

Example #2C: Partner #2
Domestic nonresident partner with a 40 percent interest

Nonresident Withholding Tax Statement

Attach to Form 592 for each recipient. **Copy A** FOR FRANCHISE TAX BOARD

Part I Recipient

Recipient's name: **Partner # 2** SSN or ITIN **021-02-1021**

Address (number and street, PO Box, Rural Route, APT no., Suite, Room, or PMB no.): **1234 Franchise Drive** FEIN CA corp. no.

City: **Another** State: **VA** ZIP Code: **88888** Country:

Part II Withholding agent

Withholding agent's (payer's/S corporation's/partnership's/limited liability company's) name: **Partnership B** SSN or ITIN

Address (number and street, PO Box, Rural Route, APT no., Suite, Room, or PMB no.): **21 Form Lane** FEIN CA corp. no. **030303030**

City: **Somewhere** State: **PA** ZIP Code: **88888** Daytime telephone number: **(999) 123-4567x6789**

Part III Type of income subject to withholding. Check the applicable box(es).

Payment to Independent Contractor Rents or Royalties Estate Distributions Trust Distributions Allocations to Foreign (non-U.S.) Nonresident Partner/Member Distributions to Domestic (U.S.) Nonresident S corporation Shareholder/Partner/Member Other (describe)

Part IV Tax Withheld

1 Total amount subject to withholding	1	102,400.00
2 Total California tax withheld		7,168.00

Line 1: To calculate the total amount subject to withholding: Multiply the amount subject to withholding on Partnership B's form 592-B by the interest amount of Partner #1.

256,000.00 (Amount subject to withholding on Partnership B's 592-B)
x .40 (Partner #2's interest in Partnership B)
102,400.00 (Amount subject to withholding for Partner #2)

FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

If you are filing Form(s) 592-B by mail, see Instructions for Form 592-B for Magnetic Media Requirements, for information on mailing the disk or CD to the Franchise Tax Board. Distribute the other copies of Form 592-B as follows:

- Copies B & C - Send to the Franchise Tax Board (vendor/payee) by the same date as Form 592-B.

Line 2: Enter the credit that is allocated to Partner #2.

17,920.00 (Total amount withheld from Partnership B)
x .40 (Partner #2's interest in Partnership B)
7,168.00 (Total CA tax withheld for Partner #2)

Form 592-B to flow the withholding through to their S corporation shareholders, partners, members, or beneficiaries whether they are residents or nonresidents of California.

Note: Use Form 592-A, Nonresident Withholding Remittance Statement, to remit withholding payments during the year. Use Form 592, Nonresident Withholding Annual Return, to report the total withholding for the year and as a transmittal form for Form 592-B.

Common Errors / Helpful Hints

- Tax ID numbers must be obtained from all payees.
- All fields must be completed.
- File Form(s) 592-B timely to avoid penalties.
- Examples of how to complete Form 592-B under various situations are provided on the Franchise Tax Board Website at www.ftb.ca.gov. Search for "Form 592-B Examples" or "592-B Examples."

Note: Withholding agents who withhold based on Form 594, Notice to Withhold Tax at Source, should not include Form 592-B.

When and Where to File

File Copy A of this form to the Franchise Tax Board with Form 592, Nonresident Withholding Annual Return, with the FTB on or before the close of the month following the close of the year you are withholding on foreign (non-U.S.) partners. For withholding on foreign partners, file Form(s) 592-B with Form 592, Side 2 on or before the 15th day of the 4th month following the close of the partnership's tax year. (If all the partners in this partnership are foreign, Form(s) 592-B and Form 592 must be filed on or before the 15th day of the 6th month after the close of the partnership's tax year.) Attach Copy A of Form 592-B to the back of Form 592 and mail with payment to:

If the withholding agent fails to provide complete, correct, and timely Form(s) 592-B to the FTB for all nonresident withholding other than foreign partner withholding, the penalty per Form 592-B is:

- \$15 if filed within 30 days after the due date.
- \$30 if filed by August 1.
- \$50 if filed after August 1 or a correct form is not filed.