

Example #4: 592 & 592-B with foreign (non-U.S.) partner withholding only

Scenario:

Partnership G, a fiscal year partnership, is withholding on both of its foreign (non-U.S.) partners.

Enter the beginning and ending dates for the taxable year.

Foreign Partner or Member Withholding

Be sure to use **Side 2** for foreign partners.

Taxable year: Beginning month 07 day 01 year 2004, and ending month 06 day 30 year 2005

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

Part I Withholding Agent (partnership or limited liability company (LLC))

Name of withholding agent (partner or member)

Partnership G

Address (number and street)

300 Christlur Street

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

Paula Partner, General Partner

Withholding agent's SSN/FEIN/PTIN

000000000

Zip Code

90000

Daytime telephone number

32-1099

Indicate whether **all** partners of the partnership are foreign. If not, you **may** need to file a separate Form 592, Side 1.

Check the appropriate box to show how the Forms 592-B are being submitted.

Line 2: Enter the number of 592-Bs attached for foreign partners.

Enter the amount of California source income allocated to foreign partners on the appropriate line.

- 1 Are all partners or members foreign (non-U.S.) nonresidents? Yes No
- 2 Enter number of Forms 592-B for foreign partners or members 2

3a	\$ 37,500.00	x	9.3 %	3a	3,487	50
3b	\$ 37,500.00	x	8.84 %	3b	3,315	00
3c		x	10.84 %	3c		
4	Total foreign partners' or members' withholding due. Add line 3a through line 3c			4	6,802	50

5 Prior payments of foreign partners' or members' withholding for the taxable year shown above

Date	Amount	Date	Amount	Date	Amount
10/15/04	\$2,100.00	03/15/05	\$1,500.00		
12/15/04	\$1,500.00	06/15/05	\$1,500.00		

Line 4: Enter the total of lines 3a, 3b and 3c. This should equal the sum of the 592-Bs.

Lines 3a, 3b, and 3c: Multiply the California Source income by the appropriate withholding rate, and enter the results on Lines 3a, 3b and 3c.

- 6 Amount credited from prior year's withholding
- 7 Total payments. Add line 5 and line 6
- 8 **Balance due.** Subtract line 7 from line 4 and enter the result here. If zero, enter -0-. Attach a check or money order for the full amount. Write the partnership's or LLC's FEIN and "Form 592" on the check or money order. Mail Form 592 to the **FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0651.**
- 9 **Overpayment.** If line 7 is more than line 4, subtract line 4 from line 7 and enter the result here
- 10 Enter the amount of line 9 you want credited to next year's Form 592
- 11 **Refund.** Subtract line 10 from line 9 and enter the result here

Part III Tax Withheld by Another Entity on this Partnership or LLC

- 12 Enter number of additional Forms 592-B attached, flowing through the credit. The credit must be allocated to all partners or members, whether residents or nonresidents of California according to their interests in the above partnership or LLC. (Do not include Forms 592-B already included on line 2.)
- 13 Enter amount withheld by another entity and being allocated to the partners or members. This credit must be documented by a Form 592-B, 593-B, or 594 from the withholding entity. (Do not include withholding included on line 4 or any credit being used against tax owed on the partnership or LLC California tax return.)

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, it is true, correct, and complete. Declaration of preparer (other than withholding agent) is based on all information of which preparer has any knowledge.

Partnership G, Paula Partner, General Partner
Name and title of withholding agent (type or print)

Paula Partner 10/10/05
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 10/10/05
Signature of preparer other than withholding agent Date

5678 Tax Road, 60320 Frankfurt Germany
Address of preparer (if different from the address shown above)

090909090
SSN/FEIN/PTIN of preparer

(999) 432-1095 ext.1234
Daytime telephone number of preparer

YEAR

Partner #1
Foreign (non U.S.) partner
Partner #1 is an individual

CALIFORNIA FORM

592-B

2 0 0 5

Nonresident withholding tax Statement

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 Partner #1		<input checked="" type="checkbox"/> SSN 0 0 0 0 7 0 0 0 0
Address (number and street) 100 Leicht Street	PMB no.	<input type="checkbox"/> FEIN <input type="checkbox"/> California corp. no.
City 60320 Frankfurt	State	ZIP Code Country Germany

Part II Withholding agent

Withholding agent's (payer's/partnership's/limited liability company's) name Partnership G		<input type="checkbox"/> SSN
Address (number and street) 300 Christlur Street	PMB no.	<input checked="" type="checkbox"/> FEIN <input type="checkbox"/> California corp. no. 0 5 0 5 0 5 0 5 0
City 60320 Frankfurt Germany	State ZIP Code	Daytime telephone number (999) 564-3210 ext. 6789

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 Partner/Member
 Other (describe)

Part IV Tax Withheld

1 Total amount subject to withholding	1	37,500	00
2 Total California tax withheld	2	3,487	50

Line 1: Total amount subject to withholding should be the foreign partner's allocable share of California source income for the partnership's tax year.

Line 2: Enter the amount withheld for Partner #1.

37,500.00 (Amount subject to withholding for this partner)
 x .093 (Withholding rate for individuals)
3,487.50 (Total CA tax withheld for this partner)

Partner #2
Foreign (non U.S.) partner

Partner #2 is a corporation

YEAR _____

CALIFORNIA FORM

592-B

2 0 0 5

Nonresident Withholding Tax Statement

Copy A FOR FRANCHISE TAX BOARD

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

Part I Recipient

Recipient's name Partner #2		<input type="checkbox"/> SSN	
Address (number and street) 300 Handel Street		PMB no.	<input checked="" type="checkbox"/> FEIN <input type="checkbox"/> California corp. no.
City 60320 Frankfurt	State	ZIP Code	Country Germany

Part II Withholding agent

Withholding agent's (payer's/partnership's/limited liability company's) name Partnership G		<input type="checkbox"/> SSN	
Address (number and street) 300 Christur Street		PMB no.	<input checked="" type="checkbox"/> FEIN <input type="checkbox"/> California corp. no.
City 60320 Frankfurt	State Germany	ZIP Code	Daytime telephone number (999) 564-3210 ext. 6789

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 checked="" type="checkbox"/> Allocations to Foreign (non-U.S.) Nonresident Partner/Member	<input 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	37,500	00
2 Total California tax withheld	2	3,315	00

Line 1: Total amount subject to withholding should be the foreign partner's allocable share of California source income for the partnership's tax year.

Line 2: Enter the amount withheld for Partner #1.

37,500.00 (Amount subject to withholding for this partner)
x .0884 (Withholding rate for corporations)
3,315.00 (Total CA tax withheld for this partner)