

2017 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 Information

| | | | |
|---|---------|---|------------------|
| Business name | | <input type="checkbox"/> FEIN <input type="checkbox"/> CA Corp no. <input type="checkbox"/> CA SOS file no. | |
| First name | Initial | Last name | Telephone () |
| 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 2018 Form 592-F **10** _____
- 11 **Refund.** Subtract line 10 from line 9 **11** _____

| | | | |
|----------------------------|---|--|------------------|
| Sign Here | To learn about your privacy rights, how we may use your information, and the consequences for not providing the requested information, go to ftb.ca.gov and search for privacy notice . To request this notice by mail, call 800.852.5711. | | |
| | Under penalties of perjury, I declare that I have examined this form, 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. | | |
| Preparer's Use Only | Print or type withholding agent's name | | |
| | Withholding agent's signature | | Date |
| | Print or type preparer's name | | Preparer's PTIN |
| | Preparer's signature | | Date |
| | Preparer's address | | Telephone () |

Withholding Agent Name: _____ Withholding Agent TIN: _____

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

PRINT CLEARLY

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

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

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

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

2017 Instructions for Form 592-F

Foreign Partner or Member Annual Return

What's New

Due Date Change – Beginning on or after January 1, 2016, for withholding on foreign partners or members, the due date to file Form 592-F has changed from the 15th day of the 4th month following the close of the partnership's or LLC's taxable year to the 15th day of the 3rd month following the close of the partnership's or LLC's taxable year. See General Information B, When and Where to File, for more information.

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 not required to submit to the FTB Form 592-B, Resident and Nonresident Withholding Tax Statement, for each partner or member. However, withholding agents must 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 remit 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 from California sources allocable to a foreign partner (Federal Treasury Regulation 1.1446-6). The foreign partner must first file federal Form 8804-C, Certificate of Partner-Level Items to Reduce Section 1446 Withholding, with the partnership. Then 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 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.

Penalty Increase – Beginning on or after January 1, 2016, the penalties related to failure to file information returns increased. See General Information F, Interest and Penalties, or get FTB 1150, Withhold at Source Penalty Information, for more information.

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 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 real estate 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 3rd 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

Important: If Form 592-F was filed electronically, submit only your payment due and Form 592-A.

Record Keeping – The withholding agent retains this form for a minimum of five 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

If an error is discovered after Form 592-F has been filed, an amended Form 592-F must be filed to correct the error. Only withholding agents can file amended forms.

Important: If you are amending a previously submitted Form 592-F and need assistance, call the Withholding Services and Compliance telephone service at: **888.792.4900** or **916.845.4900**.

To amend Form 592-F previously filed on the correct taxable year form, but reporting incorrect information:

- Complete a new Form 592-F with the correct information. Use the same year form as the original form 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.
- Attach a letter to the back of the form explaining what changes were made and why.
- Do not attach the original Form 592-F.

To amend a Form 592-F previously filed using an incorrect taxable year form:

- Complete a new Form 592-F with the withholding information using the correct year form. **Do not** check the "Amended" box on the top left corner of the form.
- Complete a second Form 592-F using the same year form as originally filed. Check the "Amended" box in the top left corner of the form. Enter \$0.00 as the amount withheld.

Mail the amended form(s) and letter(s) to the address listed under General Information B, When and Where to File.

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 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.

Electronic signatures shall be considered as valid as the originals.

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 was required to be withheld, plus interest and penalties, unless the failure was due to reasonable cause.

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:

- \$30 if filed 1 to 30 days after the due date.
- \$60 if filed 31 days to 6 months after the due date.
- \$100 if filed more than 6 months after the due date.

For more information, get FTB 1150, Withhold at Source Penalty Information.

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 – 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's name.

Part I Withholding Agent Information

Enter withholding agent information, check the appropriate box and enter the TIN. If your entity 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 foreign (non U.S.) partners, members or beneficiaries, enter your entity's name, TIN, and address in the business name area.

Do not enter the name or TIN 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 the 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 the Supplemental Payment Voucher from Form 592-A, along with Form 592-F.

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 2018 Form 592-F.

Schedule of Payees Instructions

Enter all the applicable information for each payee you report as having nonresident or backup withholding to ensure each payee's withholding payment is applied timely and properly.

Do not include payees who have zero withholding unless you are amending Form 592-F to exclude a payee originally reported in error.

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

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 TIN at the top of each additional page.

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, TIN, and Address
Enter only business or individual information for each payee, not both, check the appropriate box and enter the TIN. Do not enter the business name of your entity as a payee.

If the payee is a **grantor trust**, enter the grantor's individual name and TIN. **Do not enter the name of the trust or trustee information.** (For tax purposes, grantor trusts are transparent. The individual grantor must report the income and claim the withholding on the individual's California tax returns.)

If the payee is a **non-grantor trust**, enter the name of the trust and the trust's FEIN. **Do not enter trustee information.** If the non-grantor

trust has applied for a FEIN and it has not yet been received, or they have not applied for a FEIN, leave the identification number field blank. After the FEIN is received, contact the FTB at 888.792.4900.

Total Income – Enter the total income subject to withholding.

Backup Withholding – If the payee is subject to backup withholding, check this box. Attach the withholding statement that enables you to determine the specific payment to each recipient as required by the IRS.

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

Website: For more information go to ftb.ca.gov and search for **nonwage**.

MyFTB offers secure online tax account information and services. For more information and to register, go to ftb.ca.gov and search for **myftb**.

Telephone: 888.792.4900 or 916.845.4900, Withholding Services and Compliance phone service

Fax: 916.845.9512

Mail: WITHHOLDING SERVICES AND COMPLIANCE MS F182
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

For questions unrelated to withholding, or to download, view, and print California tax forms and publications, or to access the TTY/TDD numbers, see the information below.

Internet and Telephone Assistance

Website: 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

Teléfono: 800.852.5711 dentro de los Estados Unidos
916.845.6500 fuera de los Estados Unidos

TTY/TDD: 800.822.6268 para personas con discapacidades auditivas o del habla