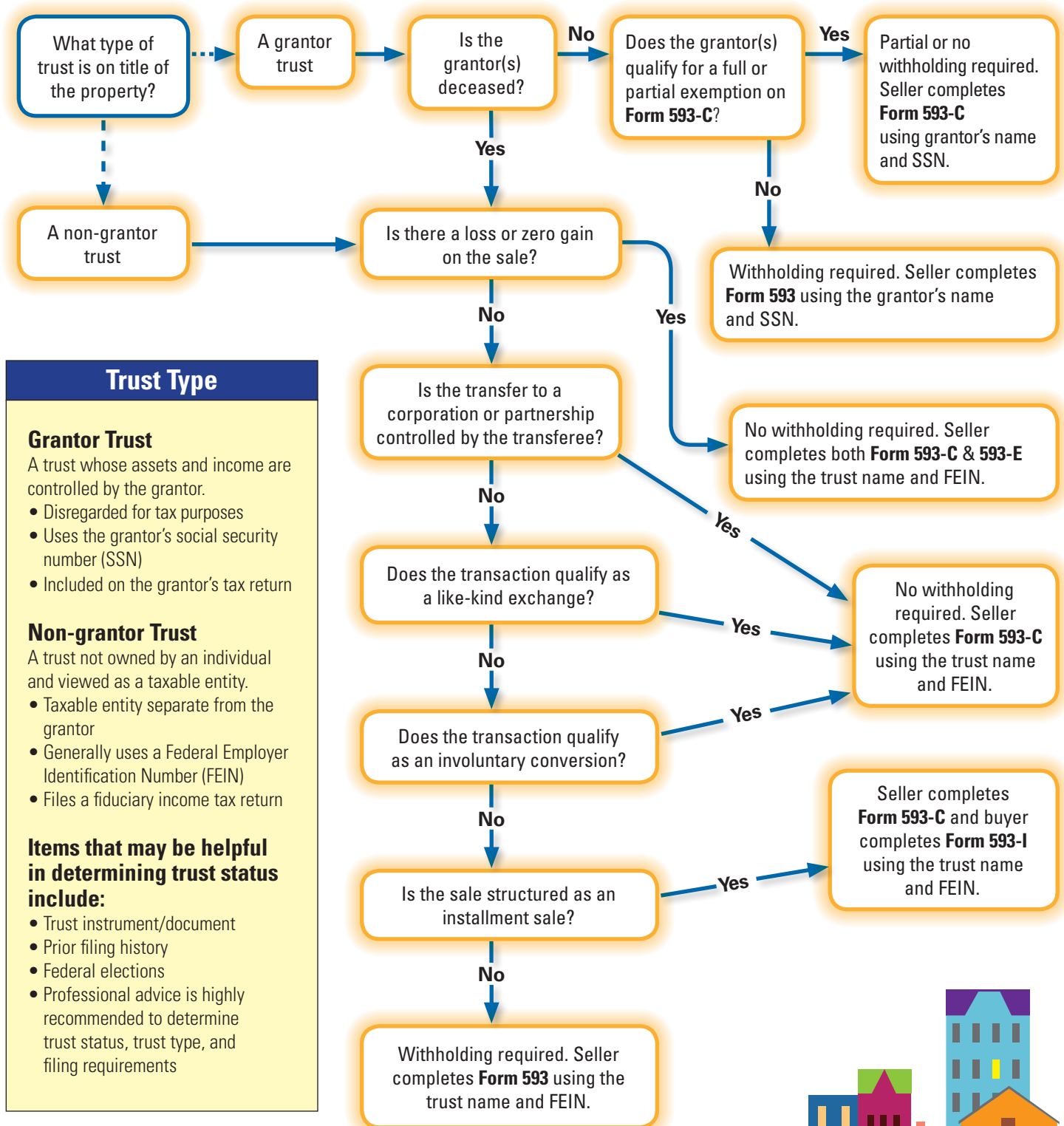


# Do I Need to Withhold on This Trust?



Use this flow chart to determine if California real estate withholding is required when a trust is on title. For more detailed information, see withholding forms with instructions and FTB Pub. 1016, *Real Estate Withholding Guidelines*.



Trust Type
<p><b>Grantor Trust</b> A trust whose assets and income are controlled by the grantor.</p> <ul style="list-style-type: none"> <li>• Disregarded for tax purposes</li> <li>• Uses the grantor's social security number (SSN)</li> <li>• Included on the grantor's tax return</li> </ul>
<p><b>Non-grantor Trust</b> A trust not owned by an individual and viewed as a taxable entity.</p> <ul style="list-style-type: none"> <li>• Taxable entity separate from the grantor</li> <li>• Generally uses a Federal Employer Identification Number (FEIN)</li> <li>• Files a fiduciary income tax return</li> </ul>
<p><b>Items that may be helpful in determining trust status include:</b></p> <ul style="list-style-type: none"> <li>• Trust instrument/document</li> <li>• Prior filing history</li> <li>• Federal elections</li> <li>• Professional advice is highly recommended to determine trust status, trust type, and filing requirements</li> </ul>

