



Real Estate Withholding for Sales by Limited Liability Companies (LLCs)

(Read the chart from the top left corner answering questions as you go to determine if withholding is required.)

(You can view, download, and print this document from our Website at www.ftb.ca.gov)

Is the LLC classified as a corporation for tax purposes?	Yes	Is the LLC registered with the California Secretary of State, or does it have a permanent place of business in California?		Yes	Withholding is not required if the LLC certifies this exemption on Form 593-C, Part II, Line 6.	
				No	Withholding is required unless another exemption is met and certified on Form 593-C.	
Is the LLC classified as a corporation for tax purposes?	No	How many members does the LLC have?	One Member	What type of entity is the single member?	The single member is an Individual .	For withholding purposes, since the single member is an individual, the property is considered to be recorded in the name of the individual and sold by the individual. Therefore, individual withholding rules apply. See Form 593-C.
					The single member is a Corporation .	For withholding purposes, since the single member is a corporation, the property is considered to be recorded in the name of the corporation and sold by the corporation. Therefore, corporation withholding rules apply. See Form 593-C, Line 6.
					The single member is a Partnership .	For withholding purposes, since the single member is a partnership, the property is considered to be recorded in the name of the partnership and sold by the partnership. Therefore, partnership withholding rules apply. Withholding is not required if the LLC certifies the exemption on Form 593-C, Line 7.
					The single member is an LLC .	For withholding purposes, since the single member is an LLC, the property is considered to be recorded in the name of the LLC that is the single member and sold by the LLC that is the single member. Return to the beginning of this chart and answer the questions for the LLC that is the single member of this LLC.
			More than one member	An LLC with more than one member that is not classified as a corporation for tax purposes is classified as a partnership .	For withholding purposes, the property is considered to be recorded in the name of a partnership and sold by a partnership. Withholding is not required if the LLC certifies this on Form 593-C, Part II, Line 7.	