

**Example #1: 592 & 592-Bs with domestic nonresident withholding only**

**Scenario:**

Partnership E made payments to two domestic nonresident partners during the calendar year. Partnership E is now withholding on distributions to both domestic nonresident partners.

YEAR

2004

**Nonresident Withholding Annual Return**

592

FORM

**Nonresident Withholding**

(Independent contractors; rents; royalties; estate & trust beneficiaries; domestic nonresident partners/members)

If you withheld on foreign (non-U.S.) partners, use Side 2 of this form.

If you withheld on both foreign partners and other payees, file a separate Form 592 for the foreign partners.

Form 592-B Type:  Form 592-B attached for each recipient.  Form 592-B information on magnetic media.

**Part I Withholding Agent**

Name of withholding agent (payer)

Partnership E

Address (number and street)  
90 Yellowbrick Way

City  
Somewhere

State  
PA

Zip Code  
88888

PMB no.

California corporation  FEIN

0707

Withholding agent

Contact person's name and title (please type or print)

Penny Partner, General Partner

Daytime telephone

(999) 987-6543

**Line 1:** Enter the number of Forms 592-B attached for domestic nonresident partners who received a distribution which was withheld upon.

Check the appropriate Type of Income box.

**Part II Tax Withheld**

Type of Income:  Payment to Independent Contractor  Rents or Royalties  Estate Distributions  Trust Distribution  
 Distributions to Domestic Nonresident Partners/Members  Other

**Line 2:** Enter the total amount subject to withholding that was distributed to domestic nonresident partners.

1	Enter number of Forms 592-B for the type(s) of income checked above	1	2
2	Total amount of California source income subject to withholding	2	100,000 00
3	Total withholding due	3	7,000 00
4	Prior payments for the above calendar year		

**Line 3:** Enter the sum of the amounts withheld from distributions to domestic nonresident partners.

Date	Amount	Date	Amount
3/16/04	\$ 3,000.00		
5/17/04	\$ 3,000.00		

Enter the dates and amounts of any prior withholding payments made for the calendar year.

Total prior payments 4 6000 00

5 **Balance due.** Subtract line 4 from line 3 and enter the balance due. If less than zero, enter -0-.

Attach a check or money order for the full amount payable to "Franchise Tax Board."

Write the payer's FEIN, California corporation number, or social security number

and "Form 592" on the check or money order

Mail Form 592 to the **FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0651**

1,000 00

**Part III Tax Withheld by Another Entity on this Partnership, Limited Liability Company (LLC), S Corporation, Estate, or Trust**

6 Enter number of additional Forms 592-B attached, flowing through to partners, members, S corporation shareholders, or beneficiaries, whether the above partnership, LLC, S corporation, estate, or trust. (Do not include Forms 592-B attached to their interests in

**Line 4:** Enter the total of all prior payments made for the calendar year.

7 Enter amount withheld by another entity and being allocated to this partnership, LLC, S corporation, estate, or trust. This credit must be documented by a Form 592-B, 593-B, or 594-B. Do not include any credit being used against tax owed on the partnership, LLC, S corporation, estate or trust California tax return.

**Line 5:** Subtract the total prior payments (Line 4) from the total withholding due (Line 3) and enter the difference (Balance Due).

**Part IV Perjury Statement**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, this return and the accompanying schedules and statements are true, correct, and complete. Declaration of preparer (other than withholding agent) is based on all information of which preparer has knowledge.

Partnership E, Penny Partner, General Partner

Name and title of withholding agent (type or print)

*Penny Partner*

1/15/05

Signature of withholding agent

Date

Nancy Numbers, Accountant- All Right Accounting

Name and title of preparer other than withholding agent (type or print)

*Nancy Numbers*

1/15/05

Signature of preparer other than withholding agent

Date

5678 Tax Road, Somewhere, PA 88888

Address of preparer

090909090

SSN/FEIN/PTIN of preparer

( 999 ) 219-8765 ext. 1234

Daytime telephone number of preparer

**Example #1: Partner #1**  
Domestic nonresident partner with a 55 percent interest

YEAR \_\_\_\_\_

CALIFORNIA FORM

**2 0 0 4**

# Nonresident Withholding Tax Statement

**592-B**

Attach to Form 592 for each recipient. See the separate instructions for Forms 592 and 592-A.

**Copy A FOR FRANCHISE TAX BOARD**

**Part I Recipient**

Recipient's name <b>Partner #1</b>		<input checked="" type="checkbox"/> SSN <b>0 4 5 0 4 5 0 4 5</b>
Address (number and street) <b>101 Easee Street</b>	PMB no.	<input type="checkbox"/> FEIN <input type="checkbox"/> California corp. no.
City <b>Somewhere</b>	State <b>PA</b>	ZIP Code <b>88888</b>

**Part II Withholding agent**

Withholding agent's (payer's/partnership's/limited liability company's) name <b>Partnership E</b>		<input type="checkbox"/> SSN
Address (number and street) <b>90 Yellowbrick Way</b>	PMB no.	<input checked="" type="checkbox"/> FEIN <input type="checkbox"/> California corp. no.
City <b>Somewhere</b>	State <b>PA</b>	ZIP Code <b>88888</b>
		Daytime telephone number <b>( 999 ) 987-6543 ext. 6789</b>

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

<input type="checkbox"/> Payment to Independent Contractor	<input type="checkbox"/> Rents or Royalties	<input type="checkbox"/> Estate Distributions	<input type="checkbox"/> Trust Distributions	<input type="checkbox"/> Allocations to Foreign (non-U.S.) Nonresident Partner/Member	<input checked="" type="checkbox"/> Distributions to Domestic (U.S.) Nonresident Partner/Member	<input type="checkbox"/> Other _____ (describe)
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**Part IV Tax Withheld**

1 Total amount subject to withholding .....	1	55,000	00
2 Total California tax withheld .....	2	3,850	00

**Line 1:** The total amount subject to withholding should be the amount of California source income distributed to Partner #1.

**Line 2:** Enter the amount withheld from Partner #1.

55,000.00 (Amount subject to withholding for this partner)  
x .07 (Withholding rate)  
**3,850.00 (Total CA tax withheld for this partner)**

**Example #1: Partner #2**  
Domestic nonresident partner with a 45 percent interest

YEAR \_\_\_\_\_

CALIFORNIA FORM

**2 0 0 4**

# Nonresident Withholding Tax Statement

**592-B**

Attach to Form 592 for each recipient. See the separate instructions for Forms 592 and 592-A.

**Copy A FOR FRANCHISE TAX BOARD**

**Part I Recipient**

Recipient's name <b>Partner #2</b>		<input checked="" type="checkbox"/> SSN <b>0 9 6 0 9 6 0 9 6</b>
Address (number and street) <b>800 Freemaunt Street</b>	PMB no.	<input type="checkbox"/> FEIN <input type="checkbox"/> California corp. no.
City <b>Somewhere</b>	State <b>PA</b>	ZIP Code <b>88888</b>

**Part II Withholding agent**

Withholding agent's (payer's/partnership's/limited liability company's) name <b>Partnership E</b>		<input type="checkbox"/> SSN
Address (number and street) <b>90 Yellowbrick Way</b>	PMB no.	<input checked="" type="checkbox"/> FEIN <input type="checkbox"/> California corp. no.
City <b>Somewhere</b>	State <b>PA</b>	ZIP Code <b>88888</b>
		Daytime telephone number <b>( 999 ) 987-6543 ext. 6789</b>

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

<input type="checkbox"/> Payment to Independent Contractor	<input type="checkbox"/> Rents or Royalties	<input type="checkbox"/> Estate Distributions	<input type="checkbox"/> Trust Distributions	<input type="checkbox"/> Allocations to Foreign (non-U.S.) Nonresident Partner/Member	<input checked="" type="checkbox"/> Distributions to Domestic (U.S.) Nonresident Partner/Member	<input type="checkbox"/> Other _____ (describe)
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**Part IV Tax Withheld**

1 Total amount subject to withholding .....	1	45,000	00
2 Total California tax withheld .....	2	3,150	00

**Line 1:** The total amount subject to withholding should be the amount of California source income distributed to Partner #2.

**Line 2:** Enter the amount withheld from Partner #2.

45,000.00 (Amount subject to withholding for this partner)  
x .07 (Withholding rate)  
**3,150.00 (Total CA tax withheld for this partner)**