in the same order as the names.

If you do not have an SSN because you are a nonresident or a resident alien for federal tax purposes, and the Internal Revenue Service (IRS) issued you an ITIN, enter the ITIN in the space provided for the SSN.

An ITIN is a tax processing number issued by the IRS to foreign nationals and others who have a federal tax filing requirement and do not qualify for an SSN. The ITIN is a nine-digit number that always starts with the number 9.

### Date of Birth (DOB)

Enter your DOB (mm/dd/yyyy) in the spaces provided. If your filing status is married/RDP filing jointly or married/RDP filing separately, enter the DOBs in the same order as the names.

## Line 1 through Line 5 – Filing Status

Check the box on Form 540 2EZ for the filing status that applies to you.

If your California filing status is different from your federal filing status, check the box under line 5.

### Filing Status Checklist

Choose only one filing status. Your filing status for California must be the same as the filing status you used on your federal income tax return.

#### Exception:

Registered domestic partners (RDP) who file single for federal must file married/RDP filing jointly or married/RDP filing separately for California. If you are an RDP and file head of household for federal, you may file head of household for California only if you meet the requirements to be considered unmarried or considered not in a registered domestic partnership.

### Single

You are single if **any** of the following was true on December 31, 2017:

- You were not married or in an RDP.
- You received a final decree of divorce or legal separation, or your RDP was terminated.
- You were widowed before January 1, 2017, and did not remarry or enter into another RDP in 2017 (see Qualifying Widow[er]).

### Married/RDP Filing Jointly

You may file married/RDP filing jointly if **any** of the following is true:

- You were married/RDP as of December 31, 2017, even if you did not live with your spouse/RDP at the end of 2017.
- Your spouse/RDP died in 2017 and you did not remarry or enter into another RDP in 2017.
- Your spouse/RDP died in 2018 before the 2017 tax return was filed.

A married couple or RDPs may file a joint return even if only one had income or if they did not live together all year. However, both must sign the tax return.

### Head of Household

For the specific requirements that must be met to qualify for head of household filing status, get FTB Pub. 1540, California Head of Household Filing Status. In general, head of household filing status is for unmarried individuals and certain married individuals or RDPs living apart who provide a home for a specified relative. You may be entitled to use head of household filing status if **all** of the following apply:

- You were unmarried and not in an RDP, or you met the requirements to be considered unmarried or considered not in an RDP on December 31, 2017.
- You paid more than one-half the cost of keeping up your home for the year in 2017.
- For more than half the year, your home was the main home for you and one of the specified relatives who by law can qualify you for head of household filing status.
- The relative who lived with you met the requirements to be a qualifying child or qualifying relative.
- You were not a nonresident alien at any time during the year.

For a child to qualify as your foster child for head of household purposes, the child must be placed with you by an authorized placement agency or by order of a court.

California requires taxpayers who use head of household filing status to file form FTB 3532, Head of Household Filing Status Schedule to report how the head of household (HOH) filing status was determined.

**Qualifying Widow(er)**

You are a qualifying widow(er) if **all** of the following apply:

- Your spouse/RDP died in 2015 or 2016, and you did not remarry or enter into another RDP in 2017.
- You have a child, stepchild, or adopted child (not a foster child) whom you can claim as a dependent or could claim as a dependent except that, for 2017:
  - The child had gross income of \$4,050 or more;
  - The child filed a joint return, or
  - You could be claimed as a dependent on someone else’s return.
- This child lived in your home for all of 2017. Temporary absences, such as for school, vacation, or medical care, count as time lived in the home.
- You paid over half the cost of keeping up your home for this child.
- You could have filed a joint tax return with your spouse/RDP the year he or she died, even if you actually did not do so.

Enter the year of your spouse’s/RDP’s death on your tax return.

The Franchise Tax Board (FTB) has a self test, which will help you determine your filing status. Go to [ftb.ca.gov](http://ftb.ca.gov) and search for **self test**.

**Line 6 – Can you be claimed as a dependent?**

If someone else can claim you (or your spouse/RDP) as a dependent on his or her tax return, even if they choose not to, and your total income is less than the following amounts based on your filing status or you have a dependent, you cannot use Form 540 2EZ. Get Form 540 online at [ftb.ca.gov/forms](http://ftb.ca.gov/forms) or file online through **CalFile** or **e-file**.

Single	\$14,086
Married/RDP filing jointly or Qualifying widow(er)	\$28,122
Head of Household	\$19,922

**Note:** You cannot use Form 540 2EZ if your total wages are less than the following amounts based on your filing status:

Single	\$3,886
Married/RDP filing jointly, head of household, or qualifying widow(er)	\$8,122

If you can be claimed as a dependent and can use Form 540 2EZ check the box on line 6 and follow the instructions on line 17.

**Line 7 – Senior**

If you (or if married/RDP, your spouse/RDP) are 65 or older, enter 1; if both are 65 or older, enter 2.

If your (or if married/RDP, your spouse’s/RDP’s) 65th birthday is January 1, 2018, you are considered to be age 65 on December 31, 2017.

**Line 8 – Dependents**

You must enter the first name, last name, SSN, and relationship of each of the dependents you are allowed to claim. If your dependent child was born and died in 2017 and you do not have an SSN for the child, enter “Died” in the SSN field and include a copy of the child’s birth certificate, death certificate, or hospital records. The document must show the child was born alive. If you claim more than three dependents get Form 540 online at [ftb.ca.gov/forms](http://ftb.ca.gov/forms) or file online through **CalFile** or **e-file**.

**Do you have Child and Dependent Care Expenses?** If so, you may qualify for a credit. For more information, get form FTB 3506, Child and Dependent Care Expense Credit. The easiest way to claim the credit is to **CalFile** or **e-file**. **This credit may not be claimed on Form 540 2EZ.**

**Line 9 – Total Wages**

Enter the amount from federal Form W-2, box 16. If you have more than one Form W-2, add all amounts shown in box 16.

Generally, federal Form W-2 box 1 and box 16 should contain the same amounts. If they are different because you had income from a source outside California, you cannot file Form 540 2EZ. Get Form 540 or Long/Short Form 540NR at [ftb.ca.gov/forms](http://ftb.ca.gov/forms) or file online through **CalFile** or **e-file**.

**Line 10 – Total Interest Income**

Enter interest income shown on Form 1099-INT, Interest Income box 1.



**Do not** include amounts shown on Form 1099-INT, box 3, Interest on U.S. Savings Bonds and Treasury Obligations. This interest is not taxed by California.

**Line 11 – Total Dividend Income**

Generally, the amount of dividend income taxable by California is the same as the amount taxable under federal law. However, there may be federal/state differences in the taxable amount of dividend income, if you received it from any of the following sources:

- Exempt interest dividends from mutual funds.
- Non-cash patronage dividends from farmers’ cooperatives or mutual associations.
- Federal exempt interest dividends from other states or their municipal obligations and/or from mutual funds.
- Controlled foreign corporation dividends in the year distributed.
- Regulated investment company capital gains in the year distributed.
- Distributions of pre-1987 earnings from an S corporation.

**If you have a federal/state difference in the taxable amount of dividend income, you cannot file Form 540 2EZ.** Get Form 540 at [ftb.ca.gov/forms](http://ftb.ca.gov/forms) or file online through **CalFile** or **e-file**.

**Line 12 – Total Pension Income**

Generally, the amount of pension income taxable by California is the same as the amount taxable under federal law. However, there may be federal/state differences in the taxable amount of pension income, if you received it from any of the following sources:

- Tier 2 railroad retirement benefits.
- Partially taxable distributions from a pension plan.
- Retirement annuity between July 1, 1986, and January 1, 1987, and elected to use the three-year rule for California purposes and annuity rules for federal purposes.

For information regarding the federal Pension Protection Act of 2006, go to [ftb.ca.gov](http://ftb.ca.gov) and search for **conformity**. **If you have a federal/state difference in the taxable amount of pension income, you cannot file Form 540 2EZ.** Get Form 540 at [ftb.ca.gov/forms](http://ftb.ca.gov/forms) or **e-file**.

**Line 13 – Total Capital Gain Distributions from Mutual Funds**

Generally, the amount of capital gains taxable by California is the same as the amount taxable under federal law. If you received capital gain distributions from a mutual fund, report them on line 13, if both of the following apply:

- You received Form 1099-DIV with an amount in box 2a.
- The Form 1099-DIV does not have amounts in box 2b, 2c, or 2d.

**If you have other capital gains, you cannot use Form 540 2EZ.** Get Form 540 at [ftb.ca.gov/forms](http://ftb.ca.gov/forms) or **e-file**.

**Line 17 – Tax**

The standard deduction and personal exemption credit are built into the 2EZ Tables and not reported on the tax return.

**If you did not check the box on line 6 follow the instructions below.**

Use the California 2EZ Table for your filing status to complete line 17. The 2EZ Tables in this booklet give you credit for the standard deduction for your filing status, your personal exemption credit, and dependent exemption credits. There are three different tables. Make sure you use the right one. If your filing status is:

Single	Go to page 39
Married/RDP filing jointly or Qualifying widow(er)	Go to page 45
Head of Household	Go to page 57

**If you checked the box on line 6, complete the Dependent Tax Worksheet below.**

<b>Dependent Tax Worksheet</b>		
1. Using the amount from Form 540 2EZ, line 16, and your filing status, enter the tax from the 2EZ Table: If your filing status is:		
<ul style="list-style-type: none"> <li>• Single, go to page 39.</li> <li>• Married/RDP filing jointly or Qualifying widow(er), go to page 45.</li> <li>• Head of household, go to page 57</li> </ul>	} ..... <b>1</b> _____	
2. If single or head of household, enter \$114	} ..... <b>2</b> _____	
<ul style="list-style-type: none"> <li>• If married/RDP and both spouses/RDPs can be claimed as a dependent by another taxpayer, enter \$228</li> <li>• If married/RDP and only one spouse/RDP can be claimed, enter \$114</li> <li>• If qualifying widow(er), enter \$228</li> </ul>		
3. Add line 1 and line 2. Enter here and include on Form 540 2EZ, line 17. ....		<b>3</b> _____

**Line 18 – Senior Exemption**

If you entered 1 in the box on line 7, enter \$114. If you entered 2 in the box on line 7, enter \$228.

You cannot claim this exemption credit if someone else can claim you as a dependent on their tax return.

**Line 19 – Nonrefundable Renter’s Credit**

If you were a resident of California and paid rent on property in California which was your principal residence, you may qualify for a credit that you can use to reduce your tax. Answer the questions on page 11 to see if you qualify.

**Line 22 – Total Tax Withheld**

Enter the amount from federal Form(s) W-2, box 17, or Form 1099-R, box 12. If you have more than one federal Form W-2, add all amounts shown in box 17. If you have more than one federal Form 1099-R, add all amounts shown in box 12. The FTB verifies all withholding claimed from federal Forms W-2 or 1099-R with the Employment Development Department (EDD).

**Line 23 – Earned Income Tax Credit (EITC)**

Enter your Earned Income Tax Credit from form FTB 3514, California Earned Income Tax Credit.

**Use Tax**

**Line 25 – Use Tax**

You are required to enter a number on this line. If the amount due is zero, you must check the applicable box to indicate that you either owe no use tax, or you paid your use tax obligation directly to the California Department of Tax and Fee Administration (formerly known as the Board of Equalization).

You may owe use tax if you make purchases from out-of-state retailers (for example, purchases made by telephone, online, by mail, or in person) where sales or use tax was not paid and you use those items in California.

If you have questions about whether a purchase is taxable, go to the California Department of Tax and Fee Administration’s website at [cdtfa.ca.gov](http://cdtfa.ca.gov), or call its Customer Service Center at 1.800.400.7115 or (TTY) 711 (for hearing and speech disabilities).

Some taxpayers are required to report business purchases subject to use tax directly to the California Department of Tax and Fee Administration. However, they may report certain personal purchases subject to use tax on the FTB income tax return.

You may not report business purchases subject to use tax on your income tax return if you:

- Have or are required to hold a California seller’s permit.
- Receive \$100,000 or more per year in gross receipts from business operations.
- Are otherwise registered or required to be registered with the California Department of Tax and Fee Administration to report use tax.

**Note:** You may not report use tax on your income tax return for certain types of transactions. These types of transactions are described in detail below in the instructions.

The Use Tax Worksheet and Estimated Use Tax Lookup Table will help you determine how much use tax to report. If you owe use tax but you do not report it on your income tax return, you must report and pay the tax to the California Department of Tax and Fee Administration. For information on how to report use tax directly to the California Department of Tax and Fee Administration, go to their website at [cdtfa.ca.gov](http://cdtfa.ca.gov) and type “Find Information About Use Tax” in the search bar.

Failure to report and pay timely may result in the assessment of interest, penalties, and fees.

See page 12 for a general explanation of California use tax.

**Use Tax Worksheet**

You must use the Use Tax Worksheet to calculate your use tax liability, if any of these apply:

- You prefer to calculate the amount of use tax due based upon your actual purchases subject to use tax, rather than based on an estimate.
- You owe use tax on any item purchased for use in a trade or business and you are not registered or required to be registered with the California Department of Tax and Fee Administration to report sales or use tax.
- You owe use tax on purchases of individual items with a purchase price of \$1,000 or more each.

**Example 1:** You purchased a television for \$2,000 from an out-of-state retailer that did not collect tax. You must use the Use Tax Worksheet to calculate the tax due on the price of the television, since the price of the television is \$1,000 or more.

**Example 2:** You purchased a computer monitor for \$300, a rare coin for \$500, and designer clothing for \$250 from out-of-state retailers that did not collect tax. Although the total price of all the items is \$1,050, the price of each item is less than \$1,000. Since none of these individual items are \$1,000 or more, you are not required to use the Use Tax Worksheet and may choose to use the Estimated Use Tax Lookup Table.

If you have a combination of individual non-business items purchased for \$1,000 or more each, and/or items purchased for use in a trade or business in addition to individual, non-business items purchased for less than \$1,000, you may either:

- Use the Use Tax Worksheet to compute use tax due on all purchases, or
- Use the Use Tax Worksheet to compute use tax due on all individual items purchased for \$1,000 or more plus all items purchased for use in a trade or business. Use the Estimated Use Tax Lookup Table to estimate the use tax due on individual, non-business items purchased for less than \$1,000, then add the amounts and report the total use tax on Line 25.

**Example 3:** The total price of the items you purchased from out-of-state retailers that did not collect use tax is \$2,300, which includes a \$1,000 television, a \$900 painting, and a \$400 table for your living room.

- You may choose to calculate the use tax due on the total price of \$2,300 using the Use Tax Worksheet, or



- You may choose to calculate the use tax due on the \$1,000 price of the television using the Use Tax Worksheet and estimate your use tax liability for the painting and table by using the Estimated Use Tax Lookup Table, then add the amounts and report the total use tax on Line 25.

<b>Use Tax Worksheet (See Instructions Below.)</b>	
<b>Use whole dollars only.</b>	
1. Enter purchases from out-of-state sellers made without payment of California sales/use tax. If you choose to estimate the use tax due on individual, non-business items purchased for less than \$1,000 each, only enter purchases of items with a purchase price of \$1,000 or more plus items purchased for use in a trade or business not registered with the California Department of Tax and Fee Administration. . . . .	\$ _____00
2. Enter the applicable sales and use tax rate. _____	
3. Multiply Line 1 by the tax rate on Line 2. Enter result here . . . . .	\$ _____00
4. If you choose to estimate the use tax due on individual, non-business items purchased for less than \$1,000 each, enter the use tax amount due from the Estimated Use Tax Lookup Table. If all of your purchases are included in Line 1, enter -0- . . . . .	\$ _____00
5. Add Lines 3 and 4. This is your total use tax . . . . .	\$ _____00
6. Enter any sales or use tax you paid to another state for purchases included on Line 1. See worksheet instructions below . . . . .	\$ _____00
7. Subtract Line 6 from Line 5. This is the total use tax due. Enter the amount due on Line 25. If the amount is less than zero, enter -0- . . . . .	\$ _____00

- Mobile homes or commercial coaches that must be registered annually as required by the Health and Safety Code.
- Vessels documented with the U.S. Coast Guard.
- Aircraft.
- Rental receipts from leasing machinery, equipment, vehicles, and other tangible personal property to your customers.
- Cigarettes and tobacco products when the purchaser is registered with the California Department of Tax and Fee Administration as a cigarette and/or tobacco products consumer.

**Worksheet, Line 2, Sales and Use Tax Rate**

Enter the sales and use tax rate applicable to the place in California where the property was used, stored, consumed, or given away. To find your sales and use tax rate, please go to the California Department of Tax and Fee Administration’s website at [cdtfa.ca.gov](http://cdtfa.ca.gov) and type “**City and County Sales and Use Tax Rates**” in the search bar. You may also call their Customer Service Center at 800.400.7115 or (TTY) 711 (for hearing and speech disabilities).

**Worksheet, Line 6, Credit for Tax Paid to Another State**

This is a credit for tax paid to other states on purchases reported on Line 1. You cannot claim a credit for more than the amount of use tax that is imposed on your use of property in this state. For example, if you paid \$8.00 sales tax to another state for a purchase, and would have paid \$6.00 of use tax in California on that purchase without the credit, you can claim a credit of only \$6.00 for that purchase.

**Estimated Use Tax Lookup Table**

You may use the Estimated Use Tax Lookup Table to estimate and report the use tax due on individual non-business items you purchased for less than \$1,000 each. This option is only available if you are permitted to report use tax on your income tax return and you are not required to use the Use Tax Worksheet to calculate the use tax owed on all your purchases. Simply include the use tax liability that corresponds to your California Adjusted Gross Income (found on Line 16) and enter it on Line 25. You will not be assessed additional use tax on the individual non business items you purchased for less than \$1,000 each.

You may not use the Estimated Use Tax Lookup Table to estimate and report the use tax due on purchases of items for use in your business or on purchases of individual non-business items you purchased for \$1,000 or more each. See the instructions for the Use Tax Worksheet if you have a combination of purchases of individual non-business items for less than \$1,000 each and purchases of individual non-business items for \$1,000 or more.

**Worksheet, Line 1, Purchases Subject to Use Tax**

Report purchases of items that would have been subject to sales tax if purchased from a California retailer unless your receipt shows that California tax was paid directly to the retailer. For example, generally, you would include purchases of clothing, but not exempt purchases of food products or prescription medicine. For more information on nontaxable and exempt purchases, you may visit the California Department of Tax and Fee Administration’s website at [cdtfa.ca.gov](http://cdtfa.ca.gov).

- Include handling charges.
- Do not include any other state’s sales or use tax paid on the purchases.
- Enter only purchases made during the year that corresponds with the tax return you are filing.
- If you traveled to a foreign country and hand-carried items back to California, generally use tax is due on the purchase price of the goods you listed on your U.S. Customs Declaration less an \$800 per-person exemption. For the hand carried items, you should report the amount of purchases in excess of the \$800 per-person exemption. This \$800 exemption does not apply to goods sent or shipped to California by mail or other common carrier. For goods sent or shipped, you should report the entire amount of the purchases.
- If your filing status is “married/RDP filing separately,” you may elect to report one-half of the use tax due or the entire amount on your income tax return. If you elect to report one-half, your spouse/RDP may report the remaining half on his or her income tax return or on the individual use tax return available from the California Department of Tax and Fee Administration.

**Note:** You cannot report the following types of purchases on your income tax return.

- Vehicles, vessels, and trailers that must be registered with the Department of Motor Vehicles.

Adjusted Gross Income (AGI) Range	Use Tax Liability
Less Than \$10,000	\$2
\$10,000 to \$19,999	\$6
\$20,000 to \$29,999	\$10
\$30,000 to \$39,999	\$14
\$40,000 to \$49,999	\$18
\$50,000 to \$59,999	\$23
\$60,000 to \$69,999	\$27
\$70,000 to \$79,999	\$31
\$80,000 to \$89,999	\$35
\$90,000 to \$99,999	\$39
\$100,000 to \$124,999	\$46
\$125,000 to \$149,999	\$56
\$150,000 to \$174,999	\$67
\$175,000 to \$199,999	\$77
More than \$199,999 – Multiply AGI by 0.041% (x0.00041)	

Enter your use tax liability on Line 4 of the worksheet, or if you are not required to use the worksheet, enter the amount on Line 25 of your income tax return.

## Line 29 – Tax Due

If the amount on line 26 is less than the amount on line 21, subtract the amount on line 26 from the amount on line 21. Enter the result on line 29. Your tax is more than your credits and withholdings.

Increasing your withholding could eliminate the need to make a large payment with your tax return. To increase your withholding, complete EDD Form DE 4, Employee's Withholding Allowance Certificate, and give it to your employer's appropriate payroll staff. You can get this form from your employer or by calling the EDD at **888.745.3886**. You can download the DE 4 at [edd.ca.gov](http://edd.ca.gov) or go to [ftb.ca.gov](http://ftb.ca.gov) and search for **de 4**. If you did not pay enough through withholding, you may have an underpayment penalty. The FTB will figure the underpayment penalty for you.

## Line 30 – Voluntary Contributions

You can make voluntary contributions to the funds listed on Form 540 2EZ, Side 3. See "Voluntary Contribution Fund Descriptions" for more information.

You may also contribute any amount to the **State Parks Protection Fund/Parks Pass Purchase**. To receive a single annual park pass, your contribution must equal or exceed \$195. When applicable, FTB will forward your name and address from your tax return to the Department of Parks and Recreation (DPR) who will issue a single Vehicle Day Use Annual Pass to you. Only one pass will be provided per tax return. You may contact DPR directly to purchase additional passes. If there is an error on your tax return in the computation of total contributions or if we disallow the contribution you requested because there is no credit available for the tax year, your name and address will not be forwarded to DPR. Any contribution less than \$195 will be treated as a voluntary contribution and may be deducted as a charitable contribution. For more information go to [parks.ca.gov/annualpass/](http://parks.ca.gov/annualpass/) or email [info@parks.ca.gov](mailto:info@parks.ca.gov).

## Line 31 – Amount You Owe

If you do not have an amount on line 28, add the amount on line 27, line 29, and line 30. Enter the result on line 31.

If you have an amount on line 28 and the amount on line 30 is more than line 28, subtract line 28 from line 30. Enter the difference on line 31.

## Paying Your Taxes

You must pay 100% of the amount you owe by April 17, 2018, to avoid interest and underpayment penalties. However, the underpayment penalty will be waived if 90% of the tax shown on the tax return is paid by the original due date of the tax return. There are several ways to pay your tax:

- Electronic funds withdrawal (e-file only)
- Pay online/Web Pay
- Credit card
- Check or money order
- Monthly installments

## Electronic Funds Withdrawal

If you CalFile or e-file, instead of paying by check, you can use this convenient option. Simply provide your bank information, the amount you want to pay, and the date you want the amount to be withdrawn from your account. You can find the routing and account numbers on your check or by contacting your financial institution. Use the check illustration on the next page to find your bank information. Your tax preparation software will offer this option.

## Web Pay

Enjoy the convenience of online payment with the FTB. This secure service lets you pay the current amount you owe, extension payments, estimated tax payments, and prior year balances. For more information go to [ftb.ca.gov/pay](http://ftb.ca.gov/pay).

## Credit Card

Use your Discover, MasterCard, American Express, or Visa card to pay your personal income taxes (including tax return balance due, extension payments, estimated tax payments, and prior year balances). The FTB has partnered with Official Payments Corp. to offer you this service. Official Payments Corp. charges a convenience fee based on the amount of your payment.

Go to the Official Payments Corp. online payment center at [officialpayments.com](http://officialpayments.com) or call 800.2PAY.TAX or 800.272.9829 and follow the recorded instructions. Official Payments Corp. provides customer assistance at 877.297.7457 Monday through Friday, 5 a.m. to 5 p.m. PST.

Payment Date: \_\_\_\_\_

Confirmation Number: \_\_\_\_\_

## Check or Money Order (no cash please)

Using black or blue ink, make your check or money order payable to the "Franchise Tax Board." **Do not send cash or other items of value** (such as stamps, lottery tickets, foreign currency, and gift cards). Write your SSN or ITIN and "2017 Form 540 2EZ" on the check or money order. Enclose, but **do not** staple your check or money order to the tax return.

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

**e-file:** If you e-filed your tax return, mail your check or money order with form FTB 3582, Payment Voucher for Individual e-filed Returns. **Do not** mail a copy of your e-filed tax return.

**A penalty may be imposed if your payment is returned by your bank for insufficient funds.**

## Request Monthly Installments

Pay as much as you can when you file your tax return. If you cannot pay your taxes in full, you can request approval to make monthly payments. However, you will be charged interest and penalties. You will need to complete form FTB 3567, Installment Agreement Request.

To submit your request electronically, go to [ftb.ca.gov](http://ftb.ca.gov) and search for **installment agreement**. To submit your request by mail, go to [ftb.ca.gov/forms](http://ftb.ca.gov/forms) to download and print form FTB 3567 or call 800.338.0505, and follow the recorded instructions. Enter code **949** when instructed. Mail the completed form to the FTB at the address shown on the form.

## Line 32 – Refund or No Amount Due

Did you report an amount on line 30?

**No** Enter the amount from line 28 on line 32. This is your refund amount. If it is less than \$1, attach a written statement to your Form 540 2EZ requesting the refund.

**Yes** If the amount on line 30 is:

- Less than the amount on line 28, subtract line 30 from line 28 and enter the difference on line 32. This is your refund amount.
- More than the amount on line 28, enter zero on line 32.

## Direct Deposit

Direct deposit is fast, safe, and convenient. To have your refund directly deposited into your bank account, fill in the account information on Form 540 2EZ, Side 4, line 33 and line 34. Fill in the routing and account numbers and indicate the account type. Verify routing and account numbers with your financial institution. **Do not** attach a voided check or deposit slip. See the illustration on the following page.

An individual taxpayer may request that his or her refund be electronically deposited into more than one checking or savings account. This allows more options for managing your refund. For example, you can request part of your refund go to your checking account to use now and the rest to your savings account to save for later.

The routing number must be nine digits. The first two digits must be 01 through 12 or 21 through 32. On the sample check, the routing number is 250250025. The account number can be up to 17 characters and can include numbers and letters. Include hyphens, but omit spaces and special symbols. On the sample check, the account number is 202020.

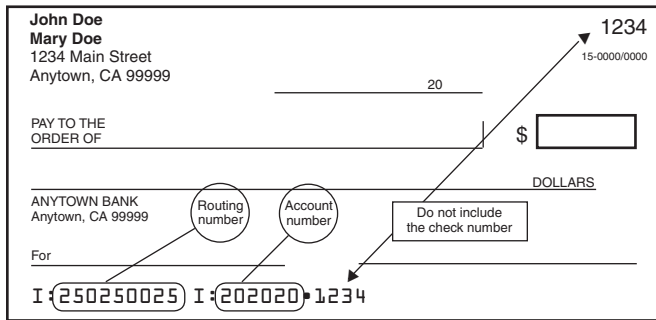
Check the appropriate box for the type of account. **Do not** check more than one box for each line.

Enter the portion of your refund you want directly deposited into each account. The total of line 33 and line 34 must equal the total amount of your refund. If line 33 and line 34 do not equal line 32, the FTB will issue a paper check.

**Caution:** Check with your financial institution to make sure your deposit will be accepted and to get the correct routing and account numbers. The FTB is not responsible for a lost refund due to incorrect account information entered by you or your representative.

Prior to depositing the refund, FTB may first verify with your financial institution that the name on the account you designated to receive the direct deposit refund matches the name provided on the tax return.

Some financial institutions will not allow a joint refund to be deposited to an individual account. If the direct deposit is rejected, the FTB will issue a paper check.



**Direct Deposit for ScholarShare 529 College Savings Plans** – If you have a ScholarShare 529 College Savings Plan account maintained by the ScholarShare Investment Board, you may have your refund directly deposited to your ScholarShare account.

Fill in the routing number, account type, and account number. To obtain the nine-digit routing number, go to [scholarshare.com](http://scholarshare.com) or call 800.544.5248. Check “Checking” as type of account. Enter your complete account number that includes (1) the “CA” prefix, (2) your four-digit investment portfolio number, and (3) your ScholarShare account number (for account numbers less than 11 digits, add leading zeros).

Routing number	Type	Account number
X X X X X X X X X	<input checked="" type="checkbox"/> Checking <input type="checkbox"/> Savings	C A X X X X 0 0 X X X X X X X X
9-digit routing number from ScholarShare website		(1) "CA" prefix (2) investment portfolio number (3) ScholarShare account number with leading zeroes

**Sign Your Tax Return**

Sign your tax return on Side 4. If you file a joint tax return, your spouse/RDP must also sign it.

If you file a joint tax return, both you and your spouse/RDP are generally responsible for tax and any interest or penalties due on the tax return. If one spouse/RDP does not pay the tax, the other spouse/RDP may have to. See “Innocent Joint Filer Relief.”

Include your preferred phone number and email address in case the FTB needs to contact you regarding your tax return. By providing this information the FTB will be able to provide you better customer service.

**Paid Preparer’s Information**

If you pay a person to prepare your Form 540 2EZ, that person must sign and complete the area at the bottom of Side 4 including an identification number. 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. A paid preparer must give you a copy of your tax return to keep for your records.

**Third Party Designee**

If you want to allow your preparer, a friend, family member, or any other person you choose to discuss your 2017 tax return with the FTB, check the “Yes” box in the signature area of your tax return. Also print the designee’s name and telephone number.

If you check the “Yes” box, you, and your spouse/RDP if filing a joint tax return, are authorizing the FTB to call the designee to answer any questions that may arise during the processing of your tax return. You are also authorizing the designee to:

- Give the FTB any information that is missing from your tax return.
- Call the FTB for information about the processing of your tax return or the status of your refund or payments.
- Receive copies of notices or transcripts related to your tax return, upon request.
- Respond to certain FTB notices about math errors, offsets, and return preparation.

You are not authorizing the designee to receive any refund check, bind you to anything (including any additional tax liability), or otherwise represent you before the FTB. If you want to expand or change the designee’s authorization, go to [ftb.ca.gov/poa](http://ftb.ca.gov/poa).

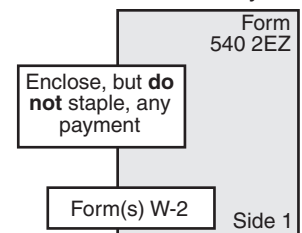
The authorization will automatically end no later than the due date (without regard to extensions) for filing your 2018 tax return. This is April 15, 2019, for most people. To revoke the authorization before it ends, notify us by telephone at 800.852.5711 or in writing at Franchise Tax Board, PO Box 942840, Sacramento CA 94240-0040. Include your name, SSN (or ITIN), and the designee’s name.

**Assembling Your Tax Return**

Assemble your tax return and mail it to the FTB.

To help with our processing costs, enclose, but **do not** staple, your payment. Attach your federal Form(s) W-2 to the lower front of your tax return.

**Do not** enclose a copy of your federal tax return or any other document with your Form 540 2EZ. This will help us reduce government processing and storage costs.



**Mailing Your Tax Return**

Mail your tax return to the following address if your tax return shows an **amount due:**

**FRANCHISE TAX BOARD  
PO BOX 942867  
SACRAMENTO CA 94267-0001**

Mail your tax return to the following address if your tax return shows a **refund, or no amount due:**

**FRANCHISE TAX BOARD  
PO BOX 942840  
SACRAMENTO CA 94240-0001**