



STATE OF CALIFORNIA
Franchise Tax Board



2016 VITA

MILITARY REFERENCE GUIDE California Income Tax



VITA Site Information for Your Base

Site Number S _____
Base: Name _____
Coordinator: Name _____
Tax Center Phone _____

FTB Trainer

State Instructor Name _____

Volunteer Hotline

(Volunteers only – not for the taxpayer)

California Franchise Tax Board (FTB) 800.522.5665
Federal Internal Revenue Service (IRS) 800.829.8482

Website

California Franchise Tax Board (FTB) ftb.ca.gov
Internal Revenue Service (IRS) irs.gov

Public Assistance

(Taxpayers can call here)

FTB from within the United States 800.852.5711
FTB from outside the United States 916.845.6500
FTB Automated Assistance 800.338.0505
For Federal (IRS) Tax questions 800.829.1040
From TTY / TDD (Persons with Disabilities) 800.735.2929

Correspondence

If you write to us, be sure your letter includes your social security number and your daytime and evening telephone numbers. Send your letter to:

FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-0040

For more information concerning these training materials send an e-mail to Shawntae.Tyler@ftb.ca.gov or call 800.522.5665 or go to website ftb.ca.gov search VITA and choose the first link.

Table of Contents

Franchise Tax Board Field Offices	5
State Tax Help	5
Military Pay Adjustment (MPA, R&TC Section 17140.5)	7
Military Spouse Residency Relief Act (MSRRA).....	7
2016 California Standard Deductions.....	9
2016 California Exemption Credits	9
2016 California Exemption Credit Limitations.....	9
California Tax Forms	10
Full Year Resident Forms.....	10
Nonresident or Part-Year Resident Forms Chart.....	10
California Special Credits List.....	11
Credit for Taxes Paid to Another State - Code 187	11
Nonrefundable Renter’s Credit.....	12
Credit for Child and Dependent Care Expenses Percentage Charts	13
Excess State Disability Insurance (SDI)	14
Federal vs. State	14
Important Information	15
IRS Form 13614-C.....	15
Common Schedule CA Adjustments (May Not be Automatic in TaxSlayer).....	16
Free Tax Help for Military Personnel and Their Families.....	17
Example Scenarios.....	18
Introduction	18
1. Single Military, California Domicile, PCS in California	19
2. Single Military, California Domicile, PCS Out of California.....	20
3. Married Military and Spouse/RDP California Domiciles, Accompanied in California.....	22
4. Married Military and Spouse/RDP California Domiciles, Military PCS Out of California, and Spouse/RDP Resides In California	25
5. Married Military and Spouse/RDP Military California Domiciles, Military PCS in California, Military Spouse/RDP Military PCS Out of California	29
6. Married Military and Spouse/RDP California Domiciles, Accompanied Out of California.....	33
7. Single Military Domiciled Other than California, PCS IN or Out of California.....	37
8. Married Military Domiciled In Community Property State Other Than California and Spouse/RDP Domiciled In Community Property State, Accompanied In California - MSRRA.....	40
9. Married Military Domiciled Other than California in a Separate Property State and Spouse/RDP Domiciled in a Separate Property State, Accompanied in California	45

10. Married Military Domiciled Other than California in a Separate Property State and Spouse/RDP Domiciled in a Community Property State, Accompanied in California	49
11. Married Military Domiciled Other than California in a Community Property State and Spouse/RDP Domiciled in a Separate Property State, Accompanied in California	53
Military Spouses Residency Relief Act.....	57
Frequently Asked Questions Regarding the Military Spouses Residency Relief Act.....	57
MSRRA Qualifications Checklist – View Chart	60
TaxSlayer Tips for California.....	61
TaxSlayer Online Tips.....	63
The Tax Return Icons	63
Instructions Unique to TaxSlayer Online.....	64
Standard Abbreviations	65

Tax Help

This VITA (Volunteer Income Tax Assistance) Military Reference Guide provides contact information, tax charts, and basic examples for volunteers to use in the VITA Program. For more information, go to ftb.ca.gov, call the VITA Hotline 800.522.5665 or visit one of our six field offices.

Franchise Tax Board Field Offices

300 S Spring Street, Suite 5704 Los Angeles, CA 90013-1233	7575 Metropolitan Drive, Suite 201 San Diego, CA 92108-4421
1515 Clay Street, Suite 305 Oakland, CA 94612-1431	121 Spear Street, Suite 400 San Francisco, CA 94105-1584
3321 Power Inn Road, Suite 250 Sacramento, CA 95826-3893	600 W. Santa Ana Blvd. Suite 300 Santa Ana, CA 92701-4532

State Tax Help

States other than California refer to the *State Tax Guide for Use by U.S. Military VITA/ELF Programs*. Search the web for the Military State Tax guide, 2014 or 2016 Prepared by the Navy Judge Advocate General or go to:

http://www.jag.navy.mil/organization/documents/tax/2016_STATE_TAX_GUIDE.pdf

State and Territories

The States without State Personal Income Tax

Alaska	New Hampshire	Texas
Florida	South Dakota	Washington
Nevada	Tennessee	Wyoming

Community Property States and U.S. Territories

Arizona	Louisiana	Puerto Rico
California	Nevada	Texas
Guam	New Mexico	Washington
Idaho	Commonwealth Northern Mariana Islands	Wisconsin

Table of Contents

2016 Filing Requirements

Find the filing status in the first column of the chart, read across to age and number of dependents. File the tax return if California gross income is more than the table amount for the filing status, age, and number of dependents.

Gross income consists of all income received from all sources in the form of money, goods, property, and services, that is not exempt from tax.

On 12/31/16, my Filing Status was:	And on 12/31/16, my age was:	California Gross Income			California Adjusted Gross Income		
		Dependents			Dependents		
		0	1	2	0	1	2
Single or Head of Household	Under 65	16,597	28,064	36,664	13,278	24,745	33,345
	65 or older	22,147	30,747	37,627	18,828	27,428	34,308
Married Filing Joint Married Filing Separate	Under 65 (both)	33,197	44,664	53,264	26,558	38,025	46,625
	65 or older (one spouse)	38,747	47,347	54,227	32,108	40,708	47,588
	65 or older (both)	44,297	52,897	59,777	37,658	46,258	53,138
Qualifying Widow(er)	Under 65		28,064	36,664		24,745	33,345
	65 or older		30,747	37,627		27,428	34,308
Any filing status	Under 65	More than your standard deduction.					
	65 or older	More than your standard deduction.					

A California tax return needs to be filed when the client's gross (total) income amount is more than the amount shown on the filing requirements chart. Source of income:

- Resident clients include all sources of income.
- Nonresidents and Part-Year Residents clients include income from California sources.

Note: If the tax return is not filed, the statute of limitations remains open. Eventually, California assesses the client tax and penalties.

Table of Contents

Nonresident Military Members

The military compensation of nonresident servicemembers will not be considered California sourced income or used to increase their total income to calculate the tax rate.

Servicemembers who are a resident of another state, other than California, will not pay tax to California for their military and intangible income.

Servicemembers, not domiciled in California, who are filing a California return because of California sourced income, will make a military pay adjustment (MPA) on their California personal income tax return. This subtracts the servicemember's military wages from their return.

Military Pay Adjustment (MPA, R&TC Section 17140.5)

Servicemembers who are a resident of another state, other than California, military pay is exempt from California tax. Active duty military servicemembers domiciled outside of California may claim an adjustment for military pay.

To claim the adjustment when e-filing in TaxSlayer go to the state section and choose non-resident. Once you have chosen non-resident you will be prompted to answer two questions. After answering those questions you will need to enter the adjustment either by using the guide me tool or enter myself. When filing a paper returns, on the 540NR Schedule CA, write "MPA" to the left of column A. Then, enter the amount of the nonresident military pay in column B. This will exclude this amount from column D and E.

Military Spouse Residency Relief Act (MSRRA)

Generally, for tax purposes, the client is considered to maintain their existing domicile. If the military servicemember and nonmilitary spouse/Registered Domestic Partner (RDP) have the same state of domicile, the federal Military Spouse Residency Relief Act (MSRRA) provides a spouse/RDP shall not be deemed to have:

- Lost a residence or domicile in any state solely due to being absent to be with the servicemember serving in compliance with military orders.
- Acquired a residence or domicile in any other state solely due to being there to be with the service member serving in compliance with military orders.

The MSRRA does not simply permit a servicemembers spouse to "pick" or "choose" a domicile in any state. Domicile is established, not chosen, as stated prior. The burden will be on the servicemember and spouse/RDP to establish their residence or domicile.

If their domicile is in question, the servicemember can provide their DD Form 2058, State of Legal Residence Certificate and the spouse/RDP may provide a state identification card, driver's license, vehicle registration, voter's registration, prior year state tax returns, and other legal documentation to show proof of their domicile.

The military spouse/RDP that qualifies for the MSRRA will not be taxed on California earnings, including wages and trade or business income where the services are performed by the MSRRA qualifying spouse/RDP. However, the servicemember and nonmilitary spouse/RDP will be taxed by California on all California sourced income.

Examples are:

- The sale or rental of property located in California.
- A trade or business located in California where services are not performed by the MSRRA qualifying spouse/RDP.

For more information, get [FTB Publication 1032](#), Tax Information for Military Personnel.

Dependent Earned Income

Individuals who can be claimed as a dependent on their parent's return or someone else's return have a different filing requirement.

Dependents must file a return if their gross income from all sources is more than their standard deduction. The filing requirement is based on the standard deduction even if the dependent claims itemized deductions.

The 2016 dependent's standard deduction is the larger of \$1,050 or the dependent's earned income plus \$350.

The dependent's standard deduction can never be more than the normal standard deduction.

Example:

In 2016, Monica is single and her parents claim a dependent exemption for her on their 2016 return. She has interest income of \$100 and wages of \$400. Monica has no itemized deductions. She files an FTB Form 540 for 2016. Use the worksheet to find Monica's standard deduction:

Step 1	Enter Monica's earned income from: line 1 of the "Standard Deduction Worksheet for Dependents" in the instructions for federal Form 1040; Form 1040A; or from line A of the worksheet on the back of Form 1040EZ.	\$750 (\$400 plus \$350)
Step 2	Minimum standard deduction \$1,050 for tax year 2016	\$1,050
Step 3	Enter the larger of step 1 or step 2.	\$1,050
Step 4	California standard deduction for the filing status. \$4,129 for a single individual for tax year 2016.	\$4,129
Step 5	Allowable standard deduction. Enter the smaller of step 3 and step 4.	\$1,050

Monica's standard deduction for tax year 2016 is \$1,050.

Table of Contents

Children with Investment Income

Children under age 19 or under age 24 years and a full time student, with investment income of more than \$2,100 need to claim the income. For the child to file a tax return use the California [FTB 3800](#), Tax Computation for Children with Investment Income. To claim a child's investment income on the parent's return use [IRS Form 8814](#) and [FTB Form 3803](#), Parent's Election to Report Child's Interest and Dividends.

For more information, get [IRS Publication 929](#), Tax Rules for Children and Dependents.

2016 California Standard Deductions

Caution: Do not use this chart if someone else can claim the client as a dependent. Their minimum standard deduction is \$900.

Filing Status	Amount
1-Single	\$4,129
2-Married filing jointly	\$8,258
3-Married filing separately	\$4,129
4-Head of household	\$8,258
5-Qualified widow(er)	\$8,258

2016 California Exemption Credits

Personal	\$111
Blind	\$111
Senior (65 or older)	\$111
Dependents	\$344

2016 California Exemption Credit Limitations

California limits some taxpayers' exemption credits. Use the following chart to determine if your client needs to complete one of the exemption credit worksheets:

Exemption credits, if the filing status is	Is Form 540 or Form 540NR, line 13, more than this amount?
Single or married filing separately	\$182,459
Married filing jointly or qualifying widow(er)	\$364,923
Head of household	\$273,692

California Tax Forms

These charts show which California tax form to use when filing.

Full Year Resident Forms

Full Year Residents	Form 540
All filing status	All income, ages, and dependents.

Nonresident or Part-Year Resident Forms Chart

Nonresident or Part-Year	Form 540NR (Short Form)	Form 540NR (Long Form)
Filing Status	Any filing status except married filing separately	Any filing status
Dependents	0 – 5	All entitled to claim
Amount of Income	\$100,000 or less	Any amount of income
Source of Income	Income from only: <ul style="list-style-type: none"> • Wages, salaries, tips • Taxable interest • Unemployment compensation 	All sources of income
Adjustments to Income	Unemployment compensation, Paid Family Leave Insurance and R&TC Section 17140.5, Military pay adjustment (MPA)	All adjustments to income
Deductions	Standard deduction	Standard or itemized
Payments	Estimated payments, withholding on the W-2s, and 1099s	All payments and withholding from all sources
Tax Credits	Personal, senior, blind, up to 5 dependent exemptions, and/or nonrefundable renter's credit	All tax credits
Other Taxes	Tax table only	All taxes

For more California tax rates and exemption information, go to ftb.ca.gov and search for 2016 tax rates and exemptions.

California Special Credits List

A few credits are listed below.

Credit Table- Instructions are on the pages to follow and in the tax booklets 540 and 540NR or go to ftb.ca.gov for more information.

Code	Credits	Forms
187	Other State Tax – Schedule S	Schedule S
282	Child and Dependent Care Expenses	3506
None	Nonrefundable Renter’s	Worksheet
None	Excess SDI or VPDI	None

Use Schedule P, Alternate Minimum Tax and Credit Limitations, to claim more than two credits

Credit for Taxes Paid to Another State - Code 187

In some instances, clients are taxed by both California and another state on the same income. To prevent the income from being taxed twice, either California or the other state will generally allow a credit to offset the taxes paid to the other state or U.S. territory; American Samoa, Guam, Puerto Rico, or the Virgin Islands. The following would apply:

- A net income tax paid to that state or U.S. territory on income taxed by California.
- The income source is in the other jurisdiction.

Note: Complete the other state’s tax return before you complete the California Schedule S. Retain a copy of the other state's tax return and attach a copy to the California return, unless it is e-filed.

Example: Christine earned wages of \$160,000 at her job as Director of Human Resources. In August 2016, she was asked to speak at a seminar sponsored by New York University earning a \$15,000 speaker's fee.

Christine received a tax document for the \$15,000 she earned speaking at NYU with instructions she is required to file a New York state tax return.

Christine's double-taxed income is \$15,000. This is the amount she may claim on California Schedule S for purposes of computing the other state tax credit.

[Table of Contents](#)

Nonrefundable Renter's Credit

Individuals may be eligible for a nonrefundable credit if they meet the following requirements:

- Individuals are qualified renters.
- Individuals have a net tax liability.
- Individuals' adjusted gross income does not exceed the limitation amounts.
- Individuals' credit does not exceed their net tax liability.

Limitations:

- Single or married filing separately with a total California AGI of \$39,062 or less.
- Married filing jointly, head of household or qualifying widow(er) with a total California AGI of \$78,125 or less.
 - A military member California nonresident does not qualify to claim this credit. A California resident spouse/RDP who did not live in military housing during 2016 can claim a maximum of \$60 even if they use married filing jointly filing status.

Full Year Residents Only

Filing Status	Amount
1-Single	\$60
2-Married filing jointly	\$120
3-Married filing separately	\$60 each or \$0 and \$120 to one spouse
4-Head of household	\$120
5-Qualifying widow(er)	\$120

Part -Year Residents

Filing Status - client was a resident in CA in 2016							
Number of months in CA	6	7	8	9	10	11	12
Single or married filing separately	\$30	\$35	\$40	\$45	\$50	\$55	\$60
Married filing jointly, head of household, or qualifying widow(er)	\$60	\$70	\$80	\$90	\$100	\$110	File Form 540

To qualify the property needed to be rented six months or more in California.

Credit for Child and Dependent Care Expenses

The client can claim the nonrefundable Child and Dependent Care Expenses credit if:

- They qualified for the federal child and dependent care expenses credit.
 - See federal Form 2441, Child and Dependent Care Expenses.
- Nonresidents and part-year residents must have maintained their primary home in California for themselves and the qualifying person during the tax year.
- Care must be provided in California.
- California adjusted gross income is \$100,000 or less.
 - After the military pay adjustment.
- The credit amount is limited to the client's tax liability.

Complete Form FTB 3506, Child and Dependent Care Expenses.

For client's with the military pay adjustment (MPA), apply the MPA and use these charts to correct Form FTB 3506 lines 7 and 9. Use the California Modified AGI (Fed AGI – Military pay) to determine the correct percentages.

Credit for Child and Dependent Care Expenses Percentage Charts

If federal Form 2441 line 7 is:			If federal Form 2441 line 7 is:		
Over	But not over	Decimal amount is	Over	But not over	Decimal amount is
\$0	- \$15,000	.35	\$29,000	- \$31,000	.27
15,000	- 17,000	.34	31,000	- 33,000	.26
17,000	- 19,000	.33	33,000	- 35,000	.25
19,000	- 21,000	.32	35,000	- 37,000	.24
21,000	- 23,000	.31	37,000	- 39,000	.23
23,000	- 25,000	.30	39,000	- 41,000	.22
25,000	- 27,000	.29	41,000	- 43,000	.21
27,000	- 29,000	.28	43,000	- No limit	.20

Total federal AGI Form 540/ 540NR line 13 less fed/CA differences is:	Form FTB 3506, Line 9 decimal amount is:
\$40,000 or less	.50
Over \$40,000 but not over \$70,000	.43
Over \$70,000 but not over \$100,000	.34
Over \$100,001	Client does not qualify for this credit.

Excess State Disability Insurance (SDI) Voluntary Plan Disability Insurance (VPDI)

State disability insurance is a state tax assessed on an employee's wages. The tax goes into a fund maintained by the EDD, which is used to pay disability benefits.

Voluntary plan disability insurance is a private disability insurance plan, which meets the requirements of, and is approved by the State of California claim a credit for excess SDI/VPDI if:

- Claimant worked for two or more employers in 2016.
- Claimant received more than \$106,742 in wages during 2016. The client's employers withheld over \$960.68 (or \$106,742 X 0.9%) SDI during the entire year.
- The SDI withheld amounts appear on the W-2 forms.

Federal vs. State

In general, California law often conforms to the Internal Revenue Code (IRC). However, California may not adopt all of the federal tax law made. For more information, go to: irs.gov and ftb.ca.gov.

FTB Did Not Conform to IRS

Medical Expense – Itemized Limitations

IRS changed the percentages for medical expense, beginning in 2013; the threshold for deducting medical expenses increased from 7.5 percent of AGI to 10 percent.

For tax years 2013 through 2016, the threshold will remain at 7.5 percent for individuals 65 or older in the tax year. This is a temporary waiver of the increase for seniors.

FTB remains 7.5 percent of the AGI. Information resources:

- [FTB Publication 1032](#), Tax Information for Military Personnel.
- ftb.ca.gov search for medical expense.
- irs.gov search for medical expense.
- [IRS Publication 502](#), Medical and Dental Expenses.

Cancellation of Debt

The Mortgage Forgiveness Debt Relief Act expired in 2014.

Important Information

Direct Deposit Refund – You can request a direct deposit refund on your tax return whether you e-file or file a paper tax return. Please be sure to fill in the routing and account numbers carefully and double-check the numbers for accuracy to avoid it being rejected by your bank.

Mandatory Electronic Payments – You are required to remit all your payments electronically once you make an estimate or extension payment exceeding \$20,000 or you file an original tax return with a total tax liability over \$80,000. For more information or to obtain the waiver form, go to ftb.ca.gov and search for mandatory electronic payments.

Net Operating Loss (NOL) Carry back – NOLs incurred in taxable years beginning on or after January 1, 2013, shall be carried back to each of the preceding two taxable years. The allowable NOL carry back percentage varies. For more information get [FTB Form 3805V](#).

Withholding on California Real Estate – For transactions occurring on or after January 1, 2007, that require withholding, a seller of California real estate may elect an alternative to withholding 3 1/3 % (.0333) of the total sales price.

Accurate Information in TaxSlayer

The information you type into TaxSlayer is crucial. Information that is entered incorrectly needs to be corrected in the basic information section or tax forms; W2, 1098, 1099, etc.

IRS Form 13614-C

The [IRS Form 13614-C](#), Intake/Interview & Quality Review Sheet is intended to open a dialog between you and the client. Before starting the return discuss the questions and answers on pages 1 and 2 with your client. For more information go to irs.gov and search for [Publication 5101, Intake/Interview and Quality Review Training](#).

Steps to Complete the California 540NR Nonresident Return

The TaxSlayer software does not factor in domicile, prorate income, or take into consideration the special rules for military servicemembers, SCRA or MSRRA provisions. Upon completion of the federal income tax return:

Step One

Complete the [FTB 2335](#), Military Interview Worksheet, to determine California amounts for column E.

Step Two

Go to TaxSlayer, allocate state income using the Nonresident or Part Year resident filing status.

This is where you allocate federal income to the appropriate states and build multiple state tax returns.

Step Three

Go to the State section and click "Edit" to pull up the Schedule CA, 540 NR (CA CA NR). Complete Part I, Complete Part II.

Enter "Military Pay Adjustment" on line 7, column B. The amount in Column E will change. Complete and review amounts in column E. Column E entries should match amounts shown on the [FTB 2335](#).

Common Schedule CA Adjustments (May Not be Automatic in TaxSlayer)

The following adjustments may need to be made on CA Schedule C in column B:

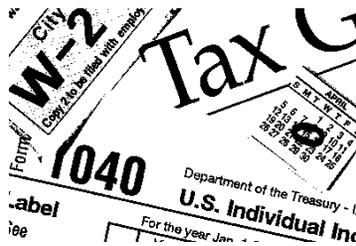
- Line 7, wages, Military Pay Adjustment (MPA).
- Line 8, interest, U.S. Saving Bonds & Treasury Bills.
- Line 9, dividends, from mutual funds sourced in U.S. obligations.
- Line 21, other income, California lottery.

Step Four

Go to the 540NR, complete credits (Renter's, Child Dependent) as appropriate.

Finish the 540NR and any other necessary State returns.

[Table of Contents](#)



Free Tax Help for Military Personnel and Their Families

In addition to VITA there are other free tax return preparation assistance available for eligible military members and their spouse/RDPs. The IRS and U.S. Armed Forces participate in the Volunteer Income Tax Assistance program, which provides free tax advice, tax preparation, return filing and other tax assistance to military members and their families. For more information, go to:

- <http://www.irs.gov/uac/Free-Tax-Help-for-Military-Personnel-and-Their-Families>
- <http://www.military.com/topics/military-taxes>
- http://www.militaryonesource.mil/pfm?content_id=268827
- <http://www.irs.gov/uac/Free-File:-Do-Your-Federal-Taxes-for-Free>
- <https://turbotax.intuit.com/personal-taxes/online/military-edition.jsp>
- E1 – E5 free federal & state taxes using Free Edition or Deluxe

As usual, there are a number of unique credits and deductions available to servicemembers. This article will focus on the deductions available to military families. All information in this piece is based on information supplied by the IRS in the Armed Forces Tax Guide. For further clarification or for additional deductions, as well as information on available tax credits, you should refer to this document.

For more information, go to:

- <http://www.irs.gov/pub/irs-pdf/p3.pdf>
- <http://www.irs.gov/uac/Publication-3,-Armed-Forces'-Tax-Guide>
- <https://www.ftb.ca.gov/individuals/faq/military.shtml>

Example Scenarios

Introduction

Use the following examples for military personnel to complete the California Form 540, California Resident Income Tax Return; Schedule CA, California Adjustments - Residents; and the Form 540NR, California Nonresident, or Part-Year Resident Income Tax Return; and Schedule CA (540NR), California Adjustments - Nonresidents or Part-Year Residents.

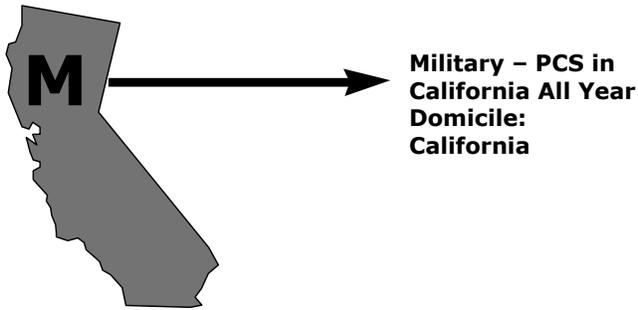
The 11 example scenarios consist of three for single and eight for married couples. The [FTB Publication 1032](#), Tax Information for Military Personnel, display the similar examples.

The examples show how to divide income as determined by domicile, community property state (CPS), and separate property state (SPS) rules. The examples apply the California Revenue and Taxation Code Section 17140.5, Military Pay Adjustments.

You use domicile and location "in" or "out" of California of each client to select the correct example. The Military members' Civil Relief Act protects the military members from state taxation, so their residency remains their domicile no matter their station. For tax purposes, the California domiciled military member and their spouse/RDP become nonresidents when permanently stationed out of California. The nonmilitary spouse retains their domicile, but changes their residency as they move to a new permanent location.

For these examples the spouse/RDP's rental property was acquired prior to marriage and has been kept separate property.

1. Single Military, California Domicile, PCS in California



Single, Head of Household, or Qualifying Widow(er) Return

1. 540: Total = All income — all the military pay is included.

Resident Military Return — File Form 540

1. The military member is a resident of California.
2. The military member has a California domicile, a community property state.
3. Report all income from all sources and the state taxable refund as a subtraction.
 - A. TaxSlayer will subtract the refund no adjustment is needed.

Income

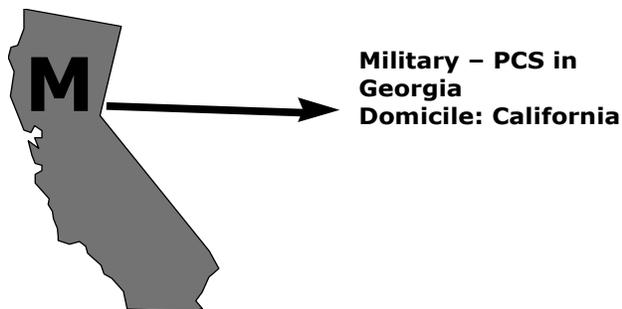
\$25,300	Military wages
\$ 7,400	California nonmilitary wages
\$ 600	Interest income
\$ 240	State refund
\$ 1,200	Capital gain on sale of non-California community property
\$ 6,000	Rental income from California property (Separate property of spouse)

Schedule CA (540)

Part I Section A - Income	A Federal Amounts	B Subtractions	C Additions
Wages	32,700		
Interest	600		
State refund	240	240	
Capital gain	1,200		
Rental income	6,000		
Total	40,740	240	

[Table of Contents](#)

2. Single Military, California Domicile, PCS Out of California



Single, Head of Household, or Qualifying Widow(er) Return

1. 540NR: Total (CA 540NR, column D) = all income
2. California (CA 540NR, column E) = Only Income With a CA source

Adjustment: All the military pay is included in column D, but none in column E line 7.

Nonresident Military Return — File Form 540NR:

1. The military member is a nonresident of California for tax purposes.
2. The military member has a California domicile and is stationed permanently outside of California.

Income

\$25,300	Military wages
\$ 7,400	Non-California nonmilitary wages
\$ 600	Interest income
\$ 240	State refund
\$ 1,200	Capital gain on sale of non-California community property
\$ 6,000	Rental income from California property (separate property of spouse/RDP)

Schedule CA, column A and D – Report:

1. Report all income from all sources and the state taxable refund as a subtraction
 - a. TaxSlayer will subtract the refund no adjustment is needed.

Schedule CA, column E – Report:

1. California source income only.
2. Do not include military wages.
 - a. Do not make the adjustment in column B.
3. Make the adjustment on Line 7;
 - a. Column D is \$32,700.
 - b. Column E, should be \$0.00.

[Table of Contents](#)

Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions	C Additions	D Total Using CA Law	E CA Amounts
Wages Military Nonmilitary	25,300 7,400			25,300 7,400	
Interest	600			600	
State refund	240	240			
Capital gain	1,200			1,200	
Rental income	6,000			6,000	6,000
Total	40,740	240		40,500	6,000

VITA Military Worksheet

Client 1 Example 2 Military
Client 2

Resident ___ months
 Active Duty Military
 Civilian or Retired Military
Domiciled [Select One] State

Nonresident 12 months
 Active Duty Military
 Civilian or Retired Military
Domiciled Community Property State CA

Resident ___ months
 Active Duty Military
 Civilian or Retired Military
Domiciled [Select One] State

Nonresident ___ months
 Active Duty Military
 Civilian or Retired Military
Domiciled [Select One] State

Community Property States: Arizona, California, CN Mariana I, Guam, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, and Wisconsin

California Adjustments 540NR Schedule CA Column B

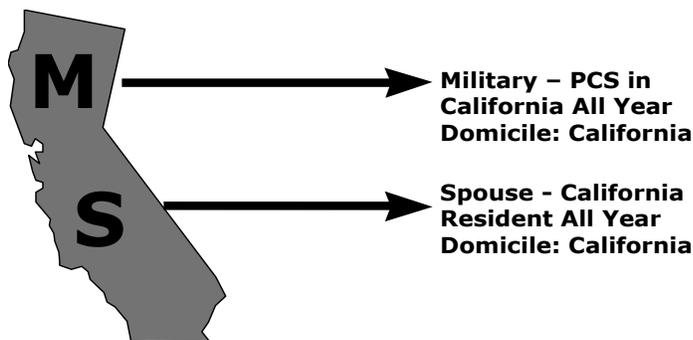
MPA (Military Pay Adjust) / MSRRRA W-2 (Line 7)	Yes No	<input type="checkbox"/> <input checked="" type="checkbox"/>	California Adjustments 540NR Schedule CA Column B (Continued)	Yes No	<input type="checkbox"/> <input checked="" type="checkbox"/>
Savings Bonds / Treasury Bills Interest (1099-INT) (Line 8)		<input type="checkbox"/> <input checked="" type="checkbox"/>	Unemployment Compensation (1099-G) (Line 19)		<input type="checkbox"/> <input checked="" type="checkbox"/>
State Tax Refunds (1099-G) (Line 10)		<input checked="" type="checkbox"/> <input type="checkbox"/>	Taxable Social Security / RR Retirement (Line 20)		<input type="checkbox"/> <input checked="" type="checkbox"/>
IRA / Pensions (1099-R) (Line 15b/16b)		<input checked="" type="checkbox"/> <input type="checkbox"/>	CA Lottery (W-2G) (Line 21a)		<input type="checkbox"/> <input checked="" type="checkbox"/>
		<input type="checkbox"/> <input checked="" type="checkbox"/>	1040 Adjustments to Income (Lines 23-35)		<input type="checkbox"/> <input checked="" type="checkbox"/>

1040 Page 1					California Taxable Amounts 540NR Schedule CA Totals					
Income & Client T = Client 1 S = Client 2 J = Joint TSJ	Federal Income				Schedule CA Line #	California Taxable Amounts 540NR Schedule CA Totals				
	1040 Lines	Total Amounts	Client 1 Community	Client 2 [Select One]		1 Resident	2 Nonresident	Resident	Nonresident	540NR Column E
Military Wages	T 7	\$ 25,300.00			7					\$ 0.00
Other Wages	T 7	\$ 7,400.00								\$ 0.00
Interest	J 8	\$ 600.00			8					\$ 0.00
U.S. Bonds	8									\$ 0.00
Dividends	9				9					\$ 0.00
State Refund	J 10	\$ 240.00			10					\$ 0.00
Alimony Received	11				11					\$ 0.00
Business Income	12				12					\$ 0.00
Capital Gains	J 13	\$ 1,200.00			13					\$ 0.00
IRA	15				15					\$ 0.00
Pensions	16				16					\$ 0.00
Rental RE, etc.	S 17	\$ 6,000.00			17		\$ 6,000.00			\$ 6,000.00
Unemp. Comp.	19				19					\$ 0.00
Social Security	20 b				20 b					\$ 0.00
	21				21					\$ 0.00
Total Income	22	\$ 40,740.00	\$ 0.00	\$ 0.00	22	\$ 0.00	\$ 6,000.00	\$ 0.00	\$ 0.00	\$ 6,000.00
Federal Subtraction Adjustments (Lines 23-35)					California Subtraction Adjustments on the Schedule CA					
	--				--					\$ 0.00
	--				--					\$ 0.00
Total Adjustments	36	\$ 0.00	\$ 0.00	\$ 0.00	36	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Adjusted Gross Income	37	\$ 40,740.00	\$ 0.00	\$ 0.00	37	\$ 0.00	\$ 6,000.00	\$ 0.00	\$ 0.00	\$ 6,000.00

FTB 2335 (REV 06-2014) Side 1

Table of Contents

3. Married Military and Spouse/RDP California Domiciles, Accompanied in California



Joint Return

1. 540: Total = all military member's and spouse/RDP's income

Separate Returns

1. 540: Total = military member's ½ of community and all separate income
2. 540: Total = spouse's ½ of community income and all separate Income

All the military pay is included.

Joint Return — File Form 540

1. The military member is a resident.
2. The military member has a California domicile, a community property state.
3. The spouse is a resident of California.
4. The spouse has a California domicile, a community property state.
5. R&TC 17140.5 does not apply because military member is domiciled in California.

Income

\$25,300	Military wages
\$ 7,400	California nonmilitary wages of the military member
\$30,000	Spouse/RDP's wages
\$ 600	Joint interest income
\$ 240	Joint state refund
\$ 1,200	Capital gain on sale of non-California community property
\$ 6,000	Rental income from California property (Separate property of spouse/RDP)

Schedule CA, column A – Report:

1. All income from all sources, including the military wages.

Schedule CA, column B – Report:

1. The joint state taxable refund.
2. TaxSlayer makes this adjustment.

Schedule CA (540)

Part I Section A - Income	A Federal Amounts	B Subtractions	C Additions
Wages Military	25,300		
Nonmilitary	7,400		
Spouse	30,000		
Interest	600		
State refund	240	240	
Capital gain	1,200		
Rental income	6,000		
Total	70,740	240	

Separate Returns — File Form 540

Each spouse on Schedule CA, column A - Reports:

1. One-half the community income from all sources.
2. All his/her separate income (if any) from all sources.

Each spouse/RDP on Schedule CA, column B - Reports:

1. His/her ½ of the joint state taxable refund.

Separate return — Resident Military — Schedule CA (540)

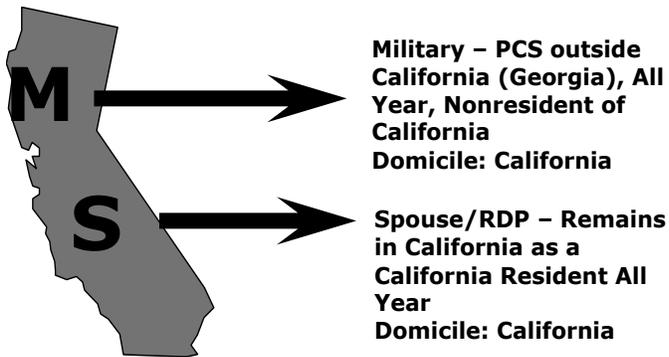
Part I Section - A Income	A Federal Amounts	B Subtractions	C Additions
Wages Military	12,650		
Nonmilitary	3,700		
Spouse/RDP	15,000		
Interest	300		
State refund	120	120	
Capital gain	600		
Total	32,370	120	

Separate return — Resident Spouse — Schedule CA (540)

Part I Section - A Income	A Federal Amounts	B Subtractions	C Additions
Wages Military	12,650		
Nonmilitary	3,700		
Spouse/RDP	15,000		
Interest	300		
State refund	120	120	
Capital gain	600		
Rental income	6,000		
Total	38,370	120	

[Table of Contents](#)

4. Married Military and Spouse/RDP California Domiciles, Military PCS Out of California, and Spouse/RDP Resides In California



Joint Return

1. 540NR: Total (CA 540NR, column D) = all military member's and spouse/RDP's income
2. California (CA 540NR, column E) = military member's ½ of community income of CA source and all military member's separate income of CA source and spouse/RDP's ½ of community income (including ½ of military wages) and all spouse/RDP's separate income.

Separate Returns

1. 540NR: Total (CA 540NR, column D) = military member's ½ of community income and all military member's separate income.
2. California (CA 540NR, column E) = military member's ½ of community income of CA source and all military member's separate income of CA source.
3. 540: Total = spouse/RDP's ½ of community income (including ½ of military wages) and all spouse/RDP's separate income.

Joint Return — File Form 540NR

1. The military member is a nonresident of California for tax purposes.
2. The military member is domiciled in California, a community property state.
3. The spouse is a resident of California.
4. The spouse is domiciled in California, a community property state.
5. R&TC 17140.5 does not apply because the military member is domiciled in California.

Income

\$25,300	Military wages - PCS out of California
\$ 7,400	Non-California nonmilitary wages of the military member
\$30,000	Spouse's wages
\$ 600	Joint interest income
\$ 240	Joint state refund
\$ 1,200	Capital gain on sale of non-California property (community property)
\$ 6,000	Rental income from California property (separate property of spouse/RDP)

Schedule CA, column D – Report:

1. All income from all sources less the joint state taxable refunds.
 - a. TaxSlayer will subtract the refund no adjustment is needed.

Schedule CA, column E - Report:

1. Military member's separate income from California sources.
2. Military member's community ½ from California source income.
3. Spouse/RDP's ½ of community income from all sources, including the military wages.
4. Spouse/RDP's separate income from all sources.

Joint — Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions	C Additions	D Total Using CA Law	E CA Amounts
Wages Military	25,300			25,300	12650
Nonmilitary	7,400			7,400	3,700
Spouse/RDP	30,000			30,000	30,000
Interest	600			600	300
State refund	240	240			
Capital gain	1,200			1,200	600
Rental income	6,000			6,000	6,000
Total	70,740	240		70,500	53,250

Separate Return — Nonresident Military — File Form 540NR

Schedule CA, column D – Report:

1. The entire military member's income.
2. The military member's ½ of all community income excluding state taxable refunds.

Schedule CA, column E – Report:

1. Military member's separate California source income.
2. Military member's ½ of community income from California sources.

[Table of Contents](#)

Separate Return — Nonresident Military — Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions	C Additions	D Total Using CA Law	E CA Amounts
Wages Military	12,650			12,650	
Nonmilitary	3,700			3,700	
Spouse/RDP	15,000			15,000	15,000
Interest	300			300	
State refund	120	120			
Capital gain	600			600	
Total	35,370	120		35,250	15,000

Separate Return — Resident Spouse — File Form 540

Report:

1. All of the spouse/RDP's separate income from all sources.
2. Spouse/RDP's ½ of community income from all sources, including the military wages, but excluding ½ of the joint state taxable refund.

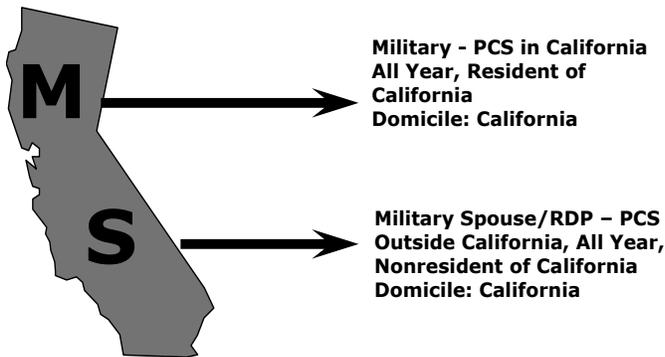
Separate return — Resident Spouse — Schedule CA (540)

Part I Section - A Income	A Federal Amounts	B Subtractions	C Additions
Wages Military	12,650		
Nonmilitary	3,700		
Spouse/RDP	15,000		
Interest	300		
State refund	120	120	
Capital gain	600		
Rental income	6,000		
Total	38,370	120	

VITA Military Work sheet											
Client 1 Example 4 Military					Client 2 Example 4 Spouse						
Resident ___ months		Nonresident 12 months			Resident 12 months		Nonresident ___ months				
<input type="checkbox"/> Active Duty Military		<input checked="" type="checkbox"/> Active Duty Military			<input type="checkbox"/> Active Duty Military		<input type="checkbox"/> Active Duty Military				
<input type="checkbox"/> Civilian or Retired Military		<input type="checkbox"/> Civilian or Retired Military			<input checked="" type="checkbox"/> Civilian or Retired Military		<input type="checkbox"/> Civilian or Retired Military				
Domiciled [Select One] State		Domiciled Community Property State CA			Domiciled Community Property State CA		Domiciled [Select One] State				
Community Property States: Arizona, California, CN Mariana I, Guam, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, and Wisconsin											
California Adjustments 540NR Schedule CA Column B					Yes	No	California Adjustments 540NR Schedule CA Column B (Continued)				
MPA (Military Pay Adjust) / MSRRA W-2 (Line 7)					<input type="checkbox"/>	<input checked="" type="checkbox"/>	Unemployment Compensation (1099-G) (Line 19)				
Savings Bonds / Treasury Bills Interest (1099-INT) (Line 8)					<input type="checkbox"/>	<input checked="" type="checkbox"/>	Taxable Social Security / RR Retirement (Line 20)				
State Tax Refunds (1099-G) (Line 10)					<input checked="" type="checkbox"/>	<input type="checkbox"/>	CA Lottery (W-2G) (Line 21a)				
IRA / Pensions (1099-R) (Line 15b/16b)					<input type="checkbox"/>	<input checked="" type="checkbox"/>	1040 Adjustments to Income (Lines 23-35)				
1040 Page 1					Schedule CA	California Taxable Amounts 540NR Schedule CA Totals					
Income & Client		Federal Income			1 Example 4 Military	2 Example 4 Spouse		540NR			
T = Client 1	S = Client 2	Total Amounts			Line #	Resident	Nonresident	Resident	Nonresident	Column E	
J = Joint	TSJ	1040 Lines	Client 1	Client 2							
	T	7	\$ 25,300.00	\$ 12,650.00	7			\$ 12,650.00		\$ 12,650.00	
										\$ 0.00	
	T	7	\$ 7,400.00	\$ 3,700.00				\$ 3,700.00		\$ 3,700.00	
	S		\$ 30,000.00	\$ 15,000.00			\$ 15,000.00	\$ 15,000.00		\$ 30,000.00	
										\$ 0.00	
	J	8	\$ 600.00	\$ 300.00	8			\$ 300.00		\$ 300.00	
		8									
		9			9					\$ 0.00	
	J	10	\$ 240.00	\$ 120.00	10						
		11			11					\$ 0.00	
		12			12					\$ 0.00	
	J	13	\$ 1,200.00	\$ 600.00	13			\$ 600.00		\$ 600.00	
		15			15					\$ 0.00	
		16			16					\$ 0.00	
	S	17	\$ 6,000.00	\$ 6,000.00	17			\$ 6,000.00		\$ 6,000.00	
		19			19						
		20 b			20 b						
		21			21					\$ 0.00	
		22	\$ 70,740.00	\$ 32,370.00	22	\$ 0.00	\$ 15,000.00	\$ 38,250.00	\$ 0.00	\$ 53,250.00	
Federal Subtraction Adjustments (Lines 23-35)					California Subtraction Adjustments on the Schedule CA						
		--			--					\$ 0.00	
		--			--					\$ 0.00	
		36	\$ 0.00	\$ 0.00	36	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
		37	\$ 70,740.00	\$ 32,370.00	37	\$ 0.00	\$ 15,000.00	\$ 38,250.00	\$ 0.00	\$ 53,250.00	

Table of Contents

5. Married Military and Spouse/RDP Military California Domiciles, Military PCS in California, Military Spouse/RDP Military PCS Out of California



Joint Return

1. 540NR: Total (CA 540NR, column D) = all military member's and spouse/RDP's income.
2. California (CA 540NR, column E) = military member's ½ of community income and all military member's separate income and spouse/RDP's ½ of community income of CA source (including ½ of military wages) and all spouse/RDP's separate income of CA source only.

Separate Returns

1. 540: Total (CA 540, column A) = all military member's ½ of community income and all military member's separate income.
2. California (CA 540, Column B) = military member's ½ of community taxable refund.
 - a. TaxSlayer will subtract the refund no adjustment is needed.
3. 540NR: Total (CA 540NR, column D) = all spouse's ½ of community income and spouse's separate income excluding ½ of community taxable state refund.
4. California (CA 540NR, column E) = spouse's ½ of community income and all spouse/RDP's separate income, but only income with a CA source.

Joint Return — File Form 540NR

1. The military person is a resident of California.
2. The military person has a California domicile, a community property state.
3. The spouse military PCS of California out and is a nonresident for tax purposes.
4. The spouse has a California domicile, a community property state.
5. R&TC 17140.5 does not apply because the military member is domiciled in California.

Income

\$25,300	Military wages - PCS out of California
\$ 7,400	Non-California nonmilitary wages of the military member
\$30,000	Spouse/RDP's wages
\$ 600	Joint interest income
\$ 240	Joint state refund
\$ 1,200	Capital gain on sale of non-California property (community property)
\$ 6,000	Rental income from California property (separate property of spouse/RDP)

Schedule CA, column B – Report:

1. The joint state taxable refunds.

Schedule CA, column D – Report:

1. All income from all sources, including the military wages excluding joint state taxable refunds.

Schedule CA, column E – Report:

1. The military member's income from all sources and the spouse/RDP's income from California sources only.

Joint — Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions	C Additions	D Total Using CA Law	E CA Amounts
Wages Military	25,300			25,300	25,300
Nonmilitary	7,400			7,400	7,400
Spouse/RDP	30,000			30,000	15,000
Interest	600			600	300
State refund	240	240			
Capital gain	1,200			1,200	600
Rental income	6,000			6,000	6,000
Total	70,740	240		70,500	54,600

Separate Return — Military Member — Files Form 540

Schedule CA, column A - Report:

1. Military member's separate income from all sources.
2. Military member's ½ of community income from all sources.

Schedule CA, column B – Report:

1. Military member's ½ of the joint state taxable refund.
 - a. TaxSlayer will subtract the refund no adjustment is needed.

[Table of Contents](#)

Separate Return — Resident Military — Schedule CA (540)

Part I Section - A Income	A Federal Amounts	B Subtractions	C Additions
Wages Military	12,650		
Nonmilitary	3,700		
Spouse/RDP	15,000		
Interest	300		
State refund	120	120	
Capital gain	600		
Total	32,370	120	

Separate Return — Nonresident Spouse Military — File Form 540NR

Schedule CA, column D – Report:

1. The entire spouse/RDP's separate income from all sources.
2. The spouse/RDP's ½ of the community income from all sources excluding state taxable refund.
 - a. TaxSlayer will subtract the refund no adjustment is needed.

Schedule CA, column E – Report:

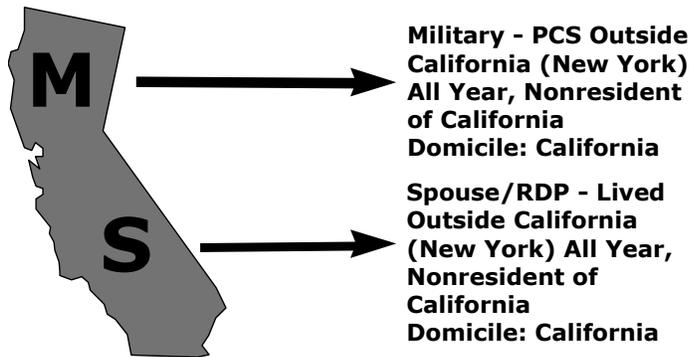
1. Only the California source income.

Separate Return — Nonresident Spouse Military — Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions	C Additions	D Total Using CA Law	E CA Amounts
Wages Military	12,650			12,650	12,650
Nonmilitary	3,700			3,700	3,700
Spouse/RDP	15,000			15,000	
Interest	300			300	
State refund	120	120			
Capital gain	600			600	
Rental income	6,000			6,000	6,000
Total	38,370	120		38,250	22,350

VITA Military Worksheet											
Client 1 Example 5 Military					Client 2 Example 5 Spouse						
Resident <u>12</u> months		Nonresident _____ months			Resident _____ months		Nonresident <u>12</u> months				
<input checked="" type="checkbox"/> Active Duty Military		<input type="checkbox"/> Active Duty Military			<input type="checkbox"/> Active Duty Military		<input type="checkbox"/> Active Duty Military				
<input type="checkbox"/> Civilian or Retired Military		<input type="checkbox"/> Civilian or Retired Military			<input type="checkbox"/> Civilian or Retired Military		<input checked="" type="checkbox"/> Civilian or Retired Military				
Domiciled <input type="checkbox"/> Community Property <input checked="" type="checkbox"/> State CA		Domiciled <input type="checkbox"/> [Select One] <input checked="" type="checkbox"/> State			Domiciled <input type="checkbox"/> [Select One] <input checked="" type="checkbox"/> State		Domiciled <input type="checkbox"/> Community Property <input checked="" type="checkbox"/> State CA				
Community Property States: Arizona, California, CN Mariana I, Guam, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, and Wisconsin											
California Adjustments 540NR Schedule CA Column B					Yes	No	California Adjustments 540NR Schedule CA Column B (Continued)				
MPA (Military Pay Adjust) / MSRRA W-2 (Line 7)					<input type="checkbox"/>	<input checked="" type="checkbox"/>	Unemployment Compensation (1099-G) (Line 19)				
Savings Bonds / Treasury Bills Interest (1099-INT) (Line 8)					<input type="checkbox"/>	<input checked="" type="checkbox"/>	Taxable Social Security / RR Retirement (Line 20)				
State Tax Refunds (1099-G) (Line 10)					<input checked="" type="checkbox"/>	<input type="checkbox"/>	CA Lottery (W-2G) (Line 21a)				
IRA / Pensions (1099-R) (Line 15b/16b)					<input type="checkbox"/>	<input checked="" type="checkbox"/>	1040 Adjustments to Income (Lines 23-35)				
1040 Page 1					California Taxable Amounts 540NR Schedule CA Totals						
Income & Client		Federal Income				Schedule CA	1 Example 5 Military		2 Example 4 Spouse		540NR
T = Client 1		1040 Lines	Total Amounts	Client 1	Client 2	Line #	Resident	Nonresident	Resident	Nonresident	Column E
S = Client 2				Community	Community						
J = Joint	TSJ										
Military Wages	T	7	\$ 25,300.00	\$ 12,650.00	\$ 12,650.00	7	\$ 12,650.00			\$ 12,650.00	\$ 25,300.00
Other Wages	T	7	\$ 7,400.00	\$ 3,700.00	\$ 3,700.00		\$ 3,700.00			\$ 3,700.00	\$ 7,400.00
Spouse	S		\$ 30,000.00	\$ 15,000.00	\$ 15,000.00		\$ 15,000.00				\$ 15,000.00
Interest	J	8	\$ 600.00	\$ 300.00	\$ 300.00	8	\$ 300.00				\$ 300.00
U.S. Bonds		8									
Dividends		9				9					\$ 0.00
State Refund	J	10	\$ 240.00	\$ 120.00	\$ 120.00	10					\$ 0.00
Alimony Received		11				11					\$ 0.00
Business Income		12				12					\$ 0.00
Capital Gains	J	13	\$ 1,200.00	\$ 600.00	\$ 600.00	13	\$ 600.00				\$ 600.00
IRA		15				15					\$ 0.00
Pensions		16				16					\$ 0.00
Rental RE, etc.	S	17	\$ 6,000.00		\$ 6,000.00	17				\$ 6,000.00	\$ 6,000.00
Unemp. Comp.		19				19					\$ 0.00
Social Security		20 b				20 b					\$ 0.00
		21				21					\$ 0.00
Total Income		22	\$ 70,740.00	\$ 32,370.00	\$ 38,370.00	22	\$ 32,250.00	\$ 0.00	\$ 0.00	\$ 22,350.00	\$ 54,600.00
Federal Subtraction Adjustments (Lines 23-35)					California Subtraction Adjustments on the Schedule CA						
		--				--					\$ 0.00
		--				--					\$ 0.00
Total Adjustments		36	\$ 0.00	\$ 0.00	\$ 0.00	36	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Adjusted Gross Income		37	\$ 70,740.00	\$ 32,370.00	\$ 38,370.00	37	\$ 32,250.00	\$ 0.00	\$ 0.00	\$ 22,350.00	\$ 54,600.00

6. Married Military and Spouse/RDP California Domiciles, Accompanied Out of California



Joint Return

1. 540NR: Total (CA 540NR, column D) = all military member's and spouse/RDP's income.
2. California (CA 540NR, column E) = CA source only.

Separate Returns

1. 540NR: Total (CA 540NR, column D) = all military member's ½ of community income and all military member's separate income.
2. California (CA 540NR, column E) = military member's ½ of community income and all military member's separate income, but only income with a California source.
3. 540NR: Total (CA 540NR, column D) = all spouse's ½ of community income and spouse/RDP's separate income.
4. California (CA 540NR, column E) = spouse/RDP's ½ of community income and all spouse/RDP's separate income, but only income with a California source.

Joint Return — File Form 540NR

1. The military person is a nonresident of California for tax purposes.
2. The military person is domiciled in California, a community property state.
3. The spouse/RDP is a nonresident of California for tax purposes.
4. The spouse/RDP is domiciled in California, a community property state.
5. R&TC 17140.5 does not apply because the military member is domiciled in California.

Income

\$25,300	Military wages
\$ 7,400	Non-California nonmilitary wages of the military member
\$30,000	Spouse/RDP's non-California wages
\$ 600	Joint interest income
\$ 240	Joint state refund
\$ 1,200	Capital gain on sale of non-California property (community property)
\$ 6,000	Rental income from California property (separate property of spouse/RDP)

Schedule CA, column B – Report:

1. The joint state taxable refunds.

Schedule CA, column D – Report:

1. All income from all sources, including the military wages, excluding state taxable refund.

Schedule CA, column E – Report:

1. Only the California source income.

Joint — Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions	C Additions	D Total Using CA Law	E CA Amounts
Wages Military	25,300			25,300	
Nonmilitary	7,400			7,400	
Spouse/RDP	30,000			30,000	
Interest	600			600	
State refund	240	240			
Capital gain	1,200			1,200	
Rental income	6,000			6,000	6,000
Total	70,740	240		70,500	6,000

Separate Return — The Military Member — Files Form 540NR

Schedule CA, column D - Report:

1. Military member's separate income from all sources.
2. Military member's ½ of community income from all sources excluding state refund.

Schedule CA, column E - Report:

1. Only California source income, and if none, no return is necessary.

Separate Return — Nonresident Military — Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions	C Additions	D Total Using CA Law	E CA Amounts
Wages Military	12,650			12,650	
Nonmilitary	3,700			3,700	
Spouse/RDP	15,000			15,000	
Interest	300			300	
State refund	120	120			
Capital gain	600			600	
Total	32,370	120		32,250	

Separate Return — Spouse — File Form 540NR

Schedule CA, column D - Report:

1. The entire spouse/RDP's separate income from all sources.
2. The spouse/RDP's ½ of the community income from all sources less state taxable refund.

Schedule CA, column E - Report:

1. Only the California source income.

Separate Return — Nonresident Military — Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions	C Additions	D Total Using CA Law	E CA Amounts
Wages Military	12,650			12,650	
Nonmilitary	3,700			3,700	
Spouse/RDP	15,000			15,000	
Interest	300			300	
State refund	120	120			
Capital gain	600			600	
Rental income	6,000			6,000	6,000
Total	38,370	120		38,250	6,000

VITA Military Worksheet

Client 1 Example 6 Military
 Resident 12 months
 Active Duty Military
 Civilian or Retired Military
 Domiciled [Select One] State CA
 Nonresident 12 months
 Active Duty Military
 Civilian or Retired Military
 Domiciled Community Property State CA

Client 2 Example 6 Spouse
 Resident 12 months
 Active Duty Military
 Civilian or Retired Military
 Domiciled [Select One] State CA
 Nonresident 12 months
 Active Duty Military
 Civilian or Retired Military
 Domiciled Community Property State CA

Community Property States: Arizona, California, CN Mariana I, Guam, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, and Wisconsin

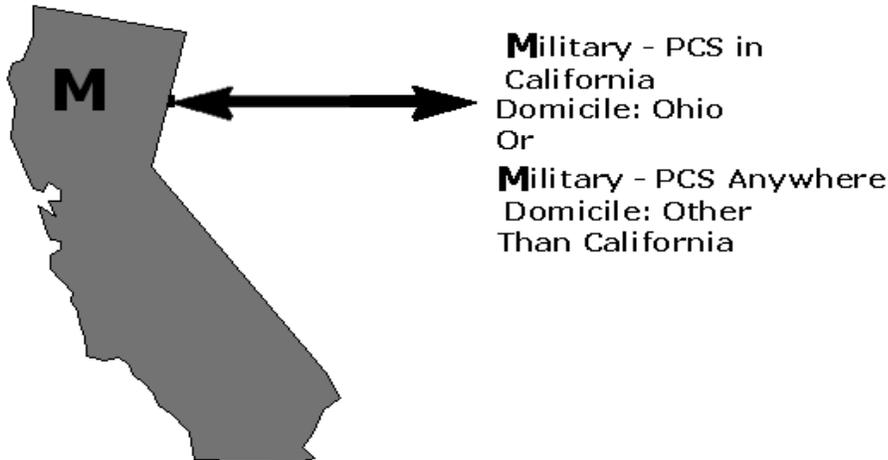
California Adjustments 540NR Schedule CA Column B	Yes	No	California Adjustments 540NR Schedule CA Column B (Continued)	Yes	No
MPA (Military Pay Adjust) / MSRRA W-2 (Line 7)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Unemployment Compensation (1099-G) (Line 19)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Savings Bonds / Treasury Bills Interest (1099-INT) (Line 8)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Taxable Social Security / RR Retirement (Line 20)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
State Tax Refunds (1099-G) (Line 10)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	CA Lottery (W-2G) (Line 21a)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
IRA / Pensions (1099-R) (Line 15b/16b)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1040 Adjustments to Income (Lines 23-35)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

1040 Page 1					Schedule CA					California Taxable Amounts 540NR Schedule CA Totals				
Income & Client		Federal Income			CA	1 Example 6 Military		2 Example 6 Spouse		540NR				
T = Client 1	S = Client 2	1040 Lines	Total Amounts	Client 1 Community	Client 2 Community	Line #	Resident	Nonresident	Resident	Nonresident	Column E			
Military Wages	T	7	\$ 25,300.00	\$ 12,650.00	\$ 12,650.00	7					\$ 0.00			
Other Wages	T	7	\$ 7,400.00	\$ 3,700.00	\$ 3,700.00						\$ 0.00			
Spouse Wages	S		\$ 30,000.00	\$ 15,000.00	\$ 15,000.00						\$ 0.00			
Interest	J	8	\$ 600.00	\$ 300.00	\$ 300.00	8					\$ 0.00			
U.S. Bonds		8									\$ 0.00			
Dividends		9				9					\$ 0.00			
State Refund	J	10	\$ 240.00	\$ 120.00	\$ 120.00	10					\$ 0.00			
Alimony Received		11				11					\$ 0.00			
Business Income		12				12					\$ 0.00			
Capital Gains	J	13	\$ 1,200.00	\$ 600.00	\$ 600.00	13					\$ 0.00			
IRA		15				15					\$ 0.00			
Pensions		16				16					\$ 0.00			
Rental RE, etc.	S	17	\$ 6,000.00		\$ 6,000.00	17				\$ 6,000.00	\$ 6,000.00			
Unemp. Comp.		19				19					\$ 0.00			
Social Security		20 b				20 b					\$ 0.00			
		21				21					\$ 0.00			
Total Income		22	\$ 70,740.00	\$ 32,370.00	\$ 38,370.00	22	\$ 0.00	\$ 0.00	\$ 0.00	\$ 6,000.00	\$ 6,000.00			
Federal Subtraction Adjustments (Lines 23-35)					California Subtraction Adjustments on the Schedule CA									
		--				--					\$ 0.00			
		--				--					\$ 0.00			
Total Adjustments		36	\$ 0.00	\$ 0.00	\$ 0.00	36	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00			
Adjusted Gross Income		37	\$ 70,740.00	\$ 32,370.00	\$ 38,370.00	37	\$ 0.00	\$ 0.00	\$ 0.00	\$ 6,000.00	\$ 6,000.00			

FTB 2335 (REV 06-2014) Side 1

Table of Contents

7. Single Military Domiciled Other than California, PCS IN or Out of California



Single, Head of Household, or Qualifying Widow(er) Return

1. 540NR: Total (CA 540NR, column A) = all income
2. 540NR: Adjustments (CA 540NR, column B) = all military income and taxable refund
3. California (CA 540NR, column E) = only income with a California source

All the military pay is excluded in column D and column E.

Nonresident Military Return — File Form 540NR

1. The military person is a nonresident of California.
2. The military person has a domicile in a state other than California and is stationed in or out of the California.
3. R&TC 17140.5 applies because the military member is not domiciled in California.

Income

\$25,300	Military wages
\$ 7,400	California nonmilitary wages
\$ 600	Interest income
\$ 240	State refund
\$ 1,200	Capital gain on sale of non-California property
\$ 6,000	Rental income from California property

Schedule CA, column B – Report:

1. Military member’s military wages.
2. Military member’s state taxable refunds.

Schedule CA, column D – Report:

1. All income from all sources, excluding the military wages and taxable state refund.

Schedule CA, column E – Report:

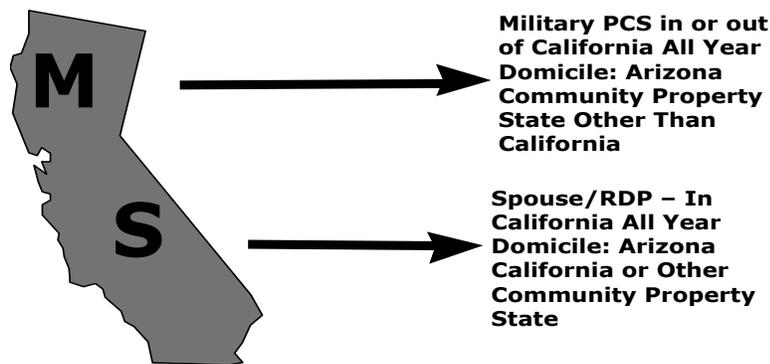
1. California source income only and exclude military wages.

Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions MPA	C Additions	D Total Using CA Law	E CA Amounts
Wages Military	25,300	25,300			
Nonmilitary	7,400			7,400	7,400
Interest	600			600	
State refund	240	240			
Capital gain	1,200			1,200	
Rental income	6,000			6,000	6,000
Total	40,740	25,540		15,200	13,400

VITA Military Worksheet										
Client 1 Example 7 Military					Client 2					
Resident ____ months		Nonresident 12 months			Resident ____ months		Nonresident ____ months			
<input type="checkbox"/> Active Duty Military		<input checked="" type="checkbox"/> Active Duty Military			<input type="checkbox"/> Active Duty Military		<input type="checkbox"/> Active Duty Military			
<input type="checkbox"/> Civilian or Retired Military		<input type="checkbox"/> Civilian or Retired Military			<input type="checkbox"/> Civilian or Retired Military		<input type="checkbox"/> Civilian or Retired Military			
Domiciled [Select One] State		Domiciled Community Property State CA			Domiciled [Select One] State		Domiciled [Select One] State			
Community Property States: Arizona, California, CN Mariana I, Guam, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, and Wisconsin										
California Adjustments 540NR Schedule CA Column B					California Adjustments 540NR Schedule CA Column B (Continued)					
					Yes No					
MPA (Military Pay Adjust) / MSRRA W-2 (Line 7)					Unemployment Compensation (1099-G) (Line 19)					
<input type="checkbox"/> <input checked="" type="checkbox"/>					<input type="checkbox"/> <input checked="" type="checkbox"/>					
Savings Bonds / Treasury Bills Interest (1099-INT) (Line 8)					Taxable Social Security / RR Retirement (Line 20)					
<input type="checkbox"/> <input checked="" type="checkbox"/>					<input type="checkbox"/> <input checked="" type="checkbox"/>					
State Tax Refunds (1099-G) (Line 10)					CA Lottery (W-2G) (Line 21a)					
<input checked="" type="checkbox"/> <input type="checkbox"/>					<input type="checkbox"/> <input checked="" type="checkbox"/>					
IRA / Pensions (1099-R) (Line 15b/16b)					1040 Adjustments to Income (Lines 23-35)					
<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>					<input type="checkbox"/> <input checked="" type="checkbox"/>					
1040 Page 1				Schedule CA	California Taxable Amounts 540NR Schedule CA Totals					
Income & Client		Federal Income			1 Example 7 Military	2		540NR		
T = Client 1					Line #	Resident	Nonresident	Resident	Nonresident	Column E
S = Client 2										
J = Joint										
TSJ										
		1040 Lines	Total Amounts	Client 1 [Select One]	Client 2 [Select One]					
Military Wages		T 7	\$ 25,300.00			7				\$ 0.00
Other Wages		T 7	\$ 7,400.00				\$ 7,400.00			\$ 7,400.00
										\$ 0.00
Interest		J 8	\$ 600.00			8				\$ 0.00
U.S. Bonds		8								
Dividends		9				9				\$ 0.00
State Refund		J 10	\$ 240.00			10				
Alimony Received		11				11				\$ 0.00
Business Income		12				12				\$ 0.00
Capital Gains		J 13	\$ 1,200.00			13				\$ 0.00
IRA		15				15				\$ 0.00
Pensions		16				16				\$ 0.00
Rental RE, etc.		17	\$ 6,000.00			17	\$ 6,000.00			\$ 6,000.00
Unemp. Comp.		19				19				
Social Security		20 b				20 b				
		21				21				\$ 0.00
Total Income		22	\$ 40,740.00	\$ 0.00	\$ 0.00	22	\$ 0.00	\$ 13,400.00	\$ 0.00	\$ 0.00
Federal Subtraction Adjustments (Lines 23-35)					California Subtraction Adjustments on the Schedule CA					
		--				--				\$ 0.00
		--				--				\$ 0.00
Total Adjustments		36	\$ 0.00	\$ 0.00	\$ 0.00	36	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Adjusted Gross Income		37	\$ 40,740.00	\$ 0.00	\$ 0.00	37	\$ 0.00	\$ 13,400.00	\$ 0.00	\$ 13,400.00

8. Married Military Domiciled In Community Property State Other Than California and Spouse/RDP Domiciled In Community Property State, Accompanied In California - MSRRA



Joint Return:

1. 540NR: Total (CA 540NR, column D) = all military member's and spouse/RDP's income <less> all military wages (R&TC 17140.5).
2. California (CA 540NR, column E) = military member's nonmilitary income (other than military wages) and spouse/RDP's non-service income, but only with a California source.

Separate Returns

1. 540NR: Total (CA 540NR, column D) = all military member's ½ of community income (other than military wages) and separate income.
2. California (CA 540NR, column E) = all military member's ½ of community income (other than military wages) and separate income, but only with a California source.
3. 540: Total (CA 540, column A) = all spouse/RDP's ½ of community income and separate income.
4. 540: Adjustments (CA 540, column B) = ½ the military pay (R&TC 17140.5) and ½ state taxable refund.

Joint Return — File Form 540NR

1. The military member is a nonresident of California for tax purposes.
2. The military member is domiciled in Arizona, a community property state.
3. The spouse/RDP is domiciled in Arizona, a community property state.
4. MSRRA qualifies the spouse/RDP is a nonresident of California.
5. R&TC 17140.5 applies because the military member is not domiciled in California.
6. MSRRA applies because the spouse/RDP has the same domicile as the military member, and is in the state in compliance with military orders.

Income

\$25,300	Military wages
\$ 7,400	California nonmilitary wages of the military member
\$30,000	Spouse/RDP's service income wages
\$ 600	Joint interest income
\$ 240	Joint state refund
\$ 1,200	Capital gain on non-California property (community property)
\$ 6,000	Rental income from California property (separate property of spouse/RDP)

Schedule CA, column B – Report:

1. All the military wages (R&TC 17140.5 adjustment).
2. The joint state refund.

Schedule CA, column D – Report:

1. All other income from all sources, excluding the military wages and state taxable refund.

Schedule CA, column E – Report:

1. Military member's separate income from California sources.
2. Military member's 1/2 of community income from California sources, excluding military wages and spouse/RDP's qualified service income.
3. Spouse/RDP's separate income from California sources, excluding qualified service income.

Joint — Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions MPA	C Additions	D Total Using CA Law	E CA Amounts
Wages Military	25,300	25,300			
Nonmilitary	7,400			7,400	7,400
Spouse/RDP	30,000			30,000	
Interest	600			600	
State refund	240	240			
Capital gain	1,200			1,200	
Rental income	6,000			6,000	6,000
Total	70,740	25,540		45,200	13,4300

Separate Return Nonresident Military — File Form 540NR

Schedule CA, column B – Report:

1. Military member's ½ of the community military wages.
2. Military member's ½ of the joint state taxable refunds.

Schedule CA, column D – Report:

1. Military member's separate income from all sources.
2. Military member's ½ of community income from all sources, excluding the military wages and state taxable refund.

Schedule CA, column E – Report:

1. Military member's separate California source income.
2. Military member's ½ of community California source income, excluding the military wages and state taxable refund.

Separate Return Nonresident Military — Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions MPA	C Additions	D Total Using CA Law	E CA Amounts
Wages Military	12,650	12,650			
Nonmilitary	3,700			3,700	3,700
Spouse/RDP	15,000			15,000	
Interest	300			300	
State refund	120	120			
Capital gain	600			600	
Total	32,370	12,770		19,600	3,700

Separate Return Spouse — File Form 540NR

Schedule CA, column A - Report:

1. Spouse/RDP's separate income from all sources.
2. Spouse/RDP's community ½ of income from all sources.

Schedule CA, column B – Report:

1. Spouse/RDP's ½ of community military wages (R&TC 17140.5 adjustment).
2. Spouse/RDP's ½ of community state taxable refunds.

Schedule CA, column D – Report:

1. Spouse non-service income with California source income.
2. Military member's ½ of community income with California source income, excluding the military wages and state taxable refund.

Schedule CA, column E – Report:

1. Spouse/RDP's California source income, excluding qualified service income.
2. Spouse/RDP's ½ of community California source income, excluding the military wages and state taxable refund.

Separate Return Spouse — Schedule CA (540NR)

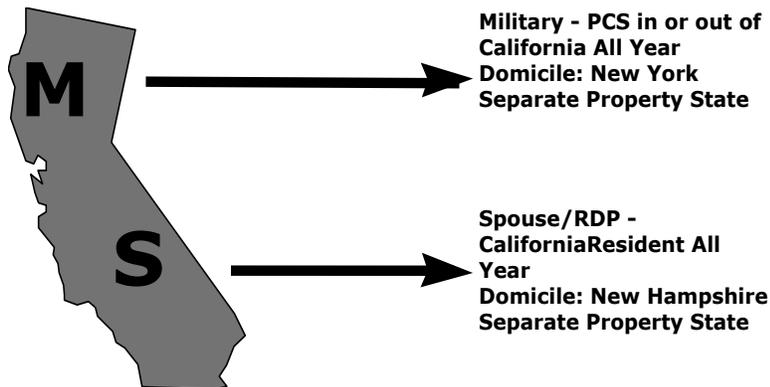
Part II Section A - Income	A Federal Amounts	B Subtractions MPA	C Additions	D Total Using CA Law	E CA Amounts
Wages Military	12,650	12,650			
Nonmilitary	3,700			3,700	3,700
Spouse/RDP	15,000			15,000	
Interest	300			300	
State refund	120	120			
Capital gain	600			600	
Total	32,370	12,770		19,600	3,700

VITA Military Work sheet														
Client 1 Example 8 Military					Client 2 Example 8 Spouse									
Resident		Nonresident			Resident		Nonresident							
months		12 months			12 months		months							
<input type="checkbox"/> Active Duty Military		<input checked="" type="checkbox"/> Active Duty Military			<input type="checkbox"/> Active Duty Military		<input type="checkbox"/> Active Duty Military							
<input type="checkbox"/> Civilian or Retired Military		<input type="checkbox"/> Civilian or Retired Military			<input checked="" type="checkbox"/> Civilian or Retired Military		<input type="checkbox"/> Civilian or Retired Military							
Domiciled (Select One) State		Domiciled Community Property State AZ			Domiciled Community Property State AZ		Domiciled Community Property State							
Community Property States: Arizona, California, CN Mariana I, Guam, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, and Wisconsin														
California Adjustments 540NR Schedule CA Column B					Yes	No	California Adjustments 540NR Schedule CA Column B (Continued)							
MPA (Military Pay Adjust) / MSRRA W-2 (Line 7)					<input checked="" type="checkbox"/>	<input type="checkbox"/>	Unemployment Compensation (1099-G) (Line 19)							
Savings Bonds / Treasury Bills Interest (1099-INT) (Line 8)					<input type="checkbox"/>	<input checked="" type="checkbox"/>	Taxable Social Security / RR Retirement (Line 20)							
State Tax Refunds (1099-G) (Line 10)					<input checked="" type="checkbox"/>	<input type="checkbox"/>	CA Lottery (W-2G) (Line 21a)							
IRA / Pensions (1099-R) (Line 15b/16b)					<input type="checkbox"/>	<input checked="" type="checkbox"/>	1040 Adjustments to Income (Lines 23-35)							
1040 Page 1					Schedule CA					California Taxable Amounts 540NR Schedule CA Totals				
Income & Client		Federal Income			1 Example 8 Military		2 Example 8 Spouse		540NR					
T = Client 1														
S = Client 2														
J = Joint	TSJ	1040 Lines	Total Amounts	Client 1 Community	Client 2 Community	Line #	Resident	Nonresident	Resident	Nonresident	Column E			
Military Wages	T	7	\$ 25,300.00	\$ 12,650.00	\$ 12,650.00	7					\$ 0.00			
Other Wages	T	7	\$ 7,400.00	\$ 3,700.00	\$ 3,700.00			\$ 3,700.00	\$ 3,700.00		\$ 7,400.00			
Spouse Wages	S		\$ 30,000.00	\$ 15,000.00	\$ 15,000.00						\$ 0.00			
Interest	J	8	\$ 600.00	\$ 300.00	\$ 300.00	8					\$ 0.00			
U.S. Bonds		8												
Dividends		9				9					\$ 0.00			
State Refund	J	10	\$ 240.00	\$ 120.00	\$ 120.00	10								
Alimony Received		11				11					\$ 0.00			
Business Income		12				12					\$ 0.00			
Capital Gains	J	13	\$ 1,200.00	\$ 600.00	\$ 600.00	13					\$ 0.00			
IRA		15				15					\$ 0.00			
Pensions		16				16					\$ 0.00			
Rental RE, etc.	S	17	\$ 6,000.00		\$ 6,000.00	17			\$ 6,000.00		\$ 6,000.00			
Unemp. Comp.		19				19								
Social Security		20 b				20 b								
		21				21					\$ 0.00			
Total Income		22	\$ 70,740.00	\$ 32,370.00	\$ 38,370.00	22	\$ 0.00	\$ 3,700.00	\$ 9,700.00	\$ 0.00	\$ 13,400.00			
Federal Subtraction Adjustments (Lines 23-35)					California Subtraction Adjustments on the Schedule CA									
		--				--					\$ 0.00			
		--				--					\$ 0.00			
Total Adjustments		36	\$ 0.00	\$ 0.00	\$ 0.00	36	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00			
Adjusted Gross Income		37	\$ 70,740.00	\$ 32,370.00	\$ 38,370.00	37	\$ 0.00	\$ 3,700.00	\$ 9,700.00	\$ 0.00	\$ 13,400.00			

FTB 2335 (REV 06-2014) Side 1

Table of Contents

9. Married Military Domiciled Other than California in a Separate Property State and Spouse/RDP Domiciled in a Separate Property State, Accompanied in California



Joint Return

1. 540NR: Total (CA 540NR, column D) = all military member's and spouse/RDP's income <less> all military wages (R&TC 17140.5).
2. California (CA 540NR, column E) = military member's CA source separate income and all spouse/RDP's separate income.

Separate Returns

1. 540NR: Total (CA 540NR, column D) = all military member's separate income <less> all military wages (R&TC 17140.5).
2. California (CA 540NR, column E) = military member's separate income, but only income with a California source.
3. 540: Total = all spouse/RDP's separate income

No military wages are included in column D, and none in column E.

Joint Return — File Form 540NR

1. The military member is a nonresident of California for tax purposes.
2. The military member is domiciled in New York, a separate property state.
3. The spouse/RDP is a resident of California.
4. The spouse/RDP is domiciled in New Hampshire, a separate property state.
5. R&TC 17140.5 applies because the military person is not domiciled in California.

Income

\$25,300	Military wages
\$ 7,400	California nonmilitary wages of the military member
\$30,000	Spouse/RDP's wages
\$ 600	Joint interest income
\$ 240	Joint state taxable refund
\$ 1,200	Capital gain on sale of non-California property (joint owned property)
\$ 6,000	Rental income from California property (separate property of spouse/RDP)

Schedule CA, column B – Report:

1. All of the military wages (R&TC 17140.5 adjustment).
2. The joint state taxable refunds.

Schedule CA, column D – Report:

1. All separate income from all sources, excluding the military wages and state taxable refund.

Schedule CA, column E – Report:

1. Military member's separate income from California sources only.
2. Spouse/RDP's separate income from all sources.

Joint Return — Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions MPA	C Additions	D Total Using CA Law	E CA Amounts
Wages Military	25,300	25,300			
Nonmilitary	7,400			7,400	7,400
Spouse/RDP	30,000			30,000	30,000
Interest	600			600	300
State refund	240	240			
Capital gain	1,200			1,200	600
Rental income	6,000			6,000	6,000
Total	70,740	25,540		45,200	44,300

Separate Return Nonresident Military — File Form 540NR

Schedule CA, column B – Report:

1. All of the military wages (R&TC 17140.5 adjustment).
2. Military member's ½ of the joint state taxable refunds.

Schedule CA, column D – Report:

1. Military member's separate income from all sources excluding the military wages and ½ of the joint state taxable refunds.

Schedule CA, column E – Report:

1. Military member's separate income from California sources only.

Since military member does have California source income, the military member has to file a return.

Separate Return — Nonresident Military — Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions MPA	C Addition s	D Total Using CA Law	E CA Amounts
Wages Military Nonmilitary	25,300 7,400	25,300		7,400	7,400
Interest	300			300	
State refund	120	120			
Capital gain	600			600	
Total	33,720	25,420		8,300	7,400

Separate Return Resident Spouse/RDP — File Form 540

Schedule CA, column A – Report:

1. Spouse/RDP's separate income from all sources.

Schedule CA, column B – Report:

1. Spouse/RDP's ½ of the joint state taxable refunds.

Separate return — Resident Spouse — Schedule CA (540)

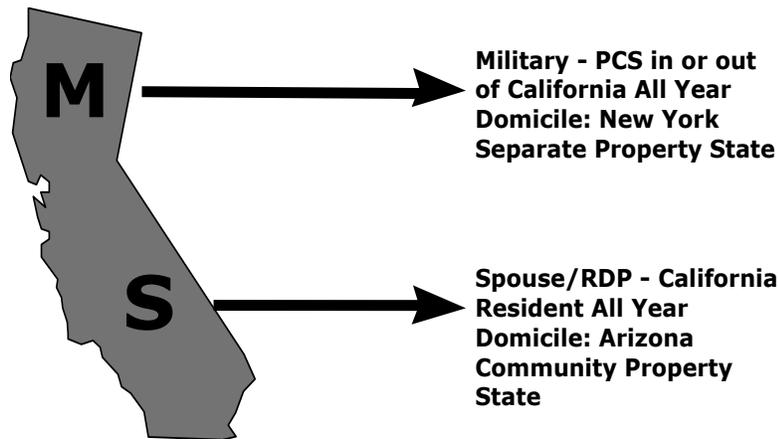
Part I Section – A Income	A Federal Amounts	B Subtractions	C Additions
Wages Spouse/RDP	30,000		
Interest	300		
State refund	120	120	
Capital Gain	600		
Rental income	6,000		
Total	37,020	120	

VITA Military Worksheet											
Client 1 Example 9 Military					Client 2 Example 9 spouse						
Resident _____ months		Nonresident 12 months			Resident 12 months		Nonresident _____ months				
<input type="checkbox"/> Active Duty Military		<input checked="" type="checkbox"/> Active Duty Military			<input type="checkbox"/> Active Duty Military		<input type="checkbox"/> Active Duty Military				
<input type="checkbox"/> Civilian or Retired Military		<input type="checkbox"/> Civilian or Retired Military			<input checked="" type="checkbox"/> Civilian or Retired Military		<input type="checkbox"/> Civilian or Retired Military				
Domiciled (Select One) State		Domiciled Separate Property State NY			Domiciled Separate Property State NY		Domiciled (Select One) State				
Community Property States: Arizona, California, CN Mariana I, Guam, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, and Wisconsin											
California Adjustments 540NR Schedule CA Column B					California Adjustments 540NR Schedule CA Column B (Continued)						
MPA (Military Pay Adjust) / MSRRA W-2 (Line 7) <input checked="" type="checkbox"/> <input type="checkbox"/>					Unemployment Compensation (1099-G) (Line 19) <input type="checkbox"/> <input checked="" type="checkbox"/>						
Savings Bonds / Treasury Bills Interest (1099-INT) (Line 8) <input type="checkbox"/> <input checked="" type="checkbox"/>					Taxable Social Security / RR Retirement (Line 20) <input type="checkbox"/> <input checked="" type="checkbox"/>						
State Tax Refunds (1099-G) (Line 10) <input checked="" type="checkbox"/> <input type="checkbox"/>					CA Lottery (W-2G) (Line 21a) <input type="checkbox"/> <input checked="" type="checkbox"/>						
IRA / Pensions (1099-R) (Line 15b/16b) <input type="checkbox"/> <input checked="" type="checkbox"/>					1040 Adjustments to Income (Lines 23-35) <input type="checkbox"/> <input checked="" type="checkbox"/>						
1040 Page 1					Schedule CA California Taxable Amounts 540NR Schedule CA Totals						
Income & Client		Federal Income			Schedule CA	1 Example 9 Military		2 Example 9 spouse		540NR	
T = Client 1					Line #	Resident	Nonresident	Resident	Nonresident	Column E	
S = Client 2											
J = Joint											
	TSJ	1040 Lines	Total Amounts	Client 1 Separate	Client 2 Separate						
Military Wages	T	7	\$ 25,300.00	\$ 25,300.00		7				\$ 0.00	
	T		\$ 7,400.00	\$ 7,400.00			\$ 7,400.00			\$ 7,400.00	
Other Wages	S	7	\$ 30,000.00		\$ 30,000.00			\$ 30,000.00		\$ 30,000.00	
										\$ 0.00	
										\$ 0.00	
Interest	J	8	\$ 600.00	\$ 300.00	\$ 300.00	8		\$ 300.00		\$ 300.00	
U.S. Bonds		8									
Dividends		9				9				\$ 0.00	
State Refund	J	10	\$ 240.00	\$ 120.00	\$ 120.00	10					
Alimony Received		11				11				\$ 0.00	
Business Income		12				12				\$ 0.00	
Capital Gains	J	13	\$ 1,200.00	\$ 600.00	\$ 600.00	13		\$ 600.00		\$ 600.00	
IRA		15				15				\$ 0.00	
Pensions		16				16				\$ 0.00	
Rental RE, etc.	S	17	\$ 6,000.00		\$ 6,000.00	17		\$ 6,000.00		\$ 6,000.00	
Unemp. Comp.		19				19					
Social Security		20 b				20 b					
		21				21				\$ 0.00	
Total Income		22	\$ 70,740.00	\$ 33,720.00	\$ 37,020.00	22	\$ 0.00	\$ 7,400.00	\$ 36,900.00	\$ 0.00	\$ 44,300.00
Federal Subtraction Adjustments (Lines 23-35)					California Subtraction Adjustments on the Schedule CA						
		--				--				\$ 0.00	
		--				--				\$ 0.00	
Total Adjustments		36	\$ 0.00	\$ 0.00	\$ 0.00	36	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Adjusted Gross Income		37	\$ 70,740.00	\$ 33,720.00	\$ 37,020.00	37	\$ 0.00	\$ 7,400.00	\$ 36,900.00	\$ 0.00	\$ 44,300.00

FTB 2335 (REV 06-2014) Side 1

Table of Contents

10. Married Military Domiciled Other than California in a Separate Property State and Spouse/RDP Domiciled in a Community Property State, Accompanied in California



Joint Return

1. 540NR: Total (CA 540NR, column D) = all military member's and spouse/RDP's income<less> all military wages (R&TC 17140.5).
2. California (CA 540NR, column E) = military member's ½ of community income and separate income, but only income with a California source and all spouse/RDP's ½ of community income and separate income.

Separate Returns

1. 540NR: Total (CA 540NR, column D) = military member's ½ of community income and all military member's separate income<less> all military wages (R&TC 17140.5).
2. California (CA 540NR, column E) = military member's ½ of community income and military member's separate income, but only income with a California source.
3. 540: Total = all spouse/RDP's ½ of community income and spouse/RDP's separate income.

Joint Return — File Form 540NR

1. The military member is a nonresident of California for tax purposes.
2. The military member is domiciled in New York, a separate property state.
3. The spouse/RDP is a resident of California.
4. The spouse/RDP is domiciled in Arizona, a community property state.
5. R&TC 17140.5 applies because the military person's domicile is not California.

Income

\$25,300	Military wages
\$ 7,400	California nonmilitary wages of the military member
\$30,000	Spouse/RDP's wages
\$ 600	Joint interest income
\$ 240	Joint state refund
\$ 1,200	Capital gain on sale of non-California property (joint property)
\$ 6,000	Rental income from California property (separate property of spouse/RDP)

Schedule CA, column B – Report:

1. All of the military wages (R&TC 17140.5 adjustment).
2. The joint state taxable refunds.

Schedule CA, column D – Report:

1. All income from all sources, excluding the military wages and state taxable refund.

Schedule CA, column E – Report:

1. Military member's ½ of the community income from California sources.
2. Military member's separate income from California sources.
3. Spouse/RDP's ½ of the community income from all sources.
4. Spouse/RDP's separate income from all sources.

Joint — Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions MPA	C Additions	D Total Using CA Law	E CA Amounts
Wages Military	25,300	25,300			
Nonmilitary	7,400			7,400	7,400
Spouse/RDP	30,000			30,000	30,000
Interest	600			600	300
State refund	240	240			
Capital gain	1,200			1,200	600
Rental income	6,000			6,000	6,000
Total	70,740	25,540		45,200	44,300

[Table of Contents](#)

Separate Return Nonresident Military — File Form 540NR

Schedule CA, column B – Report:

1. All of the military wages (R&TC 17140.5 adjustment).
2. Military member’s ½ of the joint state taxable refunds.

Schedule CA, column D – Report:

1. Military member’s separate income from all sources except military wages.
2. Military member’s ½ of the community income from all sources.

Schedule CA, column E – Report:

1. Military member’s separate income from California sources.
2. Military member’s ½ of the community income from California sources.

Separate Return — Nonresident Military — Schedule CA (540NR)

Part II Section A – Income	A Federal Amounts	B Subtractions MPA	C Additions	D Total Using CA Law	E CA Amounts
Wages Military	25,300	25,300			
Nonmilitary	7,400			7,400	7,400
Spouse/RDP	15,000			15,000	15,000
Interest	300			300	
State refund	120	120			
Capital gain	600			600	
Total	48,720	25,420		23,300	22,400

Separate Return Resident Spouse — File Form 540

1. Schedule CA, column A - Report:
2. Spouse/RDP’s ½ of the community income from all sources.
3. Spouse/RDP’s separate income from all sources.

Separate return - Resident Spouse/RDP - Schedule CA (540)

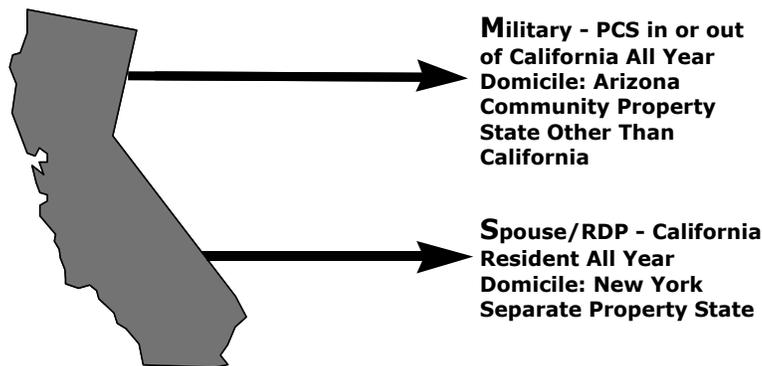
Part I Section - A Income	A Federal Amounts	B Subtractions	C Additions
Wages Spouse/RDP	15,000		
Interest	300		
State refund	120	120	
Capital gain	600		
Rental income	6,000		
Total	22,020	120	

VITA Military Work sheet										
Client 1 Example 10 Military					Client 2 Example 10 Spouse					
Resident ___ months		Nonresident 12 months			Resident 12 months		Nonresident ___ months			
<input type="checkbox"/> Active Duty Military		<input checked="" type="checkbox"/> Active Duty Military			<input type="checkbox"/> Active Duty Military		<input type="checkbox"/> Active Duty Military			
<input type="checkbox"/> Civilian or Retired Military		<input type="checkbox"/> Civilian or Retired Military			<input checked="" type="checkbox"/> Civilian or Retired Military		<input type="checkbox"/> Civilian or Retired Military			
Domiciled [Select One] State		Domiciled Separate Property State			Domiciled Community Property State		Domiciled [Select One] State			
Community Property States: Arizona, California, CN Mariana I, Guam, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, and Wisconsin										
California Adjustments 540NR Schedule CA Column B					California Adjustments 540NR Schedule CA Column B (Continued)					
MPA (Military Pay Adjust) / MSRRA W-2 (Line 7) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					Unemployment Compensation (1099-G) (Line 19) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
Savings Bonds / Treasury Bills Interest (1099-INT) (Line 8) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					Taxable Social Security / RR Retirement (Line 20) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
State Tax Refunds (1099-G) (Line 10) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					CA Lottery (W-2G) (Line 21a) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
IRA / Pensions (1099-R) (Line 15b/16b) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					1040 Adjustments to Income (Lines 23-35) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
1040 Page 1					California Taxable Amounts 540NR Schedule CA Totals					
Income & Client		Federal Income				Schedule CA	California Taxable Amounts 540NR Schedule CA Totals			
T = Client 1		Client 1		Client 2		1 Example 10 Military	2 Example 10 Spouse		540NR	
S = Client 2		Separate		Community		Line #	Resident	Nonresident	Resident	Nonresident
J = Joint		TSJ	1040 Lines	Total Amounts	1040 Lines	Total Amounts	Resident	Nonresident	Resident	Nonresident
Military Wages	T	7	\$ 25,300.00	\$ 25,300.00						\$ 0.00
	T		\$ 7,400.00	\$ 7,400.00			\$ 7,400.00			\$ 7,400.00
Other Wages	S	7	\$ 30,000.00	\$ 15,000.00	\$ 15,000.00			\$ 15,000.00	\$ 15,000.00	
										\$ 30,000.00
										\$ 0.00
Interest	J	8	\$ 600.00	\$ 300.00	\$ 300.00	8			\$ 300.00	
U.S. Bonds		8								
Dividends		9				9				
State Refund	J	10	\$ 240.00	\$ 120.00	\$ 120.00	10				
Alimony Received		11				11				
Business Income		12				12				
Capital Gains	J	13	\$ 1,200.00	\$ 600.00	\$ 600.00	13			\$ 600.00	
IRA		15				15				
Pensions		16				16				
Rental RE, etc.	S	17	\$ 6,000.00		\$ 6,000.00	17			\$ 6,000.00	
Unemp. Comp.		19				19				
Social Security		20 b				20 b				
		21				21				
Total Income		22	\$ 70,740.00	\$ 48,720.00	\$ 22,020.00	22	\$ 0.00	\$ 22,400.00	\$ 21,900.00	\$ 0.00
										\$ 44,300.00
Total Adjustments		36	\$ 0.00	\$ 0.00	\$ 0.00	36	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Adjusted Gross Income		37	\$ 70,740.00	\$ 48,720.00	\$ 22,020.00	37	\$ 0.00	\$ 22,400.00	\$ 21,900.00	\$ 0.00

FTB 2335 (REV 06-2014) Side 1

Table of Contents

11. Married Military Domiciled Other than California in a Community Property State and Spouse/RDP Domiciled in a Separate Property State, Accompanied in California



Joint Return

1. 540NR: Total (CA 540NR, column D) = all military member's and spouse/RDP's income <less> all of the military member's military wages (R&TC 17140.5).
2. California (CA 540NR, column E) = military member's ½ of community income and military member's separate income, but only income with a California source and all spouse/DP's ½ of community income and spouse/RDP's separate income <less> all of the military member's military wages (R&TC 17140.5).

Separate Returns

1. 540NR: Total (CA 540NR, column D) = all military member's ½ of community income and all military member's separate income <less> ½ of the military member's military wages (R&TC 17140.5).
2. California (CA 540NR, column E) = military member's ½ of community income and separate income, but only income with a California source.
3. 540: Total = all spouse/RDP's ½ of community income and all spouse/RDP's separate income <less> ½ military member's military wages (R&TC 17140.5).

Joint Return — File Form 540NR

1. The military member is a nonresident of California.
2. The military member is domiciled in Arizona, a community property state.
3. The spouse/RDP is a resident of California.
4. The spouse/RDP is domiciled in New York, a separate property state.
5. R&TC 17140.5 applies because the military person is not domiciled in California.

Income

\$25,300	Military wages
\$ 7,400	California nonmilitary wages of the military member
\$30,000	Spouse/RDP's wages
\$ 600	Joint interest income
\$ 240	Joint state taxable refund
\$ 1,200	Capital gain on sale of non-California property (joint property)
\$ 6,000	Rental income from California property (separate property of spouse/RDP)

Joint Return — File Form 540NR

Schedule CA, column B – Report:

1. All of the military wages (R&TC 17140.5 adjustment).
2. The joint state taxable refunds.

Schedule CA, column D – Report:

1. All income from all sources excluding the military wages and the joint state taxable refunds.

Schedule CA, column E – Report:

1. Military member's separate income from California sources.
2. Military member's ½ of the community income from California sources.
3. Spouse/RDP's ½ of the community income from all sources.
4. Spouse/RDP's separate income from all sources.

Joint — Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions MPA	C Additions	D Total Using CA Law	E CA Amounts
Wages Military	25,300	25,300			
Nonmilitary	7,400			7,400	7,400
Spouse/RDP	30,000			30,000	30,000
Interest	600			600	300
State refund	240	240			
Capital gain	1,200			1,200	600
Rental income	6,000			6,000	6,000
Total	70,740	25,540		45,200	44,300

[Table of Contents](#)

Separate Return Nonresident Military — File Form 540NR

Schedule CA, column B – Report:

1. Military member's ½ of the community military wages.
2. Military member's ½ of the joint state taxable refunds.

Schedule CA, column D – Report:

1. Military member's ½ of the community income from all sources, excluding the military wages and state taxable refund.
2. Military member's separate income from all sources.

Schedule CA, column E – Report:

1. Military member's ½ of community income from California sources, excluding the military wages and state taxable refund.
2. Military member's separate California source income.

Since the military member has California source income, the military member has to file a return.

Separate Return — Nonresident Military — Schedule CA (540NR)

Part II Section A - Income	A Federal Amounts	B Subtractions MPA	C Additions	D Total Using CA Law	E CA Amounts
Wages Military Nonmilitary	12,650 3,700	12,650		3,700	3,700
Interest	300			300	
State refund	120	120			
Capital gain	600			600	
Total	17,370	12,770		4,600	3,700

Separate Return — Resident Spouse/RDP — File Form 540

Schedule CA, column A - Report:

1. Spouse/RDP's separate income from all sources.
2. Spouse/RDP's ½ of community income from all sources.

Schedule CA, column B – Report:

1. Spouse/RDP's ½ of community military wages (R&TC 17140.5 adjustment).
2. Spouse/RDP's ½ of the joint state taxable refunds.

Table of Contents

Separate Return — Resident Spouse/RDP — Schedule CA 540

Part I Section - A Income	A Federal Amounts	B Subtractions MPA	C Additions
Wages Military	12,650	12,650	
Nonmilitary	3,700		
Spouse/RDP	30,000		
Interest	300		
State refund	120	120	
Capital gain	600		
Rental income	6,000		
Total	53,370	12,770	

WITA Military Work sheet

Client 1 Example 11 Military **Client 2 Example 11 Spouse**

Resident ___ months Nonresident 12 months Resident 12 months Nonresident ___ months

Active Duty Military Active Duty Military Active Duty Military Active Duty Military

Civilian or Retired Military Civilian or Retired Military Civilian or Retired Military Civilian or Retired Military

Domiciled [Select One] State Domiciled Community Property State Domiciled Separate Property State Domiciled [Select One] State

Community Property States: Arizona, California, CN Mariana I, Guam, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, and Wisconsin

California Adjustments 540NR Schedule CA Column B	Yes	No	California Adjustments 540NR Schedule CA Column B (Continued)	Yes	No
MPA (Military Pay Adjust) / MSRRA W-2 (Line 7)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Unemployment Compensation (1099-G) (Line 19)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Savings Bonds / Treasury Bills Interest (1099-INT) (Line 8)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Taxable Social Security / RR Retirement (Line 20)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
State Tax Refunds (1099-G) (Line 10)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	CA Lottery (W-2G) (Line 21a)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
IRA / Pensions (1099-R) (Line 15b/16b)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1040 Adjustments to Income (Lines 23-35)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

1040 Page 1					Schedule CA	California Taxable Amounts 540NR Schedule CA Totals				
Income & Client		Federal Income				1 Example 11 Military	2 Example 11 Spouse		540NR	
T = Client 1	S = Client 2	1040 Lines	Total Amounts	Client 1	Client 2	Resident	Nonresident	Resident	Nonresident	Column E
Military Wages	T	7	\$ 25,300.00	\$ 12,650.00	\$ 12,650.00					\$ 0.00
Other Wages	S	7	\$ 30,000.00		\$ 30,000.00		\$ 3,700.00	\$ 3,700.00		\$ 7,400.00
Interest	J	8	\$ 600.00	\$ 300.00	\$ 300.00			\$ 300.00		\$ 300.00
State Refund	J	10	\$ 240.00	\$ 120.00	\$ 120.00					\$ 0.00
Capital Gains	J	13	\$ 1,200.00	\$ 600.00	\$ 600.00			\$ 600.00		\$ 600.00
Rental RE, etc.	S	17	\$ 6,000.00		\$ 6,000.00			\$ 6,000.00		\$ 6,000.00
Total Income		22	\$ 70,740.00	\$ 17,370.00	\$ 53,370.00	\$ 0.00	\$ 3,700.00	\$ 40,600.00	\$ 0.00	\$ 44,300.00
Federal Subtraction Adjustments (Lines 23-35)					California Subtraction Adjustments on the Schedule CA					
Total Adjustments					Total Adjustments					
Adjusted Gross Income					Adjusted Gross Income					

FTB 2335 (REV 06-2014) Side 1

Table of Contents

Military Spouses Residency Relief Act

Frequently Asked Questions Regarding the Military Spouses Residency Relief Act

1. What is the Military Spouses Residency Relief Act?

The Military Spouses Residency Relief Act (MSRRA) is a federal law enacted on November 11, 2009, which amended the Military members Civil Relief Act. Depending on whether a military member's nonmilitary spouse/RDP meets the MSRRA requirements, the MSRRA may affect the spouse/RDP's state of residency and the amount of the spouse/RDP's California-source income that is subject to California income tax.

2. What is the effect of the MSRRA on the residency status of a military member's nonmilitary spouse/RDP who meets the MSRRA requirements?

A military member's nonmilitary spouse/RDP is considered a nonresident of California for tax purposes if the military member and spouse/RDP have the same domicile outside of California and the spouse/RDP lives in California to be with the military members who is serving in California in compliance with military orders.

Domicile is defined as the one place:

- Where you maintain a true, fixed, and permanent home.
- To which you intend to return whenever you are absent.

California may require nonmilitary spouse/RDP of military members to provide proof that they meet the criteria for California personal income tax exemption as set forth in the MSRRA.

3. Pursuant to the MSRRA, under what conditions is the income earned for services performed in California by military member's nonmilitary spouse/RDP exempt from California income tax?

Income earned by a military member's nonmilitary spouse/RDP for services performed in California is exempt from California income tax if all of the following conditions are met: (1) the military member and spouse/RDP have the same out of state domicile; (2) the military member is in California in compliance with military orders; (2) the spouse/RDP is in California solely to be with the military member; and (3) the spouse/RDP lives in California solely to be with the military member.

4. Does a military member's spouse/RDP who meets the MSRRA requirements need to file a 2016 tax return to receive a refund of California income tax withheld in 2016?

Yes.

5. How does a military member's spouse/RDP who meets the MSRRA requirements report earned income on the 2016 California tax return?

Complete the 540NR Part-Year Resident/Nonresident tax return. Because the income is not subject to California tax, do not include the income when completing Column E of the CA Adjustment worksheet.

To determine the amounts of "California taxable income" and "total taxable income" do not deduct the income as a Military Pay Adjustment (Subtraction on line 7, Column B.)

The income for services performed in California by a military member's "qualified" spouse/RDP meeting the MSRRA requirements is not included in California taxable income, Schedule CA (540NR), Column E. However, this income is included in total taxable income, Schedule CA (540NR), Column D.

6. What types of income received by a military member's spouse/RDP who meets the MSRRA requirements are subject to California income tax?

Income of a spouse/RDP who meets the MSRRA requirements that is subject to California income tax includes California source income from the following; the sale or rental of property located in California, gambling activities in California, and a California partnership, S corporation, or sole proprietorship, except for income for personal services performed by the spouse/RDP in California.

7. A military member's spouse/RDP has met the MSRRA conditions to qualify for the state tax exemption on earned income. However, the military member is then temporarily assigned to a combat zone. Can the spouse/RDP continue to exclude from state taxation income the spouse/RDP earned for services performed in California?

Yes.

8. What information must a military member's spouse/RDP who meets the MSRRA requirements provide to the employer to qualify for exemption from California income tax withholding?

The spouse/RDP must complete the California Employment Development Department (EDD) Form DE-4, Employee's Withholding Allowance Certificate, certifying that the spouse/RDP is not subject to California withholding because the spouse/RDP meets the MSRRA conditions for state tax exemption on earned income.

The DE 4 provides a box to check and a signature line for a military member's nonmilitary spouse/RDP to certify under penalty of perjury; the spouse/RDP meets the MSRRA state income tax exemption requirements and is not subject to California withholding.

To verify eligibility for the exemption from withholding, the following documents (not inclusive) may be requested from the employer or employee:

- Spouse/RDP's military ID card.
- Military member's Leave and Earnings Statement (LES).
- Military member's W-2.
- Spouse/RDP's driver's license.
- Spouse/RDP's voter's registration.
- Department of Defense (DD) Form 2058, State of legal Residence Certificate.
- Marriage license.
- Divorce decree.

9. A military member's spouse/RDP living in California has met the MSRRA conditions to qualify for the state tax exemption on earned income. The military member is then transferred to another state in compliance with military orders and the spouse/RDP does not move to the other state. Do the wages of the spouse/RDP for services performed in California remain exempt from withholding when the military member is not on orders in California?

No. The spouse/RDP must complete a new EDD Form DE-4 because the spouse/RDP no longer meets the MSRRA conditions to qualify for the income tax exemption and is no longer exempt from California withholding. Any income earned by the spouse/RDP for services performed in California is subject to California income tax.

MSRRA Qualifications Checklist – View Chart

Checklist	Military member	Spouse
Present Address (state)		
Present Address – date you began living here		
Mailing Address (state)		
Mailing Address – date established		
Home of Record		
Employment Location		
Employment Type (Temp/Permanent)		
State of Marriage		
Real Property Location(s) (state)		
Driver’s License		
Vehicle(s) Registration State		
Voter Registration State		
Bank Account(s) Location(s) (state) (or branch location where account was opened)		
Professional License(s) State		
Church Location (state)		
Hospital/Clinic Location (state)		
Dentist Location (state)		
Club Location(s) State		
Organization Location(s) State		
Professional Association Location(s) State		
Assumed Domicile State		
Last Date Residing in Above State		
(For Reviewing JAG Attorney to Complete)		
Likely Domicile Under CA Law		
Recommend Filing State Taxes in:		

JAG Attorney Seen: _____ Date Seen: _____

You may be audited by California for not paying state income taxes. This document represents a legal recommendation but does not guarantee that you will not be audited, or that your domicile is the one stated above. The strength of this legal recommendation is based on the extent of the information you provide.

TaxSlayer Tips for California

Direct Deposit

California allows Direct Deposit of the California refund amount for both paper and electronically filed returns. You may designate that the California refund be deposited in the same bank as the Federal only if there is a Federal refund.

Refund Splitting for Direct Deposit

California has added an option for splitting the refund between two accounts. If you elect to split the refund between two accounts, you must enter the bank information for each account and the amount to be deposited to each account.

California Balance Due - Electronic Funds Withdrawal

You may also choose to pay a California Balance Due through automatic funds withdrawal. Enter the date that you want the funds withdrawn.

CA [3506](#) - California Child and Dependent Care Expenses Credit

Most of this form is calculated from the [Federal Form 2441](#). Only care provided in California qualifies for the credit. If any part of the care is not provided in California, you must manually remove or alter the care provider information and qualifying person information to reflect only the amounts paid for care in California. Mark the appropriate box to answer the question at the top of this form. Was all care provided in California?

If the Federal adjusted gross income (AGI) is more than \$100,000, you do not qualify for this credit. If applying the military pay adjustment (MPA) to reduce the Federal AGI, you may qualify and you cannot e-file the tax return.

FTB Form 3532 - Head of Household Schedule

California requires taxpayers to qualify their ability to claim the Head of Household filing status.

CA State Disability Insurance (SDI) Amounts

On Federal Form W2, the amount of CA SDI must be entered in box 14. The only acceptable codes in the SDI Literal box are as follows: CASDI, SDI, VD, VP, VPDI, or VI.

CA [Schedule S](#) - California - Other State Tax Credit

The other state credit code is 187. The California Schedule S can be filed for a credit for taxes paid to another state.

CA NR CA - California Nonresident or Part-Year Resident Adjustments

This form is for Adjustments for Non-Residents or Part-Year Residents. Complete all lines that apply to you and your spouse/RDP.

Income Adjustment Schedule

The amount in the "Total using CA law" column is apportioned in the "CA amounts" column by the ratio of California income to Federal income as listed on the Federal Part-year Resident Allocation, Resident/Nonresident Allocation Worksheets, or Additional Nonresident worksheet whichever is applicable. Correct the "CA amounts" column to change the amount calculated. Correct the interest and/or dividends for California Schedule K-1 differences.

Allocation Worksheets for Resident/Nonresident, or Part-Year Resident

As California is a community property state, TaxSlayer does not support the use of a California state filing status different from that of the federal tax return. We encourage the filing of a married/joint 540NR return when a couple has one resident taxpayer of California and the spouse/RDP as a nonresident.

Duplicating Forms - Schedules C, F, E, 4835 and K-1

California requires the recalculation of deductions taken on several Federal schedules to conform to California tax law. These forms include Schedules C, F, E, 4835 and the K-1 worksheets.

TaxSlayer Online Tips

Finding TaxSlayer Online

1. Open Internet Explorer.
2. Type <https://vita.taxslayerpro.com/> in the address line.

TaxSlayer Online Icons



1. New Return – Select to start a new return.
2. Open Return – Select client search.
3. Submit & File – E-filer is an Administrator’s function only.
4. View Acknowledgements - Is an Administrator’s function only.
5. Help – Select to open TaxSlayer online help center.
6. Blog – Click on message center.
7. Log Out – To log out of TaxSlayer online.

The Tax Return Icons



8. Save and Exit Return – To save the tax return.
9. Save and Exit Return – To close the tax return.
10. Summary and Print Return – Prints the return.

[Table of Contents](#)

The Tax Return Icons Cont'd

11. Run Diagnostics – checks for errors each time you select next or continue.
12. Status of Return – Shows under Client Search.
13. Forms List – Search for a list of available forms for addition to the active tax return.
14. Live Chat – Opens dialog with TaxSlayer.
15. Help – Select to open TaxSlayer online help.
16. Blog – Posts regarding TaxSlayer issues.
17. Upper right corner. Log Out – To log out of TaxSlayer online.

Instructions Unique to TaxSlayer Online

1. Log on to TaxSlayer online

- User name
- Password
- Security Code

Note: You should receive your log on information from your Site Coordinator.

2. Complete tax forms. Similar to the Grasp example in the [FTB 5135, VITA Military Manual](#).
3. Universal Tax Services (UTS) stores TaxSlayer online data so there is no need for backups or to have data stored on the computer itself. TaxSlayer online protect client security in all aspects.
4. TaxSlayer online depends on an Internet connection. A lost connection results in no tax returns preparation or transmission. If you do not have internet, you can download the desktop version of TaxSlayer to preparer returns and e-file at a later date.

Standard Abbreviations

Air Force Base	AFB	Parkway	PKWY
Apartment	APT	Place	PL
Avenue	AVE	Plaza	PLZ
Boulevard	BL	Point	PT
Building	BLDG	Post Office Box	PO BX
Causeway	CSWY	Road	RD
Center	CTR	Room	RM
Circle	CIR	San/Santo	SN
Court	CT	South*	S
Crossing	XING	Southeast*	SE
Department	DEPT	Southwest*	SW
Drive	DR	Space	SP
East*	E	Square	SQ
Expressway	EXPY	Street	ST
Floor	FL	Suite	STE
Freeway	FWY	Terrace	TER
Highway	HWY	Track	TRAK
Lane	LN	Unit	UN
Loop	LP	Walk	WK
North*	N	Walkway	WKWY
Northeast*	NE	Way	WY
Northwest*	NW	West*	W

* Abbreviate only when using as a direction.

Eleven Scenarios

California Domiciled Military	Page
1. Single Military, California Domicile, PCS in California	19
2. Single Military, California Domicile, PCS Out of California	20
3. Married Military and Spouse/RDP California Domiciles, Accompanied in California	22
4. Married Military and Spouse/RDP California Domiciles, Military PCS Out of California, and Spouse/RDP Resides In California	25
5. Married Military and Spouse/RDP California Domiciles, Military PCS in California, Spouse/RDP Resides Out of California	29
6. Married Military and Spouse/RDP California Domiciles, Accompanied Out of California	33
Not California Domiciled Military	
7. Single Military Domiciled Other than California, PCS IN or Out of California	37
8. Married Military Domiciled In Community Property State Other Than California and Spouse/RDP Domiciled In Community Property State, Accompanied In California - MSRRA	40
9. Married Military Domiciled Other than California in a Separate Property State and Spouse/RDP Domiciled in a Separate Property State, Accompanied in California	45
10. Married Military Domiciled Other than California in a Separate Property State and Spouse/RDP Domiciled in a Community Property State, Accompanied in California	49
11. Married Military Domiciled Other than California in a Community Property State and Spouse/RDP Domiciled in a Separate Property State, Accompanied in California	53

[Table of Contents](#)