

Quick Reference Guide – California Real Estate Withholding Forms

If you are a seller, buyer, real estate escrow person (REEP), or qualified intermediary (QI), use this guide to help you get started on California real estate withholding during escrow. For more details, see the individual forms with instructions and Franchise Tax Board (FTB) Publication 1016, *Real Estate Withholding Guidelines*.

	Form	Title and Purpose	Required Action
Seller	593-C	<i>Real Estate Withholding Certificate</i> Certify that you qualify for a full or partial exemption from real estate withholding.	❖ If you qualify for an exemption, complete, sign, and return Form 593-C to your REEP before the close of escrow.
	593-E	<i>Real Estate Withholding – Computation of Estimated Gain or Loss</i> Calculate whether you have a gain, loss, or zero gain on the real estate sale.	❖ If you calculate a loss or zero gain on the sale, you can claim an exemption from withholding using Form 593-C. (See Required Action for Form 593-C.) ❖ If you calculate a gain on the sale, you may choose to use the optional gain on sale withholding calculation instead of the total sales price method. ❖ Sign and keep a copy of Form 593-E for 5 years.
	593	<i>Real Estate Withholding Tax Statement</i> Report your withholding on the real estate sale, or certify you are using the optional gain on sale withholding calculation method.	❖ If you do not qualify for an exemption, withholding is required. You must complete the seller information on Form 593 and provide it to your REEP. ❖ If you choose to use the optional gain on sale withholding calculation method: 1. Notify the REEP of the withholding amount. 2. Sign Form 593.

	Form	Title and Purpose	Required Action
Buyer	593-I	<i>Real Estate Withholding Installment Sale Acknowledgment</i> Disclose the terms of the installment sale transaction and acknowledge you will withhold on each future installment payment.	❖ If you enter into an installment agreement with the seller, complete and sign Form 593-I and return it to the REEP. Include a copy of the promissory note. ❖ Keep a copy of Form 593-I. You need the information to complete withholding on future installment payments.

	Form	Title and Purpose	Required Action
QI/REEP/Buyer	593-C	<i>Real Estate Withholding Certificate</i> Verify the seller is exempt from withholding.	❖ Verify you received a completed, signed Form 593-C before the close of escrow. ❖ Keep a copy of Form 593-C for 5 years.
	593	<i>Real Estate Withholding Tax Statement</i> Report withholding on real estate sales or transfers.	❖ Verify Form 593 is signed if the seller chooses the optional gain on sale withholding calculation method. ❖ Submit Form 593, Form 593-V, and Form 593-I (if applicable) to FTB within 20 days following the end of the month in which the sale occurred.
	593-V	<i>Payment Voucher for Real Estate Withholding</i> Remit withholding payments on real estate sales or transfers.	❖ Provide the seller with a copy of the completed Form 593. ❖ Keep a copy of all real estate withholding forms for 5 years.
	593-I	<i>Real Estate Withholding Installment Sale Acknowledgment</i> Report an installment sale (if applicable).	

Go to ftb.ca.gov and search for the **form number** (without the title) to find any of the forms referenced. For questions about California real estate withholding, call 888.792.4900.



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