

CALIFORNIA 540

Forms & Instructions

2020 Personal Income Tax Booklet

Members of the Franchise Tax Board

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STATE OF CALIFORNIA
Franchise Tax Board

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Important Dates

When the due date falls on a weekend or holiday, the deadline to file and pay without penalty is extended to the next business day.

April 15, 2021*	Last day to file and pay the 2020 amount you owe to avoid penalties and interest. *See form FTB 3519 for more information. *If you are living or traveling outside the United States on April 15, 2021, the dates for filing your tax return and paying your tax are different. See form FTB 3519 for more information.
October 15, 2021	Last day to file or e-file your 2020 tax return to avoid a late filing penalty and interest computed from the original due date of April 15, 2021.
April 15, 2021 June 15, 2021 September 15, 2021 January 18, 2022	The dates for 2021 estimated tax payments. Generally, you do not have to make estimated tax payments if the total of your California withholdings is 90% of your required annual payment. Also, you do not have to make estimated tax payments if you will pay enough through withholding to keep the amount you owe with your tax return under \$500 (\$250 if married/registered domestic partner (RDP) filing separately). However, if you do not pay enough tax either through withholding or by making estimated tax payments, you may have an underpayment penalty. See Form 540-ES instructions for more information.

\$\$\$ for You

Earned Income Tax Credit

- **Federal Earned Income Tax Credit (EIC)** – EIC reduces your federal tax obligation, or allows a refund if no federal tax is due. You may qualify if you earned less than \$50,954 (\$56,844 if married filing jointly) and have qualifying children or you have no qualifying children and you earned less than \$15,820 (\$21,710 if married filing jointly). Go to the Internal Revenue Service (IRS) website at irs.gov/taxtopics and choose topic **601**, get the federal income tax booklet, or go to irs.gov and search for **eitc assistant**.
- **California Earned Income Tax Credit (EITC)** – EITC reduces your California tax obligation, or allows a refund if no California tax is due. You may qualify if you have wage income earned in California and/or net earnings from self-employment of less than \$30,001. You do not need a child to qualify. For more information, go to ftb.ca.gov and search for **eitc** or get form FTB 3514, California Earned Income Tax Credit.

Young Child Tax Credit

- **Young Child Tax Credit (YCTC)** – YCTC reduces your California tax obligation, or allows a refund if no California tax is due. You may qualify for the credit if you qualified for the CA EITC and you have at least one qualifying child who is younger than six years old as of the last day of the taxable year. For more information, see the instructions for Form 540, line 76, and get form FTB 3514.

Refund of Excess State Disability Insurance (SDI) – If you worked for at least two employers during 2020 who together paid you more than \$122,909 in wages, you may qualify for a refund of excess SDI. See the instructions on page 15.

Common Errors and How to Prevent Them

Help us process your tax return quickly and accurately. When we find an error, it requires us to stop to verify the information on the tax return, which slows processing. The most common errors consist of:

- Claiming the wrong amount of estimated tax payments.
- Claiming the wrong amount of standard deduction or itemized deductions.
- Claiming a dependent already claimed on another return.
- The amount of refund or payments made on an original return does not match our records when amending your tax return.

- Claiming the wrong amount of withholding by incorrectly totaling or transferring the amounts from your federal Form W-2, Wage and Tax Statement.
- Claiming the wrong amount of real estate withholding.
- Claiming the wrong amount of SDI.
- Claiming the wrong amount of exemption credits.

To avoid errors and help process your tax return faster, use these helpful hints when preparing your tax return.

Claiming estimated tax payments:

- Verify the amount of estimated tax payments claimed on your tax return matches what you sent to the Franchise Tax Board (FTB) for that year. Go to ftb.ca.gov and login or register for MyFTB to view your total estimated tax payments before you file your tax return.
- Verify the overpayment amount from your 2019 tax return you requested to be applied to your 2020 estimated tax.

Claiming state disability insurance:

- Verify the amount of SDI used to figure the amount of excess SDI claimed on Form 540, line 74, matches amounts from your W-2's.

Claiming standard deduction or itemized deductions:

- See Form 540, line 18 instructions and worksheets for the amount of standard deduction or itemized deductions you can claim.

Claiming withholding amounts:

- Go to ftb.ca.gov and login or register for MyFTB to verify withheld amount or see instructions for line 71 of Form 540. Confirm only California income tax withheld is claimed.
- Verify real estate or other withholding amount from Form 592-B, Resident and Nonresident Withholding Statement, and Form 593, Real Estate Withholding Statement. See instructions for line 73 of Form 540.

Claiming refund or payments made on an original return when amending your tax return:

- Go to ftb.ca.gov and login or register for MyFTB to check tax return records for refund or payments made.
- Verify the amount from your original return Form 540, line 115 and include any adjustment by FTB.

Use e-file:

- By using e-file, you can eliminate many common errors. Go to ftb.ca.gov and search for **efile options**.

Do I Have to File?

Steps to Determine Filing Requirement

Step 1: Is your gross income (all income received from all sources in the form of money, goods, property, and services that are not exempt from tax) more than the amount shown in the California Gross Income chart below for your filing status, age, and number of dependents? If yes, you have a filing requirement. If no, go to Step 2.

Step 2: Is your adjusted gross income (federal adjusted gross income from all sources reduced or increased by all California income adjustments) more than the amount shown in the California Adjusted Gross Income chart below for your filing status, age, and number of dependents? If yes, you have a filing requirement. If no, go to Step 3.

Step 3: If your income is less than the amounts on the chart you may still have a filing requirement. See "Requirements for Children with Investment Income" and "Other Situations When You Must File." Do those instructions apply to you? If yes, you have a filing requirement. If no, go to Step 4.

Step 4: Are you married/RDP filing separately with separate property income? If no, you do not have a filing requirement. If yes, prepare a tax return. If you owe tax, you have a filing requirement.

On 12/31/20, my filing status was:	and on 12/31/20, my age was: (If your 65th birthday is on January 1, 2021, you are considered to be age 65 on December 31, 2020)	California Gross Income			California Adjusted Gross Income		
		Dependents			Dependents		
		0	1	2 or more	0	1	2 or more
Single or Head of household	Under 65	18,496	31,263	40,838	14,797	27,564	37,139
	65 or older	24,696	34,271	41,931	20,997	30,572	38,232
Married/RDP filing jointly Married/RDP filing separately (The income of both spouses/RDPs must be combined; both spouses/RDPs may be required to file a tax return even if only one spouse/RDP had income over the amounts listed.)	Under 65 (both spouses/RDPs)	36,996	49,763	59,338	29,599	42,366	51,941
	65 or older (one spouse/RDP)	43,196	52,771	60,431	35,799	45,374	53,034
	65 or older (both spouses/RDPs)	49,396	58,971	66,631	41,999	51,574	59,234
Qualifying widow(er)	Under 65		31,263	40,838		27,564	37,139
	65 or older		34,271	41,931		30,572	38,232
Dependent of another person Any filing status	Any age	More than your standard deduction (Use the California Standard Deduction Worksheet for Dependents on page 11 to figure your standard deduction.)					

Requirements for Children with Investment Income

California law conforms to federal law which allows parents' election to report a child's interest and dividend income from children under age 19 or a student under age 24 on the parent's tax return. For each child under age 19 or student under age 24 who received more than \$2,200 of investment income in 2020, complete Form 540 and form FTB 3800, Tax Computation for Certain Children with Unearned Income, to figure the tax on a separate Form 540 for your child.

If you qualify, you may elect to report your child's income of \$11,000 or less (but not less than \$1,100) on your tax return by completing form FTB 3803, Parents' Election to Report Child's Interest and Dividends. To make this election, your child's income must be **only** from interest and/or dividends. To get forms FTB 3800 or FTB 3803, see "Order Forms and Publications" or go to ftb.ca.gov/forms.

Other Situations When You Must File

If you have a tax liability for 2020 or owe any of the following taxes for 2020, you must file Form 540.

- Tax on a lump-sum distribution.
- Tax on a qualified retirement plan including an Individual Retirement Arrangement (IRA) or an Archer Medical Savings Account (MSA).
- Tax for children under age 19 or student under age 24 who have investment income greater than \$2,200 (see paragraph above).
- Alternative minimum tax.
- Recapture taxes.
- Deferred tax on certain installment obligations.
- Tax on an accumulation distribution from a trust.

Filing Status

Use the same filing status for California that you used for your federal income tax return, unless you are a registered domestic partnership (RDP). If you are an RDP and file single for federal, you must file married/RDP filing jointly or married/RDP filing separately for California. If you are an RDP and file head of household for federal purposes, you may file head of household for California purposes only if you meet the requirements to be considered unmarried or considered not in a domestic partnership.

Exception: If you file a joint tax return for federal purposes, you may file separately for California if either spouse was either of the following:

- An active member of the United States armed forces or any auxiliary military branch during 2020.

- A nonresident for the entire year and had no income from California sources during 2020.

Community Property States: If the spouse earning the California source income is domiciled in a community property state, community income will be split equally between the spouses. Both spouses will have California source income and they will not qualify for the nonresident spouse exception.

If you had no federal filing requirement, use the same filing status for California that you would have used to file a federal income tax return.

If you filed a joint tax return and either you or your spouse/RDP was a nonresident for 2020, file Form 540NR, California Nonresident or Part-Year Resident Income Tax Return.

Single

You are single if any of the following was true on December 31, 2020:

- You were not married or an RDP.
- You were divorced under a final decree of divorce, legally separated under a final decree of legal separation, or terminated your registered domestic partnership.
- You were widowed before January 1, 2020, and did not remarry or enter into another registered domestic partnership in 2020.

Married/RDP Filing Jointly

You may file married/RDP filing jointly if any of the following is true:

- You were married or an RDP as of December 31, 2020, even if you did not live with your spouse/RDP at the end of 2020.
- Your spouse/RDP died in 2020 and you did not remarry or enter into another registered domestic partnership in 2020.
- Your spouse/RDP died in 2021 before you filed a 2020 tax return.

Married/RDP Filing Separately

- Community property rules apply to the division of income if you use the married/RDP filing separately status. For more information, get FTB Pub. 1031, Guidelines for Determining Resident Status, FTB Pub. 737, Tax Information for Registered Domestic Partners, or FTB Pub. 1032, Tax Information for Military Personnel. To get forms see "Order Forms and Publications" or go to ftb.ca.gov/forms.
- You cannot claim a personal exemption credit for your spouse/RDP even if your spouse/RDP had no income, is not filing a tax return, and is not claimed as a dependent on another person's tax return.
- You may be able to file as head of household if your child lived with you and you lived apart from your spouse/RDP during the entire last six months of 2020.

Head of Household

For the specific requirements that must be met to qualify for head of household (HOH) filing status, get FTB Pub. 1540, California Head of Household Filing Status. In general, HOH filing status is for unmarried individuals and certain married individuals or RDPs living apart who provide a home for a specified relative. You may be entitled to use HOH filing status if **all** of the following apply:

- You were unmarried and not in a registered domestic partnership, or you met the requirements to be considered unmarried or considered not in a registered domestic partnership on December 31, 2020.
- You paid more than one-half the cost of keeping up your home for the year in 2020.
- For more than half the year, your home was the main home for you and one of the specified relatives who by law can qualify you for HOH filing status.
- You were not a nonresident alien at any time during the year.

For a child to qualify as your foster child for HOH purposes, the child must either be placed with you by an authorized placement agency or by order of a court.

California requires taxpayers who use HOH filing status to file form FTB 3532, Head of Household Filing Status Schedule, to report how the HOH filing status was determined.

Beginning in tax year 2018, if you do not attach a completed form FTB 3532 to your tax return, we will deny your HOH filing status. For more information about the HOH filing requirements, go to ftb.ca.gov and search for **hoh**. To get form FTB 3532, see “Order Forms and Publications” or go to ftb.ca.gov/forms.

Qualifying Widow(er)

Check the box on Form 540, line 5 and use the joint return tax rates for 2020 if **all** five of the following apply:

- Your spouse/RDP died in 2018 or 2019 and you did not remarry or enter into another registered domestic partnership in 2020.
- You have a child, stepchild, or adopted child (not a foster child) whom you can claim as a dependent or could claim as a dependent except that, for 2020:
 - The child had gross income of \$4,300 or more;
 - The child filed a joint return, or
 - You could be claimed as a dependent on someone else’s return.

If the child isn’t claimed as your dependent, enter the child’s name in the entry space under the “Qualifying widow(er)” filing status.

- This child lived in your home for all of 2020. Temporary absences, such as for vacation or school, count as time lived in the home.
- You paid over half the cost of keeping up your home for this child.
- You could have filed a joint tax return with your spouse/RDP the year he or she died, even if you actually did not do so.

What’s New and Other Important Information for 2020

Differences between California and Federal Law

In general, for taxable years beginning on or after January 1, 2015, California law conforms to the Internal Revenue Code (IRC) as of January 1, 2015. However, there are continuing differences between California and federal law. When California conforms to federal tax law changes, we do not always adopt all of the changes made at the federal level. For more information, go to ftb.ca.gov and search for **conformity**. Additional information can be found in FTB Pub. 1001, Supplemental Guidelines to California Adjustments, the instructions for California Schedule CA (540), California Adjustments – Residents, and the Business Entity tax booklets.

The instructions provided with California tax forms are a summary of California tax law and are only intended to aid taxpayers in preparing their state income tax returns. We include information that is most useful to the greatest number of taxpayers in the limited space available. It is not possible to include all requirements of the California Revenue and Taxation Code (R&TC) in the instructions. Taxpayers should not consider the instructions as authoritative law.

Conformity – For updates regarding federal acts, go to ftb.ca.gov and search for **conformity**.

2020 Tax Law Changes/What’s New

Resident State Tax Filers List – For taxable years beginning on or after January 1, 2020, taxpayers will include on their Form 540 the address and county of their principal residence as part of the FTB’s annual reporting requirements to the jury commissioner. Taxpayers that are required to provide this information include persons who are 18 years of age or older and have filed a California resident income tax return for the preceding taxable year. The list of resident state tax filers will be used as one of the source lists for jury selection by the jury commissioner’s office. For more information, see specific line instructions or California R&TC Sections 19548.4 and 19585.

Dependent Exemption Credit with No ID – For taxable years beginning on or after January 1, 2018, taxpayers claiming a dependent exemption credit for a dependent who is ineligible for a Social Security Number (SSN) and a federal Individual Taxpayer Identification Number (ITIN) may provide alternative information to the Franchise Tax Board (FTB) to identify the dependent. To claim the dependent exemption credit, taxpayers complete form FTB 3568, Alternative Identifying Information for the Dependent Exemption Credit, attach the form and required documentation to their tax return, and write “no id” in the SSN field of line 10, Dependents, on Form 540, California Resident Income Tax Return. For each dependent being claimed that does not have an SSN and an ITIN, a form FTB 3568 must be provided along with supporting documentation.

Taxpayers may amend their 2018 and 2019 tax returns to claim the dependent exemption credit. For more information on how to amend

your tax returns, see “Instructions for Filing a 2020 Amended Return” on page 27.

Federal Acts – The federal Coronavirus Aid, Relief, and Economic Security (CARES) Act was enacted on March 27, 2020, and the Setting Every Community Up for Retirement Enhancement (SECURE) Act was enacted on December 20, 2019. In general, R&TC does not conform to the changes under these federal acts. California taxpayers continue to follow the IRC as of the specified date of January 1, 2015, with modifications. For specific adjustments due to the CARES Act and SECURE Act, see the Schedule CA (540) instructions.

CARES Act Loan Forgiveness – For taxable years beginning on or after January 1, 2020, California law provides an exclusion from gross income for covered loan amounts forgiven under the federal CARES Act, Paycheck Protection Program and Health Care Enhancement Act, or the Paycheck Protection Program Flexibility Act of 2020. Any credit or deduction allowed under this provision should be reduced by the amount of the exclusion allowed.

CARES Act Qualified Employer Plan Loans – For taxable years beginning on or after January 1, 2020, California conforms to the qualified employer plan loans provision under the federal CARES Act which temporarily increases the amount of loans allowable from a qualified employer plan to \$100,000 for coronavirus-related relief and delays by one year the due date for any repayment for an outstanding loan from a qualified employer plan if requirements are met.

Main Street Small Business Tax Credit – For the taxable year beginning on or after January 1, 2020, and before January 1, 2021, a Main Street Small Business Tax Credit is available to a qualified small business employer that received a tentative credit reservation from the California Department of Tax and Fee Administration (CDTFA). For more information, get form FTB 3866, Main Street Small Business Tax Credit.

Expansion for Credits Eligibility – For taxable years beginning on or after January 1, 2020, California expanded EITC and YCTC eligibility to allow either the federal ITIN or the SSN to be used by all eligible individuals, their spouses, and qualifying children. If an ITIN is used, eligible individuals should provide identifying documents upon request of the FTB. Any valid SSN can be used, not only those that are valid for work. Additionally, upon receiving a valid SSN, the individual should notify the FTB in the time and manner prescribed by the FTB. The YCTC is available if the eligible individual or spouse has a qualifying child younger than six years old. For more information, go to ftb.ca.gov and search for **eitc**, or get form FTB 3514.

Worker Status: Employees and Independent Contractors – Some individuals may be classified as independent contractors for federal purposes and employees for California purposes, which may also cause changes in how their income and deductions are classified. For more information, see the instructions for Schedule CA (540).

Minimum Essential Coverage Individual Mandate – For taxable years beginning on or after January 1, 2020, California requires residents and their dependents to obtain and maintain minimum essential coverage (MEC), also referred to as qualifying health care coverage. Individuals who fail to maintain qualifying health care coverage for any month during taxable year 2020 will be subject to a penalty unless they qualify for an exemption. For more information, see specific line instructions for Form 540, lines 64, 77, and 92, or get the following new health care forms, instructions, and publications:

- Form FTB 3849, Premium Assistance Subsidy
- Form FTB 3853, Health Coverage Exemptions and Individual Shared Responsibility Penalty
- Form FTB 3895, California Health Insurance Marketplace Statement
- Publication 3849A, Premium Assistance Subsidy (PAS)
- Publication 3895B, California Instructions for Filing Federal Forms 1094-B and 1095-B
- Publication 3895C, California Instructions for Filing Federal Forms 1094-C and 1095-C

Rental Real Estate Activities – For taxable years beginning on or after January 1, 2020, the dollar limitation for the offset for rental real estate activities shall not apply to the low income housing credit program. For more information, see R&TC Section 17561(d)(1). Get form FTB 3801-CR, Passive Activity Credit Limitations, for more information.

R&TC Section 41 Reporting Requirements – Beginning in taxable year 2020, California allows individuals and other taxpayers operating under the personal income tax law to claim credits and deductions of business expenses paid or incurred during the taxable year in conducting commercial cannabis activity. Sole proprietors conducting a commercial cannabis activity that is licensed under California Medicinal and Adult-Use Cannabis Regulation and Safety Act should file form FTB 4197, Information on Tax Expenditure Items. The FTB uses information from form FTB 4197 for reports required by the California Legislature. Get form FTB 4197 for more information.

Net Operating Loss Suspension – For taxable years beginning on or after January 1, 2020, and before January 1, 2023, California has suspended the net operating loss (NOL) carryover deduction. Taxpayers may continue to compute and carryover an NOL during the suspension period. **However**, taxpayers with net business income or modified adjusted gross income of less than \$1,000,000 or with disaster loss carryovers are not affected by the NOL suspension rules.

The carryover period for suspended losses is extended by:

- Three years for losses incurred in taxable years beginning before January 1, 2020.
- Two years for losses incurred in taxable years beginning on or after January 1, 2020, and before January 1, 2021.
- One year for losses incurred in taxable years beginning on or after January 1, 2021, and before January 1, 2022.

For more information, see R&TC Section 17276.23, and get form FTB 3805V, Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations – Individuals, Estates, and Trusts.

Excess Business Loss Limitation – The federal CARES Act made amendments to IRC Section 461(l) by eliminating the excess business loss limitation of noncorporate taxpayers for taxable year 2020 and retroactively removing the limitation for taxable years 2018 and 2019. California does **not** conform to those amendments. For taxable year 2020, complete form FTB 3461, California Limitation on Business Losses, if you are a noncorporate taxpayer and your net losses from all of your trades or businesses are more than \$259,000 (\$518,000 for married taxpayers filing a joint return). For more information, get form FTB 3461 and the instructions for Schedule CA (540).

Program 3.0 California Motion Picture and Television Production Credit – For taxable years beginning on or after January 1, 2020, California R&TC Section 17053.98 allows a third film credit, **program 3.0**, against tax. The credit is allocated and certified by the California Film Commission (CFC). The qualified taxpayer can:

- Offset the credit against income tax liability.
- Sell the credit to an unrelated party (independent films only).
- Assign the credit to an affiliated corporation.
- Apply the credit against qualified sales and use taxes.

For more information, get form FTB 3541, California Motion Picture and Television Production Credit, form FTB 3551, Sale of Credit Attributable to an Independent Film, go to ftb.ca.gov and search for **motion picture**, or go to the CFC website at film.ca.gov and search for **incentives**.

Business Credit Limitation – For taxable years beginning on or after January 1, 2020, and before January 1, 2023, there is a \$5,000,000 limitation on the application of business credits for taxpayers. The total of all business credits including the carryover of any business credit for the taxable year may not reduce the “net tax” by more than \$5,000,000. Business credits should be applied against “net tax” before other credits. Business credits disallowed due to the limitation may be carried over. The carryover period for disallowed credits is extended by the number of taxable years the credit was not allowed. For more information, get Schedule P (540), Alternative Minimum Tax and Credit Limitations – Residents.

Natural Heritage Preservation Credit – The Natural Heritage Preservation Credit expired on June 30, 2020. All qualified contributions must be made on or before that date. For more information, get form FTB 3503, Natural Heritage Preservation Credit.

New Donated Fresh Fruits or Vegetables Credit – For taxable years beginning on or after January 1, 2020, and before January 1, 2022, the list of qualified donation items has been expanded to include raw agricultural products and processed foods. For more information, get form FTB 3814, New Donated Fresh Fruits or Vegetables Credit.

Other Important Information

Loophole Closure and Small Business and Working Families Tax Relief Act of 2019 – The Tax Cuts and Jobs Act (TCJA) signed into law on December 22, 2017, made changes to the IRC. California R&TC does not conform to all of the changes. In general, for taxable years beginning on or after January 1, 2019, California conforms to the following TCJA provisions:

- California Achieving a Better Life Experience (ABLE) Program
- Student loan discharged on account of death or disability
- Federal Deposit Insurance Corporation (FDIC) Premiums
- Excess employee compensation
- Excess business loss

Like-Kind Exchanges – The TCJA amended IRC Section 1031 limiting the nonrecognition of gain or loss on like-kind exchanges to real property held for productive use or investment. California conforms to this change under the TCJA for exchanges initiated after January 10, 2019. However, for California purposes, with regard to individuals, this limitation only applies to:

- A taxpayer who is a head of household, a surviving spouse, or spouse filing a joint return with adjusted gross income (AGI) of \$500,000 or more for the taxable year in which the exchange begins.
- Any other taxpayer filing an individual return with AGI of \$250,000 or more for the taxable year in which the exchange begins.

Get Schedule D-1, Sales of Business Property, for more information.

California requires taxpayers who exchange property located in California for like-kind property located outside of California under IRC Section 1031, to file an annual information return with the FTB. For more information, get form FTB 3840, California Like-Kind Exchanges, or go to ftb.ca.gov and search for **like kind**.

Young Child Tax Credit – For taxable years beginning on or after January 1, 2019, the refundable YCTC is available to taxpayers who also qualify for the California EITC and who have at least one qualifying child who is younger than six years old as of the last day of the taxable year. The maximum amount of credit allowable for a qualified taxpayer is \$1,000. The credit amount phases out as earned income exceeds the threshold amount of \$25,000, and completely phases out at \$30,000. For more information, see the instructions for line 76 of Form 540, California Resident Income Tax Return and get form FTB 3514.

Net Operating Loss Carrybacks – For taxable years beginning on or after January 1, 2019, net operating loss carrybacks are **not** allowed.

Alimony – California law does not conform to changes made by the TCJA to federal law regarding alimony and separate maintenance payments that are not deductible by the payor spouse, and are not includable in the income of the receiving spouse, if made under any divorce or separation agreement executed after December 31, 2018, or executed on or before December 31, 2018, and modified after that date (if the modification expressly provides that the amendments apply). See Schedule CA (540) specific line instructions for more information.

Small Business Accounting/Percentage of Completion Method – For taxable years beginning on or after January 1, 2019, California law generally conforms to the TCJA's definition of small businesses as taxpayers whose average annual gross receipts over three years do not exceed \$25 million. These small businesses are exempt from the

requirement of using the Percentage of Completion Method of accounting for any construction contract if the contract is estimated to be completed within two years from the date the contract was entered into. A taxpayer may elect to apply the provision regarding accounting for long term contracts to contracts entered into on or after January 1, 2018.

Student Loan Discharged Due to Closure of a For-Profit School –

California law allows an income exclusion for an eligible individual who is granted a discharge of any student loan under specified conditions. This income exclusion has now been expanded to include a discharge of student loans occurring on or after January 1, 2019, and before January 1, 2024, for individuals who attended a Brightwood College school or a location of The Art Institute of California. Additional information can be found in the instructions for California Schedule CA (540).

Charitable Contribution and Business Expense Deductions

Disallowance – For taxable years beginning on or after January 1, 2014, California law disallows a charitable contribution deduction to an educational organization that is a postsecondary institution or to the Key Worldwide Foundation, and a deduction for a business expense related to a payment to the Edge College and Career Network, LLC, to a taxpayer who meets specific conditions, including that they are named in any of several specified criminal complaints. For taxable years 2014 through 2019, file an amended Form 540 and Schedule X, California Explanation of Amended Return Changes, to report the correct amount of charitable contribution and business expense deductions, as applicable. Additional information can be found in the instructions of California Schedule CA (540).

Real Estate Withholding Statement – Effective January 1, 2020, the real estate withholding forms and instructions have been consolidated into one new **Form 593, Real Estate Withholding Statement**. For more information, get Form 593.

California Earned Income Tax Credit – For taxable years beginning on or after January 1, 2018, the age limit for an eligible individual without a qualifying child is revised to 18 years or older. For more information, go to ftb.ca.gov and search for **eitc** or get form FTB 3514.

Native American Earned Income Exemption – For taxable years beginning on or after January 1, 2018, federally recognized tribal members living in California Indian country who earn income from any federally recognized California Indian country are exempt from California taxation. This exemption applies only to earned income. Enrolled tribal members who receive per capita income must reside in their affiliated tribe's Indian country to qualify for tax exempt status. Additional information can be found in the instructions for Schedule CA (540) and form FTB 3504, Enrolled Tribal Member Certification.

IRC Section 965 Deferred Foreign Income – Under federal law, if you own (directly or indirectly) certain foreign corporations, you may have to include on your return certain deferred foreign income. California does not conform. For more information, see the Schedule CA (540) instructions.

Global Intangible Low-Taxed Income (GILTI) Under IRC Section 951A – Under federal law, if you are a U.S. shareholder of a controlled foreign corporation, you must include your GILTI in your income. California does not conform. For more information, see the Schedule CA (540) instructions.

Wrongful Incarceration Exclusion – California law conforms to federal law excluding from gross income certain amounts received by wrongfully incarcerated individuals for taxable years beginning before, on, or after January 1, 2018. If you included income for wrongful incarceration in a prior taxable year, you can file an amended California personal income tax return for that year. If the normal statute of limitations has expired, you must file a claim by January 1, 2019.

College Access Tax Credit – For taxable years beginning on and after January 1, 2017, and before January 1, 2023, the College Access Tax Credit (CATC) is available to entities awarded the credit from the California Educational Facilities Authority (CEFA). The credit is 50% of the amount contributed by the taxpayer for the taxable year to the College Access Tax Credit Fund. The amount of the credit is allocated and certified by the CEFA. For more information, go to the CEFA website at treasurer.ca.gov and search for **catc**.

Schedule X, California Explanation of Amended Return Changes – For taxable years beginning on or after January 1, 2017, use Schedule X to determine any additional amount you owe or refund due to you, and to provide reason(s) for amending your previously filed income tax return. For additional information, see "Instructions for Filing a 2020 Amended Return" on page 27.

Improper Withholding on Severance Paid to Veterans – The Combat-Injured Veterans Tax Fairness Act of 2016 gives veterans who retired from the Armed Forces for medical reasons additional time to claim a refund if they had taxes improperly withheld from their severance pay. If you filed an amended return with the IRS on this issue, you have two years to file your amended California return.

Low-Income Housing Credit-Allocation to Partners – The sunset date for the requirement that a partnership allocate the low-income housing credits (LIHC) among partners based upon the partnership agreement was removed.

Sale of Credit – The sunset date regarding the provision that a taxpayer may make an election to sell all or any portion of the LIHC subject to certain conditions was removed. A taxpayer may make a one-time revocation of the election to sell all or any portion of the LIHC at any time before the California Tax Credit Allocation Committee (CTCAC) allocates a final credit amount for a project, at which point, the election would become irrevocable.

California Achieving a Better Life Experience (ABLE) Program – For taxable years beginning on or after January 1, 2016, the California Qualified ABLE Program was established and California generally conforms to the federal income tax treatment of ABLE accounts. This program was established to help blind or disabled U.S. residents save money in a tax-favored ABLE account to maintain health, independence, and quality of life. Additional information can be found in the instructions of form FTB 3805P, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts.

New California Motion Picture and Television Production Credit – For taxable years beginning on or after January 1, 2016, a new California motion picture and television production credit will be allowed to a qualified taxpayer. The credit is allocated and certified by the California Film Commission (CFC). The qualified taxpayer can:

- Offset the credit against income tax liability.
- Sell the credit to an unrelated party (independent films only).
- Assign the credit to an affiliated corporation.
- Apply the credit against qualified sales and use taxes.

For more information, get form FTB 3541, form FTB 3551, go to ftb.ca.gov and search for **motion picture**, or go to the CFC website at film.ca.gov and search for **incentives**.

Electronic Funds Withdrawal (EFW) – Make extension or estimated tax payments using tax preparation software. Check with your software provider to determine if they support EFW for extension or estimated tax payments.

Payments and Credits Applied to Use Tax – For taxable years beginning on or after January 1, 2015, if a taxpayer includes use tax on their personal income tax return, payments and credits will be applied to use tax first, then towards income tax, interest, and penalties. Additional information can be found in the instructions for California Form 540.

Dependent Social Security Number – Taxpayers claiming an exemption credit must write each dependent's SSN in the spaces provided within line 10 for the California Form 540. If you are claiming an exemption credit for a dependent who is ineligible for an SSN and a federal ITIN, you may complete and provide form FTB 3568 with required documentation attached to the tax return and write "no id" in the SSN field of line 10. For more information, see Form 540 specific instructions for line 10 and get form FTB 3568.

Financial Incentive for Seismic Improvement – Taxpayers can exclude from gross income any amount received as loan forgiveness, grant, credit, rebate, voucher, or other financial incentive issued by the California Residential Mitigation Program or the California Earthquake Authority to assist a residential property owner or occupant with expenses paid, or obligations incurred, for earthquake loss mitigation. Additional information can be found in the instructions for California Schedule CA (540).

Disaster Losses – For taxable years beginning on or after January 1, 2014, and before January 1, 2024, taxpayers may deduct a disaster loss for any loss sustained in any city, county, or city and county in California that is proclaimed by the Governor to be in a state of emergency. For these Governor-only declared disasters, subsequent state legislation is not required to activate the disaster loss provisions. Additional information can be found in the instructions for California form FTB 3805V.

Penalty Assessed by Professional Sports League – An owner of all or part of a professional sports franchise will not be allowed a deduction for the amount of any fine or penalty paid or incurred, that was assessed or imposed

by the professional sports league that includes that franchise. Additional information can be found in the instructions for California Schedule CA (540).

New Employment Credit – For taxable years beginning on or after January 1, 2014, and before January 1, 2026, the New Employment Credit (NEC) is available to a qualified taxpayer that hires a qualified full-time employee on or after January 1, 2014, and pays or incurs qualified wages attributable to work performed by the qualified full-time employee in a designated census tract or economic development area, and receives a **tentative credit reservation** for that qualified full-time employee. In addition, an **annual certification of employment** is required with respect to each qualified full-time employee hired in a previous taxable year. In order to be allowed a credit, the qualified taxpayer must have a net increase in the total number of full-time employees in California. Any credits not used in the taxable year may be carried forward up to five years. If a qualified employee is terminated within the first 36 months after beginning employment, the employer may be required to recapture previously taken credits. For more information, go to ftb.ca.gov and search for **nec** or get form FTB 3554, New Employment Credit.

Repeal of Geographically Targeted Economic Development Area Tax Incentives – The California legislature repealed and made changes to all of the Geographically Targeted Economic Development Area (G-TEDA) Tax Incentives. Enterprise Zones (EZ) and Local Agency Military Base Recovery Areas (LAMBRA) were repealed on January 1, 2014. The Targeted Tax Areas (TTA) and Manufacturing Enhancement Areas (MEA) both expired on December 31, 2012. For more information, get the applicable EDA booklet.

California Competes Tax Credit – For taxable years beginning on and after January 1, 2014, and before January 1, 2030, the California Competes Tax Credit is available to businesses that want to come to California or stay and grow in California. Tax credit agreements will be negotiated by the Governor's Office of Business and Economic Development (GO-Biz) and approved by the California Competes Tax Credit Committee. The California Competes Tax Credit only applies to state income or franchise tax. Taxpayers who are awarded a contract by the committee will claim the credit on their income or franchise tax returns using credit code 233. The credit can reduce tax below the tentative minimum tax. Any credits not used in the taxable year may be carried forward up to six years. For more information, go to the GO-Biz website at business.ca.gov or ftb.ca.gov and search for **ca competes** or get form FTB 3531, California Competes Tax Credit.

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. Once you meet this threshold, all subsequent payments regardless of amount, tax type, or taxable year must be remitted electronically. The first payment that would trigger the mandatory e-pay requirement does not have to be made electronically. Individuals that do not send the payment electronically will be subject to a 1% noncompliance penalty.

You can request a waiver from mandatory e-pay if one or more of the following is true:

- You have not made an estimated tax or extension payment in excess of \$20,000 during the current or previous taxable year.
- Your total tax liability reported for the previous taxable year did not exceed \$80,000.
- The amount you paid is not representative of your total tax liability.

For more information or to obtain the waiver form, go to ftb.ca.gov/e-pay. Electronic payments can be made using Web Pay on FTB's website, EFW as part of the e-file return, or your credit card.

Estimated Tax Payments – Taxpayers are required to pay 30% of the required annual payment for the 1st required installment, 40% of the required annual payment for the 2nd required installment, no installment is due for the 3rd required installment, and 30% of the required annual payment for the 4th required installment.

Taxpayers with a tax liability less than \$500 (\$250 for married/RDP filing separately) do not need to make estimated tax payments.

Backup Withholding – With certain limited exceptions, payers that are required to withhold and remit backup withholding to the IRS are also required to withhold and remit to the FTB on income sourced to California. If the payee has backup withholding, the payee must contact the FTB to provide a valid taxpayer identification number, before filing the tax return. Failure to provide a valid taxpayer identification number may result in a denial of the backup withholding credit. For more information, go to ftb.ca.gov and search for **backup withholding**.

Registered Domestic Partners (RDP) – Under California law, RDPs must file their California income tax return using either the married/RDP filing jointly or married/RDP filing separately filing status. RDPs have the same legal benefits, protections, and responsibilities as married couples unless otherwise specified.

If you entered into a same sex legal union in another state, other than a marriage, and that union has been determined to be substantially equivalent to a California registered domestic partnership, you are required to file a California income tax return using either the married/RDP filing jointly or married/RDP filing separately filing status.

For purposes of California income tax, references to a spouse, husband, or wife also refer to a California RDP, unless otherwise specified. When we use the initials RDP they refer to both a California registered domestic "partner" and a California registered domestic "partnership," as applicable. For more information on RDPs, get FTB Pub. 737.

Direct Deposit Refund – You can request a direct deposit refund on your tax return whether you e-file or file a paper tax return. 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.

Direct Deposit for ScholarShare 529 College Savings Plans – If you have a ScholarShare 529 College Savings Plan account maintained by the ScholarShare Investment Board, you may have your refund directly deposited to your ScholarShare account. Please visit scholarshare529.com for instructions.

California Disclosure Obligations – If the individual was involved in a reportable transaction, including a listed transaction, the individual may have a disclosure requirement. Attach federal Form 8886, Reportable Transaction Disclosure Statement, to the back of the California tax return along with any other supporting schedules. If this is the first time the reportable transaction is disclosed on the tax return, send a duplicate copy of the federal Form 8886 to the address below. The FTB may impose penalties if the individual fails to file federal Form 8886, or fails to provide any other required information. A material advisor is required to provide a reportable transaction number to all taxpayers and material advisors for whom the material advisor acts as a material advisor.

TAX SHELTER FILING
ABS 389 MS F340
FRANCHISE TAX BOARD
PO BOX 1673
SACRAMENTO CA 95812-9900

For more information, go to ftb.ca.gov and search for **disclosure obligation**.

Which Form Should I Use?



e-file and you won't have to decide which form to use! The software will select the correct form for you.

Were you and your spouse/RDP residents during the entire year 2020?

Yes. Check the chart below to see which form to use.

No. Use Form 540NR. To download or order the California Nonresident or Part-Year Resident Income Tax Booklet, go to ftb.ca.gov/forms or see, "Where to Get Income Tax Forms and Publications."

	Form 540 2EZ Form not included in this booklet. If you qualify to use Form 540 2EZ, see "Where To Get Income Tax Forms and Publications" to download or order this form.	Form 540
Filing Status	Single, married/RDP filing jointly, head of household, qualifying widow(er)	Any filing status
Dependents	0-3 allowed	All dependents you are entitled to claim
Amount of Income	Total income of: <ul style="list-style-type: none"> • \$100,000 or less if single or head of household • \$200,000 or less if married/RDP filing jointly or qualifying widow(er) You cannot use Form 540 2EZ if you (or your spouse/RDP) can be claimed as a dependent by another taxpayer, and your TOTAL income is less than or equal to \$15,251 if single; \$30,552 if married/RDP filing jointly or qualifying widow(er); or \$21,652 if head of household.	Any amount of income
Sources of Income	Only income from: <ul style="list-style-type: none"> • Wages, salaries, and tips • Taxable interest, dividends, and pensions • Taxable scholarship and fellowship grants (only if reported on federal Form(s) W-2) • Capital gains from mutual funds (reported on federal Form 1099-DIV, box 2a only) • Unemployment compensation reported on federal Form 1099-G • Paid Family Leave Insurance • U.S. social security benefits • Tier 1 and tier 2 railroad retirement payments 	All sources of income
Adjustments to Income	No adjustments to income	All adjustments to income
Standard Deduction	Allowed	Allowed
Itemized Deductions	No itemized deductions	All itemized deductions
Payments	Only withholding shown on federal Form(s) W-2 and 1099-R	<ul style="list-style-type: none"> • Withholding from all sources • Estimated tax payments • Payments made with extension • Excess State Disability Insurance (SDI) or Voluntary Plan Disability Insurance (VPDI)
Tax Credits	<ul style="list-style-type: none"> • Refundable California earned income tax credit • Refundable young child tax credit • Personal exemption credit • Senior exemption credit • Up to three dependent exemption credits • Nonrefundable renter's credit 	All tax credits
Other Taxes	Only tax computed using the 540 2EZ Table	All taxes



If you qualify to use Form 540 2EZ, you may be eligible to use CalFile. Visit ftb.ca.gov and search for **calfile**. It's fast, easy, and free.

If you don't qualify for CalFile, you qualify for e-file. Go to ftb.ca.gov and search for **e-file options**.

2020 Instructions for Form 540 — California Resident Income Tax Return

References in these instructions are to the Internal Revenue Code (IRC) as of January 1, 2015, and the California Revenue and Taxation Code (R&TC).

Before You Begin

Complete your federal income tax return Form 1040, U.S. Individual Income Tax Return, or Form 1040-SR, U.S. Tax Return for Seniors, before you begin your Form 540, California Resident Income Tax Return. Use information from your federal income tax return to complete your Form 540. Complete and mail Form 540 by April 15, 2021. If unable to mail your tax return by this date, see page 2.



You may qualify for the federal earned income credit. See page 2 for more information.

Note: The lines on Form 540 are numbered with gaps in the line number sequence. For example, lines 20 through 30 do not appear on Form 540, so the line number that follows line 19 on Form 540 is line 31.

Caution: Form 540 has five sides. When filing Form 540, you must send all five sides to the Franchise Tax Board (FTB).

If you need to amend your California resident income tax return, complete an amended Form 540 and check the box at the top of Form 540 indicating AMENDED return. Attach Schedule X, California Explanation of Amended Return Changes, to the amended Form 540. For specific instructions, see “Instructions for Filing a 2020 Amended Return” on page 27.



To use our automated phone service and codes, call 800.338.0505. For the complete code list, see Automated Phone Service section.

Filing in Your Tax Return

- Use black or blue ink on the tax return you send to the FTB.
- Enter your social security number(s) or individual taxpayer identification number(s) at the top of Form 540, Side 1.
- Print numbers and CAPITAL LETTERS in the space provided. Be sure to line up dollar amounts.
- If you do not have an entry for a line, leave it blank unless the instructions for a line specifically tell you to enter -0-. **Do not** enter a dash, or the word “NONE.”

Name(s) and Address

- Print your first name, middle initial, last name, and street address in the spaces provided at the top of the form.

Suffix

Use the Suffix field for generational name suffixes such as “SR”, “JR”, “III”, “IV”. Do not enter academic, professional, or honorary suffixes.

Additional Information

Use the Additional Information field for “In-Care-Of” name and other supplemental address information only.

Foreign Address

If you have a foreign address, follow the country’s practice for entering the city, county, province, state, country, and postal code, as applicable, in the appropriate boxes. **Do not** abbreviate the country name.

Principal Business Activity (PBA) Code

For federal Schedule C (Form 1040), Profit or Loss From Business (Sole Proprietorship) business filers, enter the numeric PBA code from federal Schedule C (Form 1040), line B.

Date of Birth (DOB)

Enter your DOBs (mm/dd/yyyy) in the spaces provided. If your filing status is married/RDP filing jointly or married/RDP filing separately, enter the DOBs in the same order as the names.

Prior Name

If you or your spouse/RDP filed your 2019 tax return under a different last name, write the last name **only** from the 2019 tax return.

Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN)

Enter your SSN in the spaces provided. If filing a joint tax return, enter the SSNs in the same order as the names.

If you do not have an SSN because you are a nonresident or resident alien for federal tax purposes, and the Internal Revenue Service (IRS) issued you an ITIN, enter the ITIN in the space for the SSN. An ITIN is a tax processing number issued by the IRS to foreign nationals and others who have a federal tax filing requirement and do not qualify for an SSN. It is a nine-digit number that always starts with the number 9.

Principal Residence

Only complete this section if you are 18 or older and you have filed a California resident income tax return in the prior year.

- **County** – Enter the county where you have your principal/physical residence on the date that you file your Form 540. If you reside in a foreign country at the time of filing, leave the county field blank.
- If your principal/physical residence address at the time of filing is the same as the address you provided at the top of this form, check the box provided on this line.
- If your principal/physical residence address at the time of filing is different from the address at the top of this form, provide the address of your principal/physical residence in the spaces provided.
- If you reside in a foreign country at the time of filing, enter the city, province or state, and country in the city field. Follow the country’s practice for entering the postal code. **Do not** abbreviate the country name.

If you are under 18 years old or have not filed a California resident income tax return in the prior year, then leave the county and principal/physical address fields blank.

Filing Status

Line 1 through Line 5 – Filing Status

Check only one box for line 1 through line 5. Enter the required additional information if you checked the box on line 3 or line 5. For filing status requirements, see page 3.

Usually, your California filing status must be the same as the filing status you used on your federal income tax return.

Exception for Married Taxpayers Who File a Joint Federal Income Tax Return – You may file separate California returns if either spouse was either of the following:

- An active member of the United States Armed Forces or any auxiliary military branch during 2020.
- A nonresident for the entire year and had no income from California sources during 2020.

Caution – Community Property States: If either spouse earned California source income while domiciled in a community property state, the community income will be split equally between the spouses. Both spouses will have California source income and they will **not** qualify for the nonresident spouse exception. For more information, get FTB Pub. 1031, Guidelines for Determining Resident Status.

If you had no federal filing requirement, use the same filing status for California you would have used to file a federal income tax return.

Registered domestic partners (RDPs) who file single for federal **must** file married/RDP filing jointly or married/RDP filing separately for California. If you are an RDP and file head of household for federal purposes, you may file head of household for California purposes only if you meet the requirements to be considered unmarried or considered not in a domestic partnership.

If you filed a joint tax return and either you or your spouse/RDP was a nonresident for 2020, you **must file** the Form 540NR, California Nonresident or Part-Year Resident Income Tax Return.

Exemptions

Line 6 – Can be Claimed as Dependent



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Check the box on line 6 if someone else can claim you or your spouse/RDP as a dependent on their tax return, even if they chose not to.

Line 7 – Personal Exemptions

Did you check the box on line 6?

No Follow the instructions on Form 540, line 7.

Yes Ignore the instructions on Form 540, line 7. Instead, enter in the box on line 7 the amount shown below for your filing status:

- Single or married/RDP filing separately, enter -0-.
- Head of household, enter -0-.
- Married/RDP filing jointly and both you and your spouse/RDP can be claimed as dependents, enter -0-.
- Married/RDP filing jointly and only one spouse/RDP can be claimed as a dependent, enter 1.

Do not claim this credit if someone else can claim you as a dependent on their tax return.

Line 8 – Blind Exemptions

The first year you claim this exemption credit, attach a doctor's statement to the back of Form 540 indicating you or your spouse/RDP are visually impaired. If you e-file, attach any requested forms, schedules and documents according to your software's instructions. Visually impaired means not capable of seeing better than 20/200 while wearing glasses or contact lenses, or if your field of vision is not more than 20 degrees.

Do not claim this credit if someone else can claim you as a dependent on their tax return.

Line 9 – Senior Exemptions

If you were 65 years of age or older by December 31, 2020,* you should claim an additional exemption credit on line 9. If you are married/or an RDP, each spouse/RDP 65 years of age or older should claim an additional credit. You may contribute all or part of this credit to the California Seniors Special Fund. See "Voluntary Contribution Fund Descriptions" for more information.

*If your 65th birthday is on January 1, 2021, you are considered to be age 65 on December 31, 2020.

Do not claim this credit if someone else can claim you as a dependent on their tax return.

Line 10 – Dependent Exemptions

To claim an exemption credit for each of your dependents, you must write each dependent's first and last name, SSN and relationship to you in the space provided. If you are claiming more than three dependents, attach a statement with the required dependent information to your tax return. The persons you list as dependents must be the same persons you listed as dependents on your federal income tax return. If you filed form FTB 3568 to qualify to claim your dependents for California purposes, the dependents you claim on your California income tax return may not match those claimed on your federal income tax return. Count the number of dependents listed and enter the total in the box on line 10. Multiply the number you entered by the pre-printed dollar amount and enter the result.

For taxable years beginning on or after January 1, 2018, taxpayers claiming a dependent exemption credit for a dependent who is ineligible for an SSN and a federal ITIN may provide alternative information to the FTB to identify the dependent.

To claim the dependent exemption credit, taxpayers complete form FTB 3568, Alternative Identifying Information for the Dependent Exemption Credit, attach the form and required documentation to their tax return, and write "no id" in the SSN field of line 10, Dependents, on Form 540. For each dependent being claimed that does not have an SSN and an ITIN, a form FTB 3568 must be provided along with supporting documentation.

Taxpayers may amend their 2018 and 2019 tax returns to claim the dependent exemption credit. These taxpayers should complete an amended Form 540, write "no id" in the SSN field on the Dependents line, and attach Schedule X. To complete Schedule X, check box m for "Other" on Part II, line 1, and write the explanation "Claim dependent exemption credit with no id and form FTB 3568 is attached" on Part II, line 2. Make sure to attach form FTB 3568 and the required supporting documents in addition to the amended tax return and Schedule X. If taxpayers do not claim the dependent exemption credit on their original 2020 tax return, they may amend their 2020 tax return following the same procedure as for 2018 and 2019 amended tax returns.

If your dependent child was born and died in 2020 and you do not have an SSN for the child, enter "Died" in the space provided for the SSN and include a copy of the child's birth certificate, death certificate, or hospital records. The document must show the child was born alive. If you e-file, attach any requested forms, schedules and documents according to your software's instructions.

Line 11 – Exemption Amount

Add line 7 through line 10 and enter the total dollar amount of all exemptions for personal, blind, senior, and dependent.

Taxable Income

Refer to your completed federal income tax return to complete this section.

Line 12 – State Wages



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Enter the total amount of your state wages from all states from each of your federal Form(s) W-2, Wage and Tax Statement. This amount appears on Form W-2, box 16.

If you received wages and do not have a Form W-2, see "Attachments to your tax return."

Line 13 – Federal Adjusted Gross Income (AGI) from federal Form 1040 or Form 1040-SR, line 11

RDPs who file a California tax return as married/RDP filing jointly and have no RDP adjustments between federal and California, combine their individual AGIs from their federal tax returns filed with the IRS. Enter the combined AGI on line 13.

RDP adjustments include but are not limited to the following:

- Transfer of property between spouses/RDPs
- Capital loss
- Transactions between spouses/RDPs
- Sale of residence
- Dependent care assistance
- Investment interest
- Qualified residence interest acquisition loan & equity loan
- Expense depreciation property limits
- Individual Retirement Account
- Interest education loan
- Rental real estate passive loss
- Rollover of publicly traded securities gain into specialized small business investment companies

RDPs filing as married/RDP filing separately, former RDPs filing single, and RDPs with RDP adjustments will use the California RDP Adjustments Worksheet in FTB Pub. 737, Tax Information for Registered Domestic Partners, or complete a federal pro forma Form 1040 or 1040-SR. Transfer the amount from the California RDP Adjustments Worksheet, line 23, column D, or federal pro forma Form 1040 or 1040-SR, line 11, to Form 540, line 13.

Line 14 – California Adjustments – Subtractions
[from Schedule CA (540), Part I, line 23, column B]

If there are no differences between your federal and California income or deductions, do not file a Schedule CA (540), California Adjustments — Residents.

If there are differences between your federal and California income, i.e. social security, complete Schedule CA (540). Follow the instructions for Schedule CA (540). Enter on line 14 the amount from Schedule CA (540), Part I, line 23, column B. If a negative amount, see Schedule CA (540), Part I, line 23 instructions.

Line 15 – Subtotal

Subtract the amount on line 14 from the amount on line 13. Enter the result on line 15. If the amount on line 13 is less than zero, combine the amounts on line 13 and line 14 and enter the result in parentheses. For example: “(12,325).”

Line 16 – California Adjustments – Additions
[from Schedule CA (540), Part I, line 23, column C]

If there are differences between your federal and California deductions, complete Schedule CA (540). Follow the instructions for Schedule CA (540). Enter on line 16 the amount from Schedule CA (540), Part I, line 23, column C. If a negative amount, see Schedule CA (540), Part I, line 23 instructions.

Line 18 – California Itemized Deductions or California Standard Deduction

Decide whether to itemize your charitable contributions, medical expenses, mortgage interest paid, taxes, etc., or take the standard deduction. Your California income tax will be less if you take the **larger** of:

- Your California itemized deductions.
- Your California standard deduction.

California itemized deductions may be limited based on federal AGI. To compute limitations, use Schedule CA (540). RDPs use your recalculated federal AGI to figure your itemized deductions.

On federal tax returns, individual taxpayers who claim the standard deduction are allowed an additional deduction for net disaster losses. For California, deductions for disaster losses are only allowed for those individual taxpayers who itemized their deductions.

If married/or an RDP and filing separate tax returns, you and your spouse/RDP must either both itemize your deductions (even if the itemized deductions of one spouse/RDP are less than the standard deduction) or both take the standard deduction.

If someone else can claim you as a dependent, you may claim the greater of the standard deduction or your itemized deductions. To figure your standard deduction, use the Form 540 – California Standard Deduction Worksheet for Dependents.

Itemized deductions. Figure your California itemized deductions by completing Schedule CA (540), Part II, lines 1 through 30. Enter the result on Form 540, line 18.

If you did not itemize deductions on your federal income tax return but will itemize deductions for your Form 540, first complete federal Schedule A (Form 1040), Itemized Deductions. Then check the box on Side 2, Part II of the Schedule CA (540) and complete Part II. Attach both the federal Schedule A (Form 1040) and California Schedule CA (540) to the back of your tax return.

Standard deduction. Find your standard deduction on the California Standard Deduction Chart for Most People. If you checked the box on Form 540, line 6, use the California Standard Deduction Worksheet for Dependents.

California Standard Deduction Chart for Most People

Do not use this chart if your parent, or someone else, can claim you (or your spouse/RDP) as a dependent on their tax return.

Your Filing Status **Enter On Line 18**

1 – Single	\$4,601
2 – Married/RDP filing jointly	\$9,202
3 – Married/RDP filing separately	\$4,601
4 – Head of household	\$9,202
5 – Qualifying widow(er)	\$9,202

The California standard deduction amounts are less than the federal standard deduction amounts.

California Standard Deduction Worksheet for Dependents

Use this worksheet only if your parent, or someone else, can claim you (or your spouse/RDP) as a dependent on their return.

Use whole dollars only.

1. Enter your earned income from: line 2 of the “Standard Deduction Worksheet for Dependents” in the instructions for federal Form 1040 or 1040-SR 1 _____
2. Minimum standard deduction 2 \$1,100.00
3. Enter the larger of line 1 or line 2 here. 3 _____
4. Enter the amount shown for your filing status
 - Single or married/RDP filing separately, enter \$4,601 } 4 _____
 - Married/RDP filing jointly, head of household, or qualifying widow(er), enter \$9,202 }
5. **Standard deduction.** Enter the **smaller** of line 3 or line 4 here and on Form 540, line 18 . . . 5 _____

Line 19 – Taxable Income

Capital Construction Fund (CCF). If you claim a deduction on your federal Form 1040 or 1040-SR, line 15 for the contribution made to a capital construction fund set up under the Merchant Marine Act of 1936, reduce the amount you would otherwise enter on line 19 by the amount of the deduction. Next to line 19, enter “CCF” and the amount of the deduction. For details, see federal Publication 595, Capital Construction Fund for Commercial Fishermen.

Tax

When figuring your tax, use the correct filing status and taxable income amount.

Line 31 – Tax

To figure your tax, use one of the following methods and check the matching box on line 31:

- **Tax Table.** If your taxable income on line 19 is \$100,000 or less, use the tax table beginning on page 87. Use the correct filing status column in the tax table.
- **Tax Rate Schedules.** If your taxable income on line 19 is over \$100,000, use the tax rate schedule for your filing status on page 93.
- **FTB 3800.** Generally, use form FTB 3800, Tax Computation for Certain Children with Unearned Income, to figure the tax on a separate Form 540 for your child who was 18 and under or a student under age 24 on January 1, 2021, and who had more than \$2,200 of investment income. Attach form FTB 3800 to the child’s Form 540.
- **FTB 3803.** If, as a parent, you elect to report your child’s interest and dividend income of \$11,000 or less (but not less than \$1,100) on your tax return, complete form FTB 3803, Parents’ Election to Report Child’s Interest and Dividends. File a separate form FTB 3803 for each child whose income you elect to include on your Form 540. Add the amount of tax, if any, from each form FTB 3803, line 9, to the

amount of your tax from the tax table or tax rate schedules and enter the result on Form 540, line 31. Attach form(s) FTB 3803 to your tax return.

To prevent possible delays in processing your tax return or refund, enter the correct tax amount on this line. To automatically figure your tax or to verify your tax calculation, use our online tax calculator. Go to ftb.ca.gov/tax-rates.



CalFile or e-file and you won't have to do the math. Go to ftb.ca.gov and search for **e-file**.

Line 32 – Exemption Credits

Exemption credits reduce your tax. If your federal adjusted gross income (AGI) on line 13 is more than the amount shown below for your filing status, your credits will be limited.

For purposes of computing limitations based upon AGI, RDPs, recalculate their AGI using a federal pro forma or California RDP Adjustments Worksheet (located in FTB Pub. 737). If your recalculated federal AGI is more than the amount shown below for your filing status, your credits will be limited.

If your filing status is: Is line 13 more than:

Single or married/RDP filing separately	\$203,341
Married/RDP filing jointly or qualifying widow(er)	\$406,687
Head of household	\$305,016

- Yes** Complete the AGI Limitation Worksheet below.
- No** Follow the instructions on Form 540, line 32.

AGI Limitation Worksheet
Use whole dollars only.

a Enter the amount from line 13 **a** _____

b Enter the amount for your filing status on line b:

- Single or married/RDP filing separately . . . \$203,341
- Married/RDP filing jointly or qualifying widow(er) \$406,687
- Head of household \$305,016

c Subtract line b from line a **c** _____

d Divide line c by \$2,500 (\$1,250 if married/RDP filing separately). If the result is not a whole number, round it to the next higher whole number. **d** _____

e Multiply line d by \$6 **e** _____

f Add the numbers from the boxes on lines 7, 8, and 9 (not the dollar amounts) **f** _____

g Multiply line e by line f. **g** _____

h Add the total **dollar amount** from lines 7, 8, and 9 **h** _____

i Subtract line g from line h. If zero or less, enter -0- **i** _____

j Enter the number from the box on line 10 (not the dollar amount) **j** _____

k Multiply line e by line j. **k** _____

l Enter the **dollar amount** from line 10 **l** _____

m Subtract line k from line l. If zero or less, enter -0- **m** _____

n Add line i and line m. Enter the result here and on line 32. **n** _____

Line 34 – Tax from Schedule G-1 and Form FTB 5870A

If you received a qualified lump-sum distribution in 2020 and you were born before January 2, 1936, get California Schedule G-1, Tax on Lump-Sum Distributions, to figure your tax by special methods that may result in less tax. Attach Schedule G-1 to your tax return.

If you received accumulation distributions from foreign trusts or from certain domestic trusts, get form FTB 5870A, Tax on Accumulation Distribution of Trusts, to figure the additional tax. Attach form FTB 5870A to your tax return.

To get these forms, see “Order Forms and Publications.”

Special Credits and Nonrefundable Credits

A variety of California tax credits are available to reduce your tax if you qualify. To figure and claim most special credits, you must complete a separate form or schedule and attach it to your Form 540. The Credit Chart on page 23 describes the credits and provides the name, credit code, and number of the required form or schedule. Many credits are limited to a certain percentage or a certain dollar amount. In addition, the total amount you may claim for all credits is limited by tentative minimum tax (TMT); go to Box A to see if your credits are limited.

If you are not claiming any special credits go to line 40 and line 46 to see if you qualify for the nonrefundable child and dependent care expenses credit or the nonrefundable renter's credit.

Box A – Did you complete federal Schedule C, D, E, or F **and** claim or receive any of the following (**Note:** If your business gross receipts are less than \$1,000,000 from all trades or businesses, you do not have to report alternative minimum tax (AMT). For more information, see line 61 instructions.):

- Accelerated depreciation in excess of straight-line
- Intangible drilling costs
- Depletion
- Circulation expenditures
- Research and experimental expenditures
- Mining exploration/development costs
- Amortization of pollution control facilities
- Income/loss from tax shelter farm activities
- Income/loss from passive activities
- Income from long-term contracts using the percentage of completion method
- Pass-through AMT adjustment from an estate or trust reported on Schedule K-1 (541)

Yes Complete Schedule P (540). See “Order Forms and Publications.”

No Go to Box B.

Box B – Did you claim or receive any of the following:

- Investment interest expense
- Income from incentive stock options in excess of the amount reported on your tax return
- Income from installment sales of certain property

Yes Complete Schedule P (540). See “Order Forms and Publications.”

No Go to Box C.

Box C – If your filing status is: Is Form 540, line 17 more than:

Single or head of household	\$280,424
Married/RDP filing jointly or qualifying widow(er)	\$373,899
Married/RDP filing separately	\$186,946

Yes Complete Schedule P (540). See “Order Forms and Publications.”

No Your credits are not limited. Go to the instructions for line 40.

Line 40 – Nonrefundable Child and Dependent Care Expenses Credit

Claim this credit if you paid someone to care for your qualifying child under the age of 13, other dependent who is physically or mentally incapable of caring for him or herself, or spouse/RDP if physically or mentally incapable of caring for him or herself. The care must be provided in California. To claim this credit, your federal AGI must be \$100,000 or less and you must complete and attach form FTB 3506, Child and Dependent Care Expenses Credit, included in this booklet.

Line 43 through Line 45 – Additional Special Credits

A code identifies each credit. To claim only one or two credits, enter the credit name, code, and amount of the credit on line 43 and line 44.

To claim more than two credits, use Schedule P (540), Part III. See Schedule P (540) instructions, "How to Claim Your Credits."

Important: Attach Schedule P (540) and any supporting schedules or statements to your Form 540.

Carryovers: If you claim a credit with carryover provisions and the amount of the credit available this year exceeds your tax, carry over any excess credit to future years until the credit is used (unless the carryover period is a fixed number of years). If you claim a credit carryover for an expired credit, use form FTB 3540, Credit Carryover and Recapture Summary, to figure the amount of the credit. Otherwise, enter the amount of the credit on Schedule P (540), Part III, and **do not** attach form FTB 3540.

Credit for Joint Custody Head of Household — Code 170

You may **not** claim this credit if you used the married/RDP filing jointly, head of household, or qualifying widow(er) filing status.

Claim the credit if unmarried and not an RDP at the end of 2020 (or if married/or an RDP, you lived apart from your spouse/RDP for all of 2020 and you used the married/RDP filing separately filing status); and if you furnished more than one-half the household expenses for your home that also served as the main home of your child, step-child, or grandchild for at least 146 days but not more than 219 days of the taxable year. If the child is married/or an RDP, you must be entitled to claim a dependent exemption credit for the child.

Also, the custody arrangement for the child must be part of a decree of dissolution or legal separation or part of a written agreement between the parents where the proceedings have been initiated, but a decree of dissolution or legal separation has not yet been issued.

Use the worksheet below to figure the Joint Custody Head of Household credit **using whole dollars only**.

1. Enter the amount from Form 540, line 35	1	_____
2. Credit percentage — 30%	2	x .30
3. Credit amount. Multiply line 1 by line 2. Enter the result or \$491, whichever is less	3	_____

If you qualify for the Credit for Joint Custody Head of Household and the Credit for Dependent Parent, claim only one credit. Select the credit that allows the maximum benefit.

Credit for Dependent Parent — Code 173

You may **not** claim this credit if you used the single, head of household, qualifying widow(er), or married/RDP filing jointly filing status.

Claim this credit only if all of the following apply:

- You were married/or an RDP at the end of 2020 and you used the married/RDP filing separately filing status.
- Your spouse/RDP was not a member of your household during the last six months of the year.
- You furnished over one-half the household expenses for your dependent mother's or father's home, whether or not she or he lived in your home.

To figure the amount of this credit, use the worksheet for the Credit for Joint Custody Head of Household above. If you qualify for the Credit for Joint Custody Head of Household and the Credit for Dependent Parent, claim only one. Select the credit that will allow the maximum benefit.

Credit for Senior Head of Household — Code 163

You may claim this credit if you:

- Were 65 years of age or older on December 31, 2020.*
- Qualified as a head of household in 2018 or 2019 by providing a household for a qualifying individual who died during 2018 or 2019.
- Did not have AGI over \$79,539 for 2020.

* If your 65th birthday is on January 1, 2021, you are considered to be age 65 on December 31, 2020.

If you meet all the conditions listed above, you do not need to qualify to use the head of household filing status for 2020 in order to claim this credit.

Use this worksheet to figure this credit **using whole dollars only**.

1. Enter the amount from Form 540, line 19	1	_____
2. Credit percentage — 2%	2	x .02
3. Credit amount. Multiply line 1 by line 2. Enter the result or \$1,499, whichever is less	3	_____

Credit for Child Adoption Costs — Code 197

For the year in which an adoption decree or an order of adoption is entered (e.g., adoption is final), claim a credit for 50% of the cost of adopting a child who was **both**:

- A citizen or legal resident of the United States.
- In the **custody** of a California public agency or a California political subdivision.

Treat a prior unsuccessful attempt to adopt a child (even when the costs were incurred in a prior year) and a later successful adoption of a different child as one effort when computing the cost of adopting the child. Include the following costs if directly related to the adoption process:

- Fees for Department of Social Services or a licensed adoption agency.
- Medical expenses not reimbursed by insurance.
- Travel expenses for the adoptive family.

Note:

- This credit does not apply when a child is adopted from another country or another state, or was not in the custody of a California public agency or a California political subdivision.
- Any deduction for the expenses used to claim this credit must be reduced by the amount of the child adoption costs credit claimed.

Use the worksheet below to figure this credit **using whole dollars only**. If more than one adoption qualifies for this credit, complete a separate worksheet for each adoption. The maximum credit is limited to \$2,500 per minor child.

1. Enter qualifying costs for the child	1	_____
2. Credit percentage — 50%	2	x .50
3. Credit amount. Multiply line 1 by line 2. Do not enter more than \$2,500	3	_____

Your allowable credit is limited to \$2,500 for 2020. Carry over the excess credit to future years until the credit is used.

Line 46 – Nonrefundable Renter's Credit

If you paid rent for at least six months in 2020 on your principal residence located in California you may qualify to claim the nonrefundable renter's credit which may reduce your tax. Complete the qualification record on page 21.

Line 48

Subtract the amount on line 47 from the amount on line 35. Enter the result on line 48. If the amount on line 47 is more than the amount on line 35, enter -0-.

Other Taxes

Attach the specific form or statement required for each item below.

Line 61 – Alternative Minimum Tax (AMT)

If you claim certain types of deductions, exclusions, and credits, you may owe AMT if your total income is more than:

- \$99,707 married/RDP filing jointly or qualifying widow(er)
- \$74,780 single or head of household
- \$49,851 married/RDP filing separately

A child under age 19 or a student under age 24 may owe AMT if the sum of the amount on line 19 (taxable income) and any preference items listed on Schedule P (540) and included on the return is more than the sum of \$7,950 and the child's earned income.

AMT income does not include income, adjustments, and items of tax preference related to any trade or business of a qualified taxpayer who has gross receipts, less returns and allowances, during the taxable year of less than \$1,000,000 from all trades or businesses.

Get Schedule P (540) for more information. See "Order Forms and Publications."

Line 62 – Mental Health Services Tax

If your taxable income is more than \$1,000,000, compute the Mental Health Services Tax **using whole dollars only**:

1. Taxable income from Form 540, line 19	1	
2. Less	2	\$(1,000,000)
3. Subtotal	3	
4. Tax rate – 1%	4	x .01
5. Mental Health Services Tax – Multiply line 3 by line 4. Enter this amount here and on line 62	5	

Line 63 – Other Taxes and Credit Recapture

If you received an early distribution of a qualified retirement plan and were required to report additional tax on your federal tax return, you may also be required to report additional tax on your California tax return. Get form FTB 3805P, Additional Taxes on Qualified Plans (including IRAs) and Other Tax-Favored Accounts. If required to report additional tax, report it on line 63 and write "FTB 3805P" to the left of the amount.

In general, California conforms to federal law for income received under IRC Section 409A on a nonqualified deferred compensation (NQDC) plan and discounted stock options and stock appreciation rights. Income received under IRC Section 409A is subject to an additional 5% tax of the amount required to be included in income plus interest. Include the additional tax, if any, on line 63. Write "NQDC" on the dotted line to the left of the amount.

If you owe interest on deferred tax from installment obligations, include the additional tax, if any, in the amount you enter on line 63. Write "IRC Section 453A interest" and the amount on the dotted line to the left of the amount on line 63.

If you used form(s):

- FTB 3540, Credit Carryover and Recapture Summary
- FTB 3554, New Employment Credit

Include the additional tax for credit recapture, if any, on line 63. Write the form number and the amount on the dotted line to the left of the amount on line 63.

Line 64 – Excess Advance Premium Assistance Subsidy (APAS) Repayment

Enter your excess APAS repayment amount from form FTB 3849, line 29.

You may have to repay excess APAS even if someone else enrolled you, your spouse, or your dependent in coverage purchased through Covered California (Marketplace). In that case, another individual may have received form FTB 3895, California Health Insurance Marketplace Statement, for the coverage.

You also may have to repay excess APAS if you enrolled an individual in coverage through the Marketplace, you don't claim the individual as a dependent on your return, and no one else claims that individual as a dependent. For more information, get the instructions for form FTB 3849, Premium Assistance Subsidy, and FTB Pub 3849A, Premium Assistance Subsidy (PAS).

Payments

To avoid a delay in the processing of your tax return, enter the correct amounts on line 71 through line 74.

Line 71 – California Income Tax Withheld

Enter the total California income tax withheld from your federal Forms:

- W-2, Wage and Tax Statement, box 17
- W-2G, Certain Gambling Winnings, box 15

- 1099-DIV, Dividends and Distributions, box 15
- 1099-INT, Interest Income, box 17
- 1099-MISC, Miscellaneous Income, box 15
- 1099-NEC, Nonemployee Compensation, box 5
- 1099-OID, Original Issue Discount, box 14
- 1099-R, Distributions from Pensions, Annuities, Retirement, or Profit Sharing Plans, IRAs, Insurance Contracts, etc., box 14

Do not include city, local, or county tax withheld, tax withheld by other states, or nonconsenting nonresident (NCNR) member's tax from Schedule K-1 (568), line 15e. Do not include withholding from Forms 592-B, Resident and Nonresident Withholding Tax Statement, or Form 593, Real Estate Withholding Statement, on this line. For more details, see instructions for line 73.

Generally, tax should not be withheld on federal Form 1099-MISC or Form 1099-NEC. If you want to pre-pay tax on income reported on federal Form 1099-MISC or Form 1099-NEC, use Form 540-ES, Estimated Tax for Individuals.

Line 72 – 2020 CA Estimated Tax and Other Payments

Enter the total of any:

- California estimated tax payments you made using 2020 Form 540-ES, electronic funds withdrawal, Web Pay, or credit card.
- Overpayment from your 2019 California income tax return that you applied to your 2020 estimated tax.
- Payment you sent with form FTB 3519, Payment for Automatic Extension for Individuals.
- California estimated tax payments made on your behalf by an estate, trust, or S corporation on Schedule K-1 (541) or Schedule K-1 (100S).



To view payments made or get your current account balance, go to ftb.ca.gov and login or register for MyFTB.

If you and your spouse/RDP paid joint estimated taxes but are now filing separate income tax returns, either of you may claim the entire amount paid, or each may claim part of the joint estimated tax payments. If you want the estimated tax payments to be divided, notify the FTB before you file the tax returns so the payments can be applied to the proper account. The FTB will accept in writing, any divorce agreement (or court-ordered settlement) or a statement showing the allocation of the payments along with a notarized signature of both taxpayers.

Send statements to:

JOINT ESTIMATED CREDIT ALLOCATION MS F283
 TAXPAYER SERVICES CENTER
 FRANCHISE TAX BOARD
 PO BOX 942840
 SACRAMENTO CA 94240-0040

If you or your spouse/RDP made separate estimated tax payments, but are now filing a joint income tax return, add the amounts you each paid. Attach a statement to the front of Form 540 explaining that payments were made under both SSNs. If you e-file, attach any requested forms, schedules and documents according to your software's instructions.

You do not have to make estimated tax payments if you are a nonresident or new resident of California in 2021 and did not have a California tax liability in 2020.

Line 73 – Withholding (Form 592-B and/or 593)

Enter the total of California withholding from Form 592-B and Form 593. Attach a copy of Form(s) 592-B and 593 to the lower front of Form 540, Side 1.

If your filing status changed after escrow closed and before filing your California tax return, please contact us at 888.792.4900, prior to filing your California tax return, for instructions on how to claim your withholding credit.

Caution: Do not include withholding from federal Form(s) W-2, W-2G, or 1099, or NCNR member's tax from Schedule K-1 (568), line 15e on this line.

Line 74 – Excess California SDI (or VPDI) Withheld

You may claim a credit for excess State Disability Insurance (SDI) or Voluntary Plan Disability Insurance (VPDI) if you meet **all** of the following conditions:

- You had **two or more** California employers during 2020.
- You received more than \$122,909 in gross wages from California sources.
- The amounts of SDI (or VPDI) withheld appear on your Form(s) W-2. Be sure to attach your Form(s) W-2 to the lower front of your Form 540.

If SDI (or VPDI) was withheld from your wages by a single employer, at more than 1.00% of your gross wages, you may not claim excess SDI (or VPDI) on your Form 540. Contact the employer for a refund.

To determine the amount to enter on line 74, complete the Excess SDI (or VPDI) Worksheet below. If married/RDP filing jointly, figure the amount of excess SDI (or VPDI) separately for each spouse/RDP.

Excess SDI (or VPDI) Worksheet Use whole dollars only.		
Follow the instructions below to figure the amount of excess SDI to enter on Form 540, line 74. If you are married/RDP and file a joint return, you must figure the amount of excess SDI (or VPDI) separately for each spouse/RDP.		
	You	Your Spouse/ RDP
1. Add amounts of SDI (or VPDI) withheld shown on your federal Forms W-2. Enter the total here	1	
2. 2020 SDI (or VPDI) limit	2	\$1,229.09
3. Excess SDI (or VPDI) withheld. Subtract line 2 from line 1. Enter the results here. Combine the amounts on line 3 and enter the total, in whole dollars only on line 74	3	
If zero or less, enter -0- on line 74.		

Line 75 – Earned Income Tax Credit (EITC)

Enter your Earned Income Tax Credit from form FTB 3514, California Earned Income Tax Credit, line 20.

Line 76 – Young Child Tax Credit (YCTC)

Enter your Young Child Tax Credit from form FTB 3514, line 28.

Line 77 – Net Premium Assistance Subsidy (PAS)

Enter your net PAS amount from form FTB 3849, line 26.

Line 78

For the Claim of Right credit, follow the reporting instructions in Schedule CA (540), Part II, line 16 under the Claim of Right.

Claim of Right: If you are claiming the tax credit on your California tax return, include the amount of the credit in the total for this line. Write in “IRC 1341” and the amount of the credit to the left of the amount column.

To determine if you are entitled to this credit, refer to your prior year California Form 540, or Schedule CA (540) to verify the amount was included in your CA taxable income. If the amount repaid under a “Claim of Right” was not originally taxed by California, you are not entitled to claim the credit.

Use Tax

Line 91 – Use Tax.

You are required to enter a number on this line. If the amount due is zero, you must check the applicable box to indicate that you either owe no use tax, or you paid your use tax obligation directly to the California Department of Tax and Fee Administration.

You may owe use tax if you make purchases from out-of-state retailers (for example, purchases made by telephone, online, by mail, or in person) where California sales or use tax was not paid and you use those items in California.

If you have questions about whether a purchase is taxable, go to the California Department of Tax and Fee Administration’s website at cdtfa.ca.gov, or call its Customer Service Center at 1.800.400.7115 (CRS:711) (for hearing and speech disabilities).

Some taxpayers are required to report business purchases subject to use tax directly to the California Department of Tax and Fee Administration. However, they may report certain personal purchases subject to use tax on the FTB income tax return.

You may not report business purchases subject to use tax on your income tax return if you:

- Have or are required to hold a California seller’s permit
- Receive \$100,000 or more per year in gross receipts from business operations.
- Are otherwise registered or required to be registered with the California Department of Tax and Fee Administration to report use tax.

Note: You may not report use tax on your income tax return for certain types of transactions. These types of transactions are described in detail below in the instructions.

The Use Tax Worksheet and Estimated Use Tax Lookup Table will help you determine how much use tax to report. If you owe use tax but you do not report it on your income tax return, you must report and pay the tax to the California Department of Tax and Fee Administration. For information on how to report use tax directly to the California Department of Tax and Fee Administration, go to their website at cdtfa.ca.gov and type “Find Information About Use Tax” in the search bar.

Failure to report and pay timely may result in the assessment of interest, penalties, and fees.

See page 25 for a general explanation of California use tax.

Use Tax Worksheet

You must use the Use Tax Worksheet to calculate your use tax liability, if any of these apply:

- You prefer to calculate the amount of use tax due based upon your actual purchases subject to use tax, rather than based on an estimate.
- You owe use tax on any item purchased for use in a trade or business and you are not registered or required to be registered with the California Department of Tax and Fee Administration to report sales or use tax.
- You owe use tax on purchases of individual items with a purchase price of \$1,000 or more each.

Example 1: You purchased a television for \$2,000 from an out-of-state retailer that did not collect tax. You must use the Use Tax Worksheet to calculate the tax due on the price of the television, since the price of the television is \$1,000 or more.

Example 2: You purchased a computer monitor for \$300, a rare coin for \$500, and designer clothing for \$250 from out-of-state retailers that did not collect tax. Although the total price of all the items is \$1,050, the price of each item is less than \$1,000. Since none of these individual items are \$1,000 or more, you are not required to use the Use Tax Worksheet and may choose to use the Estimated Use Tax Lookup Table.

If you have a combination of individual non-business items purchased for \$1,000 or more each, and/or items purchased for use in a trade or business in addition to individual, non-business items purchased for less than \$1,000, you may either:

- Use the Use Tax Worksheet to compute use tax due on all purchases, or

- Use the Use Tax Worksheet to compute use tax due on all individual items purchased for \$1,000 or more plus all items purchased for use in a trade or business.
- Use the Estimated Use Tax Lookup Table to estimate the use tax due on individual, non-business items purchased for less than \$1,000, then add the amounts and report the total use tax on Line 91.

Example 3: The total price of the items you purchased from out-of-state retailers that did not collect use tax is \$2,300, which includes a \$1,000 television, a \$900 painting, and a \$400 table for your living room.

- You may choose to calculate the use tax due on the total price of \$2,300 using the Use Tax Worksheet, or
- You may choose to calculate the use tax due on the \$1,000 price of the television using the Use Tax Worksheet and estimate your use tax liability for the painting and table by using the Estimated Use Tax Lookup Table, then add the amounts and report the total use tax on Line 91.

Use Tax Worksheet (See Instructions Below)	
Use whole dollars only	
1. Enter purchases from out-of-state sellers made without payment of California sales/use tax. If you choose to estimate the use tax due on individual, non-business items purchased for less than \$1,000 each, only enter purchases of items with a purchase price of \$1,000 or more plus items purchased for use in a trade or business not registered with the California Department of Tax and Fee Administration . \$ _____.	.00
2. Enter the applicable sales and use tax rate	_____
3. Multiply Line 1 by the tax rate on Line 2. Enter result here00
4. If you choose to estimate the use tax due on individual, non-business items purchased for less than \$1,000 each, enter the use tax amount due from the Estimated Use Tax Lookup Table. If all of your purchases are included in Line 1, enter -0-00
5. Add Lines 3 and 4. This is your total use tax.00
6. Enter any sales or use tax you paid to another state for purchases included on Line 1. See worksheet instructions on this page00
7. Subtract Line 6 from Line 5. This is the total use tax due. Enter the amount due on Line 91. If the amount is less than zero, enter -0-00

Worksheet, Line 1, Purchases Subject to Use Tax

Report purchases of items that would have been subject to sales tax if purchased from a California retailer unless your receipt shows that California tax was paid directly to the retailer. For example, generally, you would include purchases of clothing, but not exempt purchases of food products or prescription medicine. For more information on nontaxable and exempt purchases, you may visit the California Department of Tax and Fee Administration’s website at cdtfa.ca.gov.

- Include handling charges.
- Do not include any other state’s sales or use tax paid on the purchases.
- Enter only purchases made during the year that corresponds with the tax return you are filing.
- If you traveled to a foreign country and hand-carried items back to California, generally use tax is due on the purchase price of the goods you listed on your U.S. Customs Declaration less an \$800 per person exemption. For the hand carried items, you should report the amount of purchases in excess of the \$800 per-person exemption. This \$800 exemption does not apply to goods sent or shipped to California by mail or other common carrier. For goods sent or shipped, you should report the entire amount of the purchases.

- If your filing status is “married/RDP filing separately,” you may elect to report one-half of the use tax due or the entire amount on your income tax return. If you elect to report one-half, your spouse/RDP may report the remaining half on his or her income tax return or on the individual use tax return available from the California Department of Tax and Fee Administration.

Note: You cannot report the following types of purchases on your income tax return.

- Vehicles, vessels, and trailers that must be registered with the Department of Motor Vehicles.
- Mobile homes or commercial coaches that must be registered annually as required by the Health and Safety Code.
- Vessels documented with the U.S. Coast Guard.
- Aircraft.
- Rental receipts from leasing machinery, equipment, vehicles, and other tangible personal property to your customers.
- Cigarettes and tobacco products when the purchaser is registered with the California Department of Tax and Fee Administration as a cigarette and/or tobacco products consumer.

Worksheet, Line 2, Sales and Use Tax Rate

Enter the sales and use tax rate applicable to the place in California where the property was used, stored, consumed, or given away. To find your sales and use tax rate, please go to the California Department of Tax and Fee Administration’s website at cdtfa.ca.gov and type “**City and County Sales and Use Tax Rates**” in the search bar. You may also call their Customer Service Center at 800.400.7115 (CRS:711) (for hearing and speech disabilities).

Worksheet, Line 6, Credit for Tax Paid to Another State

This is a credit for tax paid to other states on purchases reported on Line 1. You cannot claim a credit for more than the amount of use tax that is imposed on your use of property in this state. For example, if you paid \$8.00 sales tax to another state for a purchase, and would have paid \$6.00 in California, you can claim a credit of only \$6.00 for that purchase.

Estimated Use Tax Lookup Table

You may use the Estimated Use Tax Lookup Table to estimate and report the use tax due on individual non-business items you purchased for less than \$1,000 each. This option is only available if you are permitted to report use tax on your income tax return and you are not required to use the Use Tax Worksheet to calculate the use tax owed on all your purchases. Simply include the use tax liability that corresponds to your California Adjusted Gross Income (found on Line 17) and enter it on Line 91. You will not be assessed additional use tax on the individual non-business items you purchased for less than \$1,000 each.

You may not use the Estimated Use Tax Lookup Table to estimate and report the use tax due on purchases of items for use in your business or on purchases of individual non-business items you purchased for \$1,000 or more each. See the instructions for the Use Tax Worksheet if you have a combination of purchases of individual non-business items for less than \$1,000 each and purchases of individual non-business items for \$1,000 or more.

Adjusted Gross Income (AGI) Range	Use Tax Liability
Less Than \$10,000	\$0
\$10,000 to \$19,999	\$1
\$20,000 to \$29,999	\$2
\$30,000 to \$39,999	\$3
\$40,000 to \$49,999	\$4
\$50,000 to \$59,999	\$4
\$60,000 to \$69,999	\$5
\$70,000 to \$79,999	\$6
\$80,000 to \$89,999	\$7
\$90,000 to \$99,999	\$8
\$100,000 to \$124,999	\$9
\$125,000 to \$149,999	\$11
\$150,000 to \$174,999	\$13
\$175,000 to \$199,999	\$15
More than \$199,999 – Multiply AGI by 0.008% (x 0.00008)	

Enter your use tax liability on Line 4 of the worksheet, or if you are not required to use the worksheet, enter the amount on Line 91 of your income tax return.

ISR Penalty

Line 92 – Individual Shared Responsibility (ISR) Penalty

Enter your Individual Shared Responsibility Penalty from form FTB 3853, Health Coverage Exemptions and Individual Shared Responsibility Penalty, Part IV, line 1.

If you, your spouse/RDP (if filing a joint return), and anyone you can or do claim as a dependent had minimum essential coverage (also referred to as qualifying health care coverage) that covered all of 2020, check the “Full-year health care coverage” box on Form 540, line 92. If you check the box on Form 540, line 92, you do not owe the individual shared responsibility penalty and do not need to file form FTB 3853. For more information, get form FTB 3853.

Overpaid Tax or Tax Due

To avoid delay in processing of your tax return, enter the correct amounts on line 97 through line 100.

If you received a refund for 2019, you may receive a federal Form 1099-G. The refund amount reported on your federal Form 1099-G will be different from the amount shown on your tax return if you claimed the refundable California Earned Income Tax Credit and/or the Young Child Tax Credit. This is because the credit is not part of the refund from withholding or estimated tax payments.

Line 97 – Overpaid Tax

If the amount on line 95 is more than the amount on line 65, your payments and credits are more than your tax. Subtract the amount on line 65 from the amount on line 95. Enter the result on line 97.

Refund Intercept – FTB administers the Interagency Intercept Collection (IIC) program on behalf of the State Controller’s Office. The IIC program intercepts (offsets) refunds when individuals and business entities owe delinquent debts to government agencies including the IRS and California colleges. All refunds are subject to interception. FTB only intercepts the amount owed.

Refunds from joint tax returns may be applied to the debts of the taxpayer or spouse/RDP. After all tax liabilities are paid, any remaining credit will be applied to requested voluntary contributions, if any, and the remainder will be refunded.

If the debt was previously paid to the requestor and FTB also intercepted the refund, any overpayment will be refunded by the agency that received the funds.

For more information, go to ftb.ca.gov and search for **interagency intercept collection**.

Line 98 – Amount You Want Applied to Your 2021 Estimated Tax

Apply all or part of the amount on line 97 to your estimated tax for 2021. Enter on line 98 the amount of line 97 that you want applied to your 2021 estimated tax.

An election to apply an overpayment to estimated tax is binding. Once the election is made, the overpayment cannot be applied to a deficiency after the due date of the tax return.

Line 99 – Overpaid Tax Available This Year

If you entered an amount on line 98, subtract it from the amount on line 97. Enter the result on line 99. Choose to have this entire amount refunded to you or make voluntary contributions from this amount. See “Voluntary Contribution Fund Descriptions” for more information.

Line 100 – Tax Due

If the amount on line 95 is less than the amount on line 65, subtract the amount on line 95 from the amount on line 65. Enter the result on line 100. Your tax is more than your payments and credits.

There is a penalty for not paying enough tax during the year. You may have to pay a penalty if:

- The tax due on line 100 is \$500 or more (\$250 or more if married/RDP filing separately).
- The amount of state income tax withheld on line 71 is less than 90% of the amount of your total tax on line 65.

If this applies to you, see instructions on line 113.

Increasing your withholding could eliminate the need to make a large payment with your tax return. To increase your withholding, complete EDD Form DE 4, Employee’s Withholding Allowance Certificate, and give it to your employer’s appropriate payroll staff. Get this form from your employer or by calling EDD at **888.745.3886**. Download the DE 4 at edd.ca.gov or to use the online calculator, go to ftb.ca.gov and search for **de 4**.

Form DE 4 specifically adjusts your California state withholding and is not the same as the federal Form W-4, Employee’s Withholding Certificate.

Contributions

You can make voluntary contributions to the funds listed on Side 4. See “Voluntary Contributions Fund Descriptions” for more information.

You may also contribute any amount to the **State Parks Protection Fund/Parks Pass Purchase**. To receive a single annual park pass, your contribution must equal or exceed \$195. When applicable, FTB will forward your name and address from your tax return to the Department of Parks and Recreation (DPR) who will issue a single Vehicle Day Use Annual Pass to you. Only one pass will be provided per tax return. You may contact DPR directly to purchase additional passes. If there is an error on your tax return in the computation of total contributions or if we disallow the contribution you requested because there is no credit available for the tax year, your name and address will **not** be forwarded to DPR. Any contribution less than \$195 will be treated as a voluntary contribution and may be deducted as a charitable contribution. For more information, go to parks.ca.gov/annualpass/ or email info@parks.ca.gov.

Line 110 – Total Contributions

Add code 400 through code 444. Enter the result on line 110.

Amount You Owe

Add or subtract correctly to figure the amount you owe.

Line 111 – Amount You Owe

If you do not have an amount on line 99, add the amount on line 94, line 96, line 100, and line 110, if any. Enter the result on line 111.

If you have an amount on line 99 and the amount on line 110 is more than line 99, subtract line 99 from line 110 and enter the difference on line 111.

To avoid a late filing penalty, file your Form 540 by the extended due date even if you cannot pay the amount you owe.

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 return with a total tax liability over \$80,000. Once you meet this threshold, all subsequent payments regardless of amount, tax type, or taxable year must be remitted electronically. The first payment that would trigger the mandatory e-pay requirement does not have to be made electronically. Individuals that do not send the payment electronically will be subject to a 1% noncompliance penalty.

You can request a waiver from mandatory e-pay if one or more of the following is true:

- You have not made an estimated tax or extension payment in excess of \$20,000 during the current or previous taxable year.
- Your total tax liability reported for the previous taxable year did not exceed \$80,000.
- The amount you paid is not representative of your total tax liability.

Electronic payments can be made using Web Pay on FTB's website, electronic funds withdrawal (EFW) as part of the e-file return, or your credit card. For more information or to obtain the waiver form, go to ftb.ca.gov/e-pay.

Payment Options

- **Electronic Funds Withdrawal** – Instead of paying by check or money order, use this convenient option if you e-file. Simply provide your bank information, amount you want to pay, and the date you want the balance due to be withdrawn from your account. Your tax preparation software will offer this option.
- **Web Pay** – Pay the amount you owe using our secure online payment service. Go to ftb.ca.gov/pay for more information.
- **Credit Card** – Use your Discover, MasterCard, Visa, or American Express card to pay your tax. If you pay by credit card, do not mail form FTB 3519 to us. Call 800.272.9829 or go to the Official Payments Corporation website at officialpayments.com, and use the jurisdiction code 1555. Official Payments Corporation charges a convenience fee for using this service.
- **Check or Money Order** – Using black or blue ink, make your check or money order payable to the "Franchise Tax Board." **Do not send cash or other items of value** (such as stamps, lottery tickets, foreign currency, and gift cards). Write your SSN or ITIN and "2020 Form 540" as applicable on the check or money order. Enclose, but **do not** staple, your payment with your tax return.

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution. **Do not** combine your 2020 tax payment and any 2021 estimated tax payment in the same check. Prepare two separate checks and mail each in a separate envelope.

If you e-filed your tax return, mail your check or money order with form FTB 3582, Payment Voucher for Individual e-filed Returns. **Do not** mail a copy of your e-filed tax return.

A penalty may be imposed if your check is returned by your bank for insufficient funds.

Paying by Credit Card – Whether you e-file or file by mail, use your Discover, MasterCard, Visa, or American Express card to pay your personal income taxes (tax return balance due, extension payment, estimated tax payment, or tax due with bill notice). **There is a convenience fee for this service.** This fee is paid directly to Official Payments Corporation based on the amount of your tax payment.

Convenience Fee

- 2.30% of the tax amount charged (rounded to the nearest cent)
- Minimum fee: \$1

Example:

Tax Payment = \$753.56 Convenience Fee = \$17.33

When will my payments be effective?

Your payment is effective on the date you charge it.

What if I change my mind?

If you pay your tax liability by credit card and later reverse the credit card transaction, you may be subject to penalties, interest, and other fees imposed by the FTB for nonpayment or late payment of your tax liability.

How do I use my credit card to pay my income tax bill?

Once you have determined the type of payment and how much you owe, have the following ready:

- Your Discover, MasterCard, Visa, or American Express card
- Credit card number
- Expiration date
- Amount you are paying
- Your and your spouse's/RDP's SSN or ITIN
- First 4 letters of your and your spouse's/RDP's last name
- Taxable year
- Home phone number (including area code)
- ZIP code for address where your monthly credit card bill is sent
- FTB Jurisdiction Code: 1555

Go to the Official Payments Corporation online payment center at officialpayments.com or call 800.2PAY.TAX or 800.272.9829 and follow the recorded instructions. Official Payments Corporation provides customer assistance at 877.297.7457 Monday through Friday, 5:00 a.m. to 5:00 p.m. PST.

Payment Date: _____

Confirmation Number: _____

If you cannot pay the full amount or can only make a partial payment for the amount shown on Form 540, line 114, see the information regarding installment payments in Question 4 of the "Frequently Asked Questions" included in this booklet.

Interest and Penalties

If you file your tax return or pay your tax after the due date, you may owe interest and penalties on the tax due.

Do not reduce the amount on line 97 or increase the amount on line 100 by any penalty or interest amounts. Enter on Form 540, line 112 the amount of interest and penalties.

Line 112 – Interest and Penalties

Interest. Interest will be charged on any late filing or late payment penalty from the original due date of the return to the date paid. In addition, if other penalties are not paid within **15** days, interest will be charged from the date of the billing notice until the date of payment. Interest compounds daily and the interest rate is adjusted twice a year. The FTB website has a chart of interest rates in effect since 1976. Go to ftb.ca.gov and search for **interest rates**.

Late Filing of Tax Return. If you do not file your tax return by October 15, 2021, you will incur a late filing penalty plus interest from the original due date of the tax return. The maximum total penalty is 25% of the tax not paid if the tax return is filed after October 15, 2021. The minimum penalty for filing a tax return more than 60 days late is \$135 or 100% of the balance due, whichever is less.

Late Payment of Tax. If you fail to pay your total tax liability by April 15, 2021, you will incur a late payment penalty plus interest. The penalty is 5% of the tax not paid when due plus 1/2% for each month, or part of a month, the tax remains unpaid. We may waive the late payment penalty based on reasonable cause. Reasonable cause is presumed when 90% of the tax shown on the return is paid by the original due date of the return. However, the imposition of interest is mandatory. If, after April 15, 2021, you find that your estimate of tax due was too low, pay the additional tax as soon as possible to avoid or minimize further accumulation of penalties and interest.

Late Payment of Use Tax. To avoid late payment penalties for use tax, you must report and pay the use tax with a timely filed income tax return, or California Individual Use Tax return.

Other Penalties. We may impose other penalties if a payment is returned for insufficient funds. We may also impose penalties for negligence, substantial understatement of tax, and fraud.

Line 113 – Underpayment of Estimated Tax

You may be subject to an estimated tax penalty if any of the following is true:

- Your withholding and credits are less than 90% of your current tax year liability.
- Your withholding and credits are less than 100% of your prior year tax liability (110% if AGI is more than \$150,000 or \$75,000 if married/RDP filing separately).
- You did not pay enough through withholding to keep the amount you owe with your tax return under \$500 (\$250 if married/RDP filing separately).
- You did not make the required estimate payments, if you pay an installment after the date it is due, or if you underpay any installment, a penalty may be assessed on the portion of estimated tax that was underpaid from the due date of the installment to the date of payment or the due date of your return, whichever is earlier. Get the 2020

form FTB 5805, Underpayment of Estimated Tax by Individuals and Fiduciaries, for more information.

The FTB can figure the penalty for you when you file your tax return and send you a bill.

Is line 100 less than \$500 (\$250 if married/RDP filing separately)?

Yes Stop. You may not be subject to an estimated payment penalty.
No Continue. You may be subject to an estimated payment penalty.

Is line 100 less than 10% of the amount on line 48? Form 540 filers: this excludes the tax on lump-sum distributions on Form 540, line 34.

Yes Stop. You may not be subject to an estimated payment penalty.

No You may be subject to an estimated payment penalty; get form FTB 5805 (or form FTB 5805F, Underpayment of Estimated Tax by Farmers and Fishermen).

The underpayment of estimated tax penalty shall not apply to the extent the underpayment of an installment was created or increased by any provision of law that is chaptered during and operative for the taxable year of the underpayment. To request a waiver of the underpayment of estimated tax penalty, get form FTB 5805 or form FTB 5805F. See "Where To Get Income Tax Forms and Publications."

If you complete one of these forms, attach it to the back of your Form 540. Enter the amount of the penalty on line 113 and check the correct box on line 113. Complete and attach the form if you claim a waiver, use the annualized income installment method, or pay tax according to the schedule for farmers and fishermen, even if you do not owe a penalty.

See "Important Dates" for more information on estimated tax payments and how to avoid the underpayment penalty.

See the instructions for Form 540, line 114 for information about figuring your payment, if any.

Line 114 – Total Amount Due

Is there an amount on line 111?

Yes Add line 111, line 112, and line 113. Enter the result on line 114.
 For payment options, see line 111 instructions.

No Go to line 115.

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

Refund or No Amount Due

Line 115 – Refund or No Amount Due

Did you report amounts on line 110, line 112, or line 113?

No Enter the amount from line 99 on line 115. This is your refund amount. If it is less than \$1, attach a written statement to your Form 540 requesting the refund.

Yes Combine the amounts from line 110, line 112, and line 113. If the result is:

- Less than line 99, subtract the sum of line 110, line 112, and line 113 from line 99 and enter the result on line 115. This is your refund amount.
- More than line 99, subtract line 99 from the sum of line 110, line 112, and line 113 and enter the result on line 114. This is your total amount due. For payment options, see line 111 instructions.

Direct Deposit (Refund Only)

Line 116 and Line 117 – Direct Deposit of Refund

Direct deposit is safe and convenient. To have your refund directly deposited into your bank account, fill in the account information on line 116 and line 117. Fill in the routing and account numbers and indicate the account type. Verify routing and account numbers with your financial institution. **Do not** attach a voided check or deposit slip. See the illustration in the next column.

Individual taxpayers may request that their refund be electronically deposited into more than one checking or savings account. This allows more options for managing your refund. For example, you can request part of your refund go to your checking account to use now and the rest to your savings account to save for later.

The routing number must be nine digits. The first two digits must be 01 through 12 or 21 through 32. On the sample check, the routing number is 250250025. The account number can be up to 17 characters and can include numbers and letters. Include hyphens but omit spaces and special symbols. On the sample check, the account number is 202020.

Check the appropriate box for the type of account. Do not check more than one box for each line.

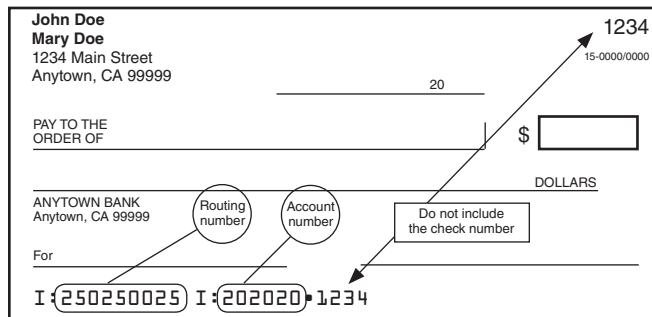
Enter the portion of your refund you want directly deposited into each account. Each deposit must be at least \$1. When filing an original return, the total of line 116 and line 117 must equal the total amount of your refund on line 115. If line 116 and line 117 do not equal line 115, the FTB will issue a paper check.

When filing an amended return, only complete the amended Form 540 through line 115. Next complete the California Schedule X. The amount from Schedule X, line 11 is your additional refund amount. This amount will be carried over to your amended Form 540 and will be entered on line 116 and line 117. The total of the amended Form 540, line 116 and line 117 must equal the total amount of your refund on Schedule X, line 11. If the total of the amended Form 540, line 116 and line 117 do not equal Schedule X, line 11, the FTB will issue a paper check.

Adjusted Refunds – If there is a change made to your refund, you will still receive your refund via direct deposit. For more information on direct deposit of adjusted refunds, go to ftb.ca.gov and search for **direct deposit**.

Caution: Check with your financial institution to make sure your deposit will be accepted and to get the correct routing and account numbers. The FTB is not responsible for a lost refund due to incorrect account information entered by you or your representative.

Prior to depositing the refund, FTB may first verify with your financial institution that the name on the account you designated to receive the direct deposit refund matches the name provided on the tax return. Some financial institutions will not allow a joint refund to be deposited to an individual account. If the direct deposit is rejected, the FTB will issue a paper check.



Direct Deposit for ScholarShare 529 College Savings Plans – If you have a ScholarShare 529 College Savings Plan account maintained by the ScholarShare Investment Board, you may have your refund directly deposited to your ScholarShare account. Please visit scholarshare529.com for instructions.

Sign Your Tax Return

You must sign your tax return in the space provided on Form 540, Side 5. If you file a joint tax return, your spouse/RDP must also sign it.

Include your preferred phone number and email address in case the FTB needs to contact you regarding your tax return. By providing this information the FTB will be able to provide you better customer service.

Joint Tax Return. If you file a joint tax return, both you and your spouse/RDP are generally responsible for the tax and any interest or penalties due on the tax return. This means that if one spouse/RDP does not pay the tax due, the other may be liable. See “Innocent Joint Filer Relief” under Additional Information section for more information.

Paid Preparer’s Information. If you pay a person to prepare your Form 540, that person must sign and complete the area at the bottom of Side 5 including an identification number. The IRS requires a paid tax preparer to get and use a preparer tax identification number (PTIN). If the preparer has a federal employer identification number (FEIN), it should be entered only in the space provided. A paid preparer must give you a copy of your tax return to keep for your records.

Third Party Designee. If you want to allow your preparer, a friend, family member, or any other person you choose to discuss your 2020 tax return with the FTB, check the “Yes” box in the signature area of your tax return. Also print the designee’s name and telephone number.

If you check the “Yes” box you, and your spouse/RDP, if filing a joint tax return, are authorizing the FTB to call the designee to answer any questions that may arise during the processing of your tax return. You are also authorizing the designee to:

- Give the FTB any information that is missing from your tax return.
- Call the FTB for information about the processing of your tax return or the status of your refund or payments.
- Receive copies of notices or transcripts related to your tax return, upon request.
- Respond to certain FTB notices about math errors, offsets, and tax return preparation.

You are not authorizing the designee to receive any refund check, bind you to anything (including any additional tax liability), or otherwise represent you before the FTB. If you want to expand or change the designee’s authorization, go to ftb.ca.gov/poa.

The authorization will automatically end no later than the due date (without regard to extensions) for filing your 2021 tax return. This is April 15, 2022, for most people. If you wish to revoke the authorization before it ends, notify us by telephone at 800.852.5711 or by writing to Franchise Tax Board, PO Box 942840, Sacramento, CA 94240-0040, include your name, SSN, and the designee’s name.

Power of Attorney. If another person prepared your tax return, he or she is not automatically granted access to your tax information in future dealings with us. At some point, you may wish to designate someone to act on your behalf in matters related or unrelated to this tax return (e.g., an audit examination). To protect your privacy, you must submit to us a legal document called a “Power of Attorney” (POA) authorizing another person to discuss or receive personal information about your income tax records.

For more information, go to ftb.ca.gov/poa.

Filing Your Tax Return

Attachments to your tax return.

Do I need to attach a copy of federal Form 1040 or 1040-SR?

Other than Schedule A (Form 1040) or Schedule B (Form 1040), did you attach any federal forms or schedules to your federal Form 1040 or 1040-SR?

If **No**, do not attach a copy of your federal Form 1040 or 1040-SR return to Form 540.

If **Yes**, attach a copy of your federal Form 1040 or 1040-SR return and all supporting federal forms and schedules to Form 540.

Exception: If you did not itemize deductions on your federal tax return but will itemize deductions on your California tax return, complete and attach a copy of the federal Schedule A (Form 1040) to Form 540.

Do not attach any documents to your tax return unless specifically instructed. This will help us reduce government processing and storage costs.

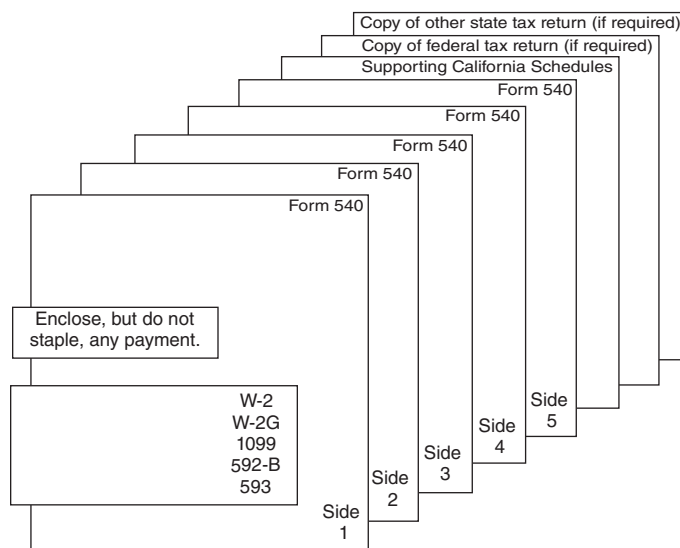
Federal Form(s) W-2, W-2G, and 1099, and CA Form(s) 592-B and 593. Attach all the Form(s) W-2 and W-2G you received to the lower front of your tax return. Also, attach any Forms(s) 1099, 592-B, and 593 showing California income tax withheld.

If you do not receive your Form(s) W-2 by January 31, 2021, contact your employer or go to ftb.ca.gov and login or register for MyFTB. Only your employer can issue or correct a Form W-2. If you cannot get a copy of your Form W-2, you must complete form FTB 3525, Substitute for Form W-2, Wage and Tax Statement, or Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit Sharing Plans, IRAs, Insurance Contracts, etc. See “Order Forms and Publications” or go to ftb.ca.gov/forms.

If you forget to send your Form(s) W-2 or other withholding forms with your income tax return, do not send them separately, or with another copy of your tax return. Wait until the FTB requests them from you.

Assembling Your Tax Return

Assemble your tax return in the order shown below.



Caution: Form 540 has five sides. When filing Form 540, you must send all five sides to the FTB.

Mailing Your Tax Return

If your tax return has an **amount due**, mail your tax return to the following address:

FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0001

If your tax return shows a **refund or no amount due**, mail your tax return to the following address:

FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-0001

Nonrefundable Renter's Credit Qualification Record



e-file and skip this page! The tax software product you use to e-file will help you find out if you qualify for this credit and will figure the correct amount of the credit automatically. Go to ftb.ca.gov to check your e-file options. You can claim the nonrefundable renter's credit using CalFile.

If you were a resident of California and paid rent on property in California, which was your principal residence, you may qualify for a credit that you can use to reduce your tax. Answer the questions below to see if you qualify. For purposes of California income tax, references to a spouse, husband, or wife also refer to a California Registered Domestic Partner (RDP), unless otherwise specified. When we use the initials RDP they refer to both a California registered domestic "partner" and a California registered domestic "partnership," as applicable. For more information on RDPs, get FTB Pub. 737. **Do not mail this record. Keep with your tax records.**

<p>1. Were you a resident of California for the entire year in 2020? Military personnel. If you are not a legal resident of California, you do not qualify for this credit. However, your spouse/RDP may claim this credit if he or she was a resident during 2020, and is otherwise qualified. YES. Go to question 2. NO. Stop here. File Form 540NR. See "Order Forms and Publications."</p>
<p>2. Is your California adjusted gross income the amount on line 17: <ul style="list-style-type: none"> • \$43,533 or less if single or married/RDP filing separately; or • \$87,066 or less if married/RDP filing jointly, head of household, or qualifying widow(er)? YES. Go to question 3. NO. Stop here. You do not qualify for this credit.</p>
<p>3. Did you pay rent, for at least half of 2020, on property (including a mobile home that you owned on rented land) in California, which was your principal residence? YES. Go to question 4. NO. Stop here. You do not qualify for this credit.</p>
<p>4. Can you be claimed as a dependent by a parent, foster parent, legal guardian, or any other person in 2020? NO. Go to question 6. YES. Go to question 5.</p>
<p>5. For more than half the year in 2020, did you live in the home of the person who can claim you as a dependent? NO. Go to question 6. YES. Stop here. You do not qualify for this credit.</p>
<p>6. Was the property you rented exempt from property tax in 2020? You do not qualify for this credit if, for more than half of the year, you rented property that was exempt from property taxes. Exempt property includes most government-owned buildings, church-owned parsonages, college dormitories, and military barracks. However, if you or your landlord paid possessory interest taxes for the property you rented, then you may claim this credit. NO. Go to question 7. YES. Stop here. You do not qualify for this credit.</p>
<p>7. Did you claim the homeowner's property tax exemption anytime during 2020? You do not qualify for this credit if you or your spouse/RDP received a homeowner's property tax exemption at any time during the year. However, if you lived apart from your spouse/RDP for the entire year and your spouse/RDP received a homeowner's property tax exemption for a separate residence, then you may claim this credit if you are otherwise qualified. NO. Go to question 8. YES. If your filing status is single or married/RDP filing separately, stop here, you do not qualify for this credit. If your filing status is married/RDP filing jointly, go to question 9.</p>
<p>8. Were you single in 2020? YES. Go to question 11. NO. Go to question 9.</p>
<p>9. Did your spouse/RDP claim the homeowner's property tax exemption anytime during 2020? You do not qualify for this credit if you or your spouse/RDP received a homeowner's property tax exemption at any time during the year. However, if you lived apart from your spouse/RDP for the entire year and your spouse/RDP received a homeowner's property tax exemption for a separate residence, then you may claim this credit if you are otherwise qualified. NO. Go to question 11. YES. If both you and your spouse/RDP claimed the homeowner's property tax exemption, stop here, you do not qualify for this credit. Otherwise, go to question 10.</p>
<p>10. Did you and your spouse/RDP maintain separate residences for the entire year in 2020? YES. Go to question 11. NO. Stop here. You do not qualify for this credit.</p>
<p>11. If you are: <ul style="list-style-type: none"> • Single, enter \$60 on Form 540, line 46. • Head of household or qualifying widow(er), enter \$120 on Form 540, line 46. • Married/RDP filing separately: if you and your spouse/RDP lived in the same rental property and both qualify for this credit, one spouse/RDP may claim the full amount of the credit (\$120), or each spouse/RDP may claim half the amount (\$60 each). If you and your spouse/RDP lived apart for the entire year and you qualify for this credit, you may claim half the amount of the credit (\$60). Enter your credit amount on Form 540, line 46. • Married/RDP filing jointly, enter \$120 on line 46. (Exception: If one spouse/RDP claimed the homeowner's tax exemption and you lived apart from your spouse/RDP for the entire year, enter \$60 on Form 540, line 46.) </p>

Fill in the street address(es) and landlord information below for the residence(s) you rented in California during 2020, which qualified you for this credit.

Street Address	City, State, and ZIP Code	Dates Rented in 2020 (From _____ to _____)
a _____		
b _____		
Enter the name, address, and telephone number of your landlord(s) or the person(s) to whom you paid rent for the residence(s) listed above.		
Name	Street Address	City, State, ZIP Code, and Telephone Number
a _____		
b _____		

Voluntary Contribution Fund Descriptions

Make voluntary contributions of \$1 or more in whole dollar amounts to the funds listed below. To contribute to the California Seniors Special Fund, use the instructions for code 400 below. The amount you contribute either reduces your overpaid tax or increases your tax due. You may contribute only to the funds listed and cannot change the amount you contribute after you file your tax return. For more information, go to ftb.ca.gov and search for **voluntary contributions**.

Code 400, California Seniors Special Fund – If you and/or your spouse/RDP are 65 years of age or older as of January 1, 2021, and claim the Senior Exemption Credit, you may make a combined total contribution of up to \$248 or \$124 per spouse/RDP. Contributions made to this fund will be distributed to the Area Agency on Aging Councils (TACC) to provide advice on and sponsorship of Senior Citizens issues. Any excess contributions not required by TACC will be distributed to senior citizen service organizations throughout California for meals, adult day care, and transportation.

Code 401, Alzheimer's Disease and Related Dementia Voluntary Tax Contribution Fund – Contributions will be used to provide grants to California scientists to study Alzheimer's disease and related disorders. This research includes basic science, diagnosis, treatment, prevention, behavioral problems, and caregiving. With almost 600,000 Californians living with the disease and another 2 million providing care to a loved one with Alzheimer's, our state is in the early stages of a major public health crisis. Your contribution will ensure that Alzheimer's disease receives the attention, research, and resources it deserves. For more information, go to cdph.ca.gov and search for **Alzheimer**.

Code 403, Rare and Endangered Species Preservation Voluntary Tax Contribution Program – Contributions will be used to help protect and conserve California's many threatened and endangered species and the wild lands that they need to survive, for the enjoyment and benefit of you and future generations of Californians.

Code 405, California Breast Cancer Research Voluntary Tax Contribution Fund – Contributions will fund research toward preventing and curing breast cancer. Breast cancer is the most common cancer to strike women in California. It kills 4,000 California women each year. Contributions also fund research on prevention and better treatment, and keep doctors up-to-date on research progress. For more information about the research your contributions support, go to cbcrp.org. Your contribution can help make breast cancer a disease of the past.

Code 406, California Firefighters' Memorial Voluntary Tax Contribution Fund – Contributions will be used for the repair and maintenance of the California Firefighters' Memorial on the grounds of the State Capitol, ceremonies to honor the memory of fallen firefighters and to assist surviving loved ones, and for an informational guide detailing survivor benefits to assist the spouses/RDPs and children of fallen firefighters.

Code 407, Emergency Food for Families Voluntary Tax Contribution Fund – Contributions will be used to help local food banks feed California's hungry. Your contribution will fund the purchase of much-needed food for delivery to food banks, pantries, and soup kitchens throughout the state. The State Department of Social Services will monitor its distribution to ensure the food is given to those most in need.

Code 408, California Peace Officer Memorial Foundation Voluntary Tax Contribution Fund – Contributions will be used to preserve the memory of California's fallen peace officers and assist the families they left behind. Since statehood, over 1,300 courageous California peace officers have made the ultimate sacrifice while protecting law-abiding citizens. The non-profit charitable organization, California Peace Officers' Memorial Foundation, has accepted the privilege and responsibility of maintaining a memorial for fallen officers on the State Capitol grounds. Each May, the Memorial Foundation conducts a dignified ceremony honoring fallen officers and their surviving families by offering moral support, crisis counseling, and financial support that includes academic scholarships for the children of those officers who have made the supreme sacrifice. On behalf of all of us and the law-abiding citizens of California, thank you for your participation.

Code 410, California Sea Otter Voluntary Tax Contribution Fund – The California Coastal Conservancy and the Department of Fish and Wildlife will each be allocated 50% of the contributions. Contributions allocated

to the California Coastal Conservancy will be used for research, science, protection, projects, or programs related to the Federal Sea Otter Recovery Plan or improving the nearshore ocean ecosystem, including, program activities to reduce sea otter mortality. Contributions allocated to the Department of Fish and Wildlife will be used to establish a sea otter fund within the department's index coding system for increased investigation, prevention, and enforcement action.

Code 413, California Cancer Research Voluntary Tax Contribution Fund – Contributions will be used to conduct research relating to the causes, detection, and prevention of cancer and to expand community-based education on cancer, and to provide prevention and awareness activities for communities that are disproportionately at risk or afflicted by cancer.

Code 422, School Supplies for Homeless Children Fund – Contributions will be used to provide school supplies and health-related products to homeless children.

Code 423, State Parks Protection Fund/Parks Pass Purchase – Contributions will be used for the protection and preservation of California's state parks and for the cost of a Vehicle Day Use Annual Pass valid at most park units where day use fees are collected. The pass is not valid at off-highway vehicle units, or for camping, oversized vehicle, extra vehicle, per-person, or supplemental fees. If a taxpayer's contribution equals or exceeds \$195 the taxpayer will receive a single Vehicle Day Use Annual Pass. Amounts contributed in excess of the parks pass cost may be deducted as a charitable contribution for the year in which the voluntary contribution is made. Any contribution less than \$195 will be treated as a voluntary contribution and may be deducted as a charitable contribution. For more information, go to parks.ca.gov/annualpass/ or email info@parks.ca.gov.

Code 424, Protect Our Coast and Oceans Voluntary Tax Contribution Fund – Contributions will be used to provide grants to community organizations working to protect, restore, and enhance the California coast and ocean. Contributions will support shoreline cleanups, habitat restoration, coastal access improvements, and ocean education programs.

Code 425, Keep Arts in Schools Voluntary Tax Contribution Fund – Contributions will be used by the Arts Council for the allocation of grants to individuals or organizations administering arts programs for children in preschool through 12th grade.

Code 431, Prevention of Animal Homelessness and Cruelty Voluntary Tax Contribution Fund – Contributions will be used to provide funding to programs designed to prevent and eliminate animal homelessness and cruelty, research that explores novel approaches to preventing and eliminating pet homelessness and the prevention, investigation, and prosecution of animal cruelty and neglect.

Code 438, California Senior Citizen Advocacy Voluntary Tax Contribution Fund – Contributions will be used to conduct the sessions of the California Senior Legislature and to support its ongoing activities on behalf of older persons.

Code 439, Native California Wildlife Rehabilitation Voluntary Tax Contribution Fund – Contributions will be used to support the recovery and rehabilitation of injured, sick, or orphaned native wildlife, and conservation education.

Code 440, Rape Kit Backlog Voluntary Tax Contribution Fund – Contributions will be used for DNA testing in the processing of rape kits.

Code 443, Schools Not Prisons Voluntary Tax Contribution Fund – Contributions will be used to fund academic and career readiness programs that seek to break the school-to-prison pipeline.

Code 444, Suicide Prevention Voluntary Tax Contribution Fund – Contributions will be used to fund crisis center programs designed to provide suicide prevention services.

CREDIT CHART

Credit Name	Code	Description
California Competes Tax – FTB 3531	233	The credit, which is allocated and certified by the California Competes Tax Credit Committee, is available for businesses that want to come to California or to stay and grow in California. Website: business.ca.gov
Child Adoption Costs – Worksheet on page 13	197	50% of qualified costs in the year an adoption is ordered
Child and Dependent Care Expenses – FTB 3506 See the instructions on page 65	232	Similar to the federal credit except that the California credit amount is based on a specified percentage of the federal credit.
College Access Tax – FTB 3592	235	The credit, which is allocated and certified by the California Educational Facilities Authority, is available for taxpayers who contribute to the College Access Tax Credit Fund. Website: treasurer.ca.gov/cefa
Dependent Parent – See page 13	173	Must use married/RDP filing separately status and have a dependent parent
Disabled Access for Eligible Small Business – FTB 3548	205	Similar to the federal credit but limited to \$125 based on 50% of qualified expenditures that do not exceed \$250
Donated Agricultural Products Transportation – FTB 3547	204	50% of the costs paid or incurred for the transportation of agricultural products donated to nonprofit charitable organizations
Earned Income Tax – FTB 3514	None	This refundable credit is similar to the federal Earned Income Credit (EIC) but with different income limitations.
Young Child Tax – FTB 3514	None	This refundable credit is available to taxpayers who also qualify for the CA Earned Income Tax Credit (EITC) and who have at least one qualifying child who is younger than six years old as of the last day of the taxable year.
Enhanced Oil Recovery – FTB 3546	203	One third of the similar federal credit and limited to qualified enhanced oil recovery projects located within California.
Joint Custody Head of Household – Worksheet on page 13	170	30% of tax up to \$491 for taxpayers who are single or married/RDP filing separately, who have a child and meet the support test
Low-Income Housing – FTB 3521	172	Similar to the federal credit but limited to low-income housing in California
Natural Heritage Preservation – FTB 3503	213	55% of the fair market value of any qualified contribution of property donated to the state, any local government, or any nonprofit organization designated by a local government. This credit expired on June 30, 2020. All qualified contributions must be made on or before that date.
New California Motion Picture and Television Production – FTB 3541	237	For taxable years beginning on or after January 1, 2016, the new credit is allocated and certified by the California Film Commission, and is available for qualified production expenditures attributable to a qualified motion picture, an independent film, or a TV series that relocates to California. Website: film.ca.gov
New Donated Fresh Fruits or Vegetables – FTB 3814	238	15% of the qualified value of the donated fresh fruits, vegetables, or other qualified donated items made to California food banks, based on weighted average wholesale price
New Employment – FTB 3554	234	The credit is available for a taxpayer that hires a full-time employee and pays or incurs wages in a designated census tract or economic development area, and receives a tentative credit reservation for that full-time employee.
Nonrefundable Renter's – See page 21	None	For California residents who paid rent for their principal residence for at least 6 months in 2020 and whose AGI does not exceed a certain limit
Other State Tax – Schedule S	187	Net income tax paid to another state or a U.S. possession on income also taxed by California
Prior Year Alternative Minimum Tax – FTB 3510	188	Must have paid alternative minimum tax in a prior year and have no alternative minimum tax liability in 2020
Prison Inmate Labor – FTB 3507	162	10% of wages paid to prison inmates
Program 3.0 California Motion Picture and Television Production – FTB 3541	239	For taxable years beginning on or after January 1, 2020, the newest credit is allocated and certified by the California Film Commission, and is available for qualified production expenditures attributable to a qualified motion picture, an independent film, or a TV series that relocates to California. Website: film.ca.gov
Research – FTB 3523	183	Similar to the federal credit but limited to costs for research activities in California
Senior Head of Household – Worksheet on page 13	163	2% of taxable income up to \$1,499 for seniors who qualified for head of household in 2018 or 2019 and whose qualifying individual died during 2018 or 2019
Main Street Small Business Tax – FTB 3866	240	The credit is available to qualified small business employers that received a tentative credit reservation from the California Department of Tax and Fee Administration (CDTFA).

Repealed Credits: The expiration dates for the credits listed below have passed. However, these credits had carryover provisions. You may claim these credits only if you have an unused carryover available from prior years. If you are not required to complete Schedule P (540), Alternative Minimum Tax and Credit Limitations – Residents, get form FTB 3540, Credit Carryover and Recapture Summary to figure your credit carryover to future years. For EZ, LAMBRA, MEA, or TTA credit carryovers, get form FTB 3805Z, form FTB 3807, form FTB 3808, or form FTB 3809. See "Where To Get Income Tax Forms and Publications".

Agricultural Products	175	Energy Conservation	182	Recycling Equipment	174
California Motion Picture and Television Production	223	Enterprise Zone Hiring	176	Residential Rental & Farm Sales	186
Commercial Solar Electric System	196	Enterprise Zone Sales or Use Tax	176	Ridesharing	171
Commercial Solar Energy	181	Environmental Tax	218	Salmon & Steelhead Trout Habitat Restoration	200
Community Development Financial Institutions Investment	209	Farmworker Housing	207	Solar Energy	180
Donated Fresh Fruits or Vegetables	224	Local Agency Military Base Recovery Area Hiring	198	Solar Pump	179
Employer Childcare Contribution	190	Local Agency Military Base Recovery Area Sales or Use Tax	198	Targeted Tax Area Hiring	210
Employer Childcare Program	189	Low-Emission Vehicles	160	Targeted Tax Area Sales or Use Tax	210
Employee Ridesharing	194	Manufacturing Enhancement Area Hiring	211	Water Conservation	178
Employer Ridesharing: Large employer	191	New Jobs	220	Young Infant	161
Small employer	192	Orphan Drug	185		
Transit passes	193	Political Contributions	184		

Frequently Asked Questions

(Go to ftb.ca.gov for more frequently asked questions.)

1. What if I can't file by April 15, 2021, and I think I owe tax?

You must pay 100% of the amount you owe by April 15, 2021, to avoid interest and penalties. If you cannot file because you have not received all your federal Form(s) W-2, estimate the amount of tax you owe by completing form FTB 3519, Payment for Automatic Extension for Individuals. Mail it to the FTB with your payment by April 15, 2021 or pay online at ftb.ca.gov/pay. Then, when you receive all your federal Form(s) W-2, complete and mail your tax return by October 15, 2021 (you must use Form 540).

2. I never received a federal Form W-2. What should I do?



204

If all of your federal Form(s) W-2 were not received by January 31, 2021, contact your employer. Only an employer issues or corrects a Form W-2. For more information, call 800.338.0505, follow the recorded instructions and enter code 204 when instructed.

If you cannot get a copy of your federal Form(s) W-2, complete form FTB 3525, Substitute for Form W-2, Wage and Tax Statement, or Form 1099-R, Distributions from Pensions, Annuities, Retirement or Profit Sharing Plans, IRAs, Insurance Contracts, etc. See "Where To Get Income Tax Forms and Publications." For online wage and withhold information, go to ftb.ca.gov and login or register for MyFTB.

3. How can I get help?

Throughout California more than 1,200 sites provide trained volunteers offering free help during the tax filing season to persons who need to file simple federal and state income tax returns. Many military bases also provide this service for members of the U.S. Armed Forces. Go to ftb.ca.gov and search for **vita** to find a list of participating locations or call the FTB at 800.852.5711 to find a location near you.

4. What do I do if I can't pay what I owe with my 2020 tax return?

Pay as much as possible when you file your tax return. If unable to pay your tax in full with your tax return, make a request for monthly payments. However, interest accrues and an underpayment penalty may be charged on the tax not paid by April 15, 2021, even if your request for monthly payments is approved. To make monthly payments, complete form FTB 3567, Installment Agreement Request, online or mail it to the address on the form. Do not mail it with your tax return.



949

The Installment Agreement Request might not be processed and approved until after your tax return is processed, and you may receive a bill before you receive approval of your request.

To order this form, go to ftb.ca.gov/forms or call 800.338.0505, follow the recorded instructions and enter code 949 when instructed.



610

For information on how to pay by credit card, go to ftb.ca.gov/pay, or call 800.338.0505, follow the recorded instructions and enter code 610 when instructed.

5. Is direct deposit safe?

Direct deposit is safe, and convenient. To have your refund directly deposited into your bank account, fill in the account information on Form 540, Side 5, line 116 and line 117. Fill in the routing and account numbers and indicate the account type.

6. How can I check on the status of my refund?

Go to ftb.ca.gov and search for **refund status**. You will need your social security number (SSN) or individual taxpayer identification number (ITIN) and the refund amount from your tax return.

You can also call our automated phone service. See page 95 for more information.

7. I discovered an error on my tax return. What should I do?



908

If you discover that you made an error on your California income tax return after you filed it (paper or e-filed), file an amended Form 540 and attach Schedule X, California Explanation of Amended Return Changes, to correct your previously filed tax return. Get Schedule X at ftb.ca.gov/forms or call 800.338.0505, follow the recorded instructions and enter code 908 when instructed.

8. The Internal Revenue Service (IRS) made changes to my federal tax return. What should I do?

If your federal income tax return is examined and changed by the IRS and you owe additional tax, report these changes to the FTB within six months of the date of the final federal determination. If the changes the IRS made result in a refund due for California, claim a refund within two years of the date of the final federal determination. File an amended Form 540 and Schedule X to correct your previously filed income tax return and mail them to the following address, as applicable:

Without payment

FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-0001

With payment

FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94246-0001

or send a copy of the federal changes to:

ATTN RAR/VOL MS F310
FRANCHISE TAX BOARD
PO BOX 1998
RANCHO CORDOVA CA 95741-1998

or fax the information to 916.843.2269.

If you have a question **relating to the IRS audit adjustment** call 916.845.4028.

For general tax information or questions, call 800.852.5711.

Regardless of which method you use to notify the FTB, you must include a copy of the final federal determination along with all data and schedules on which the federal adjustment was based. Get FTB Pub. 1008, Federal Tax Adjustments and Your Notification Responsibilities to California, for more information. See "Order Forms and Publications."

File an amended Form 540 and Schedule X only if the change affected your California tax liability.

9. How long should I keep my tax information?

Requests for information regarding your California income tax return usually occurs within the California statute of limitations period, which is usually the later of four years from the due date of the tax return or four years from the file date of the tax return. (**Exception:** An extended statute of limitations period applies for California or federal tax returns related or subject to a federal audit.)

Keep a copy of your tax return and the records that verify the income, deductions, adjustments, or credits reported on your return. Some records should be kept longer. For example, keep property records as long as needed to figure the basis of the property or records needed to verify carryover items (i.e., net operating losses) or records needed to track deferred gains on a 1031 exchange.

10. I will be moving after I file my tax return. How do I notify the FTB of my new address?

Go to ftb.ca.gov and login or register for MyFTB or call 800.852.5711, and follow the recorded instructions to report a change of address. You may also use form FTB 3533, Change of Address for Individuals. This form is available at ftb.ca.gov/forms. If you change your address online or by phone, you do not need to file form FTB 3533.

After filing your tax return, report a change of address to us for up to four years, especially if you leave the state and no longer have a requirement to file a California tax return.

11. Are all domestic partners required to file joint or separate tax returns?

No, only domestic partners who are registered with the California Secretary of State are required to file using the married/RDP filing jointly or married/RDP filing separately filing status.

Owe Money? Web Pay lets you pay **online**, so you can schedule it and forget it! Go to ftb.ca.gov/pay for more information.

Additional Information

California Use Tax General Information

The use tax has been in effect in California since July 1, 1935. It applies to purchases of merchandise for use in California from out-of-state sellers and is similar to the sales tax paid on purchases you make in California. If you have not already paid all use tax due to the California Department of Tax and Fee Administration, you may be able to report and pay the use tax due on your state income tax return. See the information below and the instructions for Line 91 of your income tax return.

In general, you must pay California use tax on purchases of merchandise for use in California made from out-of-state sellers, for example, by telephone, over the Internet, by mail, or in person.

You must pay California use tax on taxable items if:

- The seller does not collect California sales or use tax, and
- You use, gift, store, or consume the item in this state.

Example: You live in California and purchase a dining table from a company in North Carolina. The company ships the table from North Carolina to your home for your use and does not charge California sales or use tax. You owe use tax on the purchase.

However, not all purchases require you to pay use tax. For example, you would include purchases of clothing, but not exempt purchases of food products or prescription medicine.

For more information on nontaxable and exempt purchases, you may refer to Publication 61, Sales and Use Taxes: Exemptions and Exclusions, on the California Department of Tax and Fee Administration's website at cdtfa.ca.gov.

For information about California use tax, please refer to the California Department of Tax and Fee Administration's website at cdtfa.ca.gov and type "Find Information About Use Tax" in the search bar.

Complete the Use Tax Worksheet or use the Use Tax Lookup Table on page 16, to calculate the amount due.

Extensions to File. If you request an extension to file your income tax return, wait until you file your tax return to report your purchases subject to use tax and make your use tax payment.

Interest, Penalties and Fees. Failure to timely report and pay the use tax due may result in the assessment of interest, penalties, and fees.

Application of Payments. For purchases made during taxable years starting on or after January 1, 2015, payments and credits reported on an income tax return will be applied first to the use tax liability, instead of income tax liabilities, penalties, and interest.

Changes in Use Tax Reported. Do not file an Amended Income Tax Return to revise the use tax previously reported. If you have changes to the amount of use tax previously reported on the original return, contact the California Department of Tax and Fee Administration.

For assistance with your use tax questions, go to the California Department of Tax and Fee Administration's website at cdtfa.ca.gov or call their Customer Service Center at 800.400.7115 (CRS:711) (for hearing and speech disabilities). For California income tax information, contact the Franchise Tax Board at ftb.ca.gov.

Collection Fees

The FTB is required to assess collection and filing enforcement cost recovery fees on delinquent accounts.

Deceased Taxpayers

A final return must be filed for a person who died in 2020 if a tax return normally would be required. The administrator or executor, if one is appointed, or beneficiary must file the tax return. Print "deceased" and the date of death next to the taxpayer's name at the top of the tax return.

If you are a surviving spouse/RDP and no administrator or executor has been appointed, file a joint tax return if you did not remarry or enter into another registered domestic partnership during 2020. Indicate next to your signature that you are the surviving spouse/RDP.

You may also file a joint tax return with an administrator or executor acting on behalf of the deceased taxpayer.

If you file a tax return and claim a refund due to a deceased taxpayer, you are certifying under penalty of perjury either that you are the legal representative of the deceased taxpayer's estate (in this case, attach certified copies of the letters of administration or letters testamentary) or that you are entitled to the refund as the deceased's surviving relative or sole beneficiary under the provisions of the California Probate Code. You must also attach a copy of federal Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, or a copy of the death certificate when you file a tax return and claim a refund due.

Innocent Joint Filer Relief

If you file a joint tax return, both you and your spouse/RDP are generally responsible for paying the tax and any interest or penalties due on the tax return. However, you may qualify for relief of payment on all or part of the balance as an innocent joint filer. For more information, get form FTB 705, Innocent Joint Filer Relief Request, at ftb.ca.gov/forms or call 916.845.7072, Monday – Friday between 8 a.m. to 5 p.m. except holidays.

Military Personnel

If you are a member of the military and need additional information on how to file your tax return, get FTB Pub. 1032, Tax Information for Military Personnel. See "Order Forms and Publications."

Requesting a Copy of Your Tax Return

The FTB keeps personal income tax returns for three and one-half years from the original due date. To get a copy of your tax return, write a letter or complete form FTB 3516, Request for Copy of Personal Income or Fiduciary Tax Return. In most cases, a \$20 fee is charged for each taxable year you request. However, no charge applies for victims of a designated California or federal disaster; or you request copies from a field office that assisted you in completing your tax return. See "Where To Get Tax Forms and Publications" to download or order form FTB 3516.

Local Benefits

You cannot deduct the amounts you pay for local benefits that apply to property in a limited area (construction of streets, sidewalks, or water and sewer systems). You must look at your real estate tax bill to determine if any nondeductible itemized charges are included in your bill. For more information, go to ftb.ca.gov and search for **real estate tax** or get federal Publication 17, Your Federal Income Tax-For Individuals, Chapter 11.

Vehicle License Fees for Federal Schedule A

On your federal Schedule A (Form 1040), you may deduct the California motor vehicle license fee listed on your Vehicle Registration Billing Notice from the Department of Motor Vehicles. The other fees listed on your billing notice such as registration fee, weight fee, and county fees are not deductible.

Voting Is Everybody's Business

You may register to vote if you meet these requirements:

- You are a United States citizen.
- You are a resident of California.
- You will be 18 years old by the date of the next election.
- You are not in prison or on parole for the conviction of a felony.

You need to re-register every time you move, change your name, or wish to change political parties. In order to vote in an election, you must be registered to vote at least 15 days before that election. If you need to get a Voter Registration Card, call the California Secretary of State's voter hotline at 800.345.VOTE or go to sos.ca.gov.

To register to vote in California, you must be:

- A United States citizen and a resident of California,
- 18 years old or older on Election Day,
- Not currently in state or federal prison or on parole for the conviction of a felony, and
- Not currently found mentally incompetent to vote by a court.

Pre-register at 16. Vote at 18. Voter pre-registration is now available for 16 and 17 year olds who otherwise meet the voter registration eligibility requirements. California youth who pre-register to vote will have their registration become active once they turn 18 years old.

If you wish to receive a paper Voter Registration or Pre-Registration Application, call the California Secretary of State's Voter Hotline at **800-345-VOTE** or simply register online at RegisterToVote.ca.gov. For more information about how and when to register to vote, visit sos.ca.gov/elections.

It's Your Right . . . Register and Vote

If You File Electronically

If you e-file your tax return, make sure all the amounts entered on the paper copy of your California return are correct before you sign form FTB 8453, California e-file Return Authorization for Individuals, or form FTB 8879, California e-file Signature Authorization for Individuals. If you are requesting direct deposit of a refund, make sure your account and routing information is correct. Your tax return can be transmitted to FTB by your preparer or electronic e-file service only after you sign form FTB 8453 or form FTB 8879. The preparer or electronic e-file service must provide you with:

- A copy of forms FTB 8453 or FTB 8879.
- Any original CA Forms 592-B, 593, and federal Forms W-2, 1099-G, and other Form(s) 1099 that you provided.
- A paper copy of your California tax return showing the data transmitted to the FTB.

You cannot retransmit an e-filed tax return once we've accepted the original. You can correct an error by filing an amended Form 540 and Schedule X to correct your previously filed tax return.

Instructions for Filing a 2020 Amended Return

Important Information

Protective Claim – If you are filing a claim for refund for a taxable year where an audit is being conducted by another state’s taxing agency, litigation is pending or where a final determination by the IRS is pending, check box a for “Protective claim for refund” on Schedule X, Part II, line 1. Specify the pending litigation or reference to the federal determination on Part II, line 2 so we can properly process your claim.

Do not attach your previously filed return to your amended return.

Do not file an amended return to correct your SSN, name, or address, instead, call or write us. See “Contacting the Franchise Tax Board” for more information.

Use Tax – Do not amend your return to correct a “use tax” error reported on your original tax return. Enter the amount from your original return. The California Department of Tax and Fee Administration (CDTFA) administers this tax. Refer all questions or requests relating to use tax to the CDTFA at cdtfa.ca.gov or call **800.400.7115**.

Amount You Want Applied To Your 2021 Estimated Tax – Enter zero on amended Form 540, line 98 and get the instructions for Schedule X for the actual amount you want applied to your 2021 estimated tax.

Voluntary Contributions – You cannot amend voluntary contributions. Enter the amount from your original return.

Direct Deposit – You can now use direct deposit on your amended return.

When filing an amended return, only complete the amended Form 540 through line 115. Next complete the Schedule X. The amount from Schedule X, line 11 is your additional refund amount. This amount will be carried over to your amended Form 540 and will be entered on line 116 and line 117. The total of the amended Form 540, line 116 and line 117 must equal the total amount of your refund on Schedule X, line 11. If the total of the amended Form 540, line 116 and line 117 do not equal Schedule X, line 11, the FTB will issue a paper check.

Dependent Exemption Credit with No ID – For taxable years beginning on or after January 1, 2018, taxpayers claiming a dependent exemption credit for a dependent who is ineligible for an SSN and a federal ITIN may provide alternative information to the FTB to identify the dependent. To claim the dependent exemption credit, taxpayers complete form FTB 3568, attach the form and required documentation to their tax return, and write “no id” in the SSN field of line 10, Dependents, on Form 540. For each dependent being claimed that does not have an SSN and an ITIN, a form FTB 3568 must be provided along with supporting documentation.

If you are amending a return to claim dependent exemption credit for tax years 2018 and 2019, complete an amended Form 540, and write “no id” in the SSN field on the Dependents line, and attach Schedule X. To complete Schedule X, check box m for “Other” on Part II, line 1, and write the explanation “Claim dependent exemption credit with no id and form FTB 3568 is attached” on Part II, line 2. Make sure to attach form FTB 3568 and the required supporting documents in addition to the amended return and Schedule X. If you do not claim the dependent exemption credit on the original 2020 tax return, you may amend the 2020 tax return following the same procedure as for 2018 and 2019 amended tax returns.

Purpose

Use Form 540 to amend your original or previously filed California resident income tax return. If the FTB adjusted your return, you should use the amounts as adjusted by the FTB. Check the box at the top of Form 540 indicating AMENDED return and follow the instructions. Submit the completed amended Form 540 and Schedule X along with all required schedules and supporting forms.

When to File

Generally, if you filed federal Form 1040-X, Amended U.S. Individual Income Tax Return, file an amended California tax return within six

months unless the changes do not affect your California tax liability. File an amended return only after you have filed your original or previously filed California tax return.

California Statute of Limitations

Original tax return was filed on or before April 15th: If you are making a claim for refund, file an amended tax return within four years from the original due date of the tax return or within one year from the date of overpayment, whichever period expires later.

Original tax return was filed within the extension period (April 15th – October 15th): If you are making a claim for refund, file an amended tax return within four years from the date the original tax return was filed or within one year from the date of overpayment, whichever period expires later.

Original tax return was filed after October 15th: If you are making a claim for refund, file an amended tax return within four years from the original due date of the tax return (April 15th) or within one year from the date of overpayment, whichever period expires later.

If you are filing your amended tax return after the normal statute of limitation period (four years after the due date of the original tax return), attach a statement explaining why the normal statute of limitations does not apply.

If you are filing your amended return in response to a billing notice you received, you will continue to receive billing notices until your amended tax return is accepted. You may file an informal claim for refund even though the full amount due including tax, penalty, and interest has not yet been paid. After the full amount due has been paid, you have the right to appeal to the Office of Tax Appeals at ota.ca.gov or to file suit in court if your claim for refund is disallowed.

To file an informal claim for refund, check box l for “Informal claim” on Schedule X, Part II, line 1 and mail the claim to:

FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-0040

Financially Disabled Taxpayers

The statute of limitations for filing claims for refunds is suspended during periods when a taxpayer is “financially disabled.” You are considered “financially disabled” when you are unable to manage your financial affairs due to a medically determinable physical or mental impairment that is deemed to be either a terminal impairment or is expected to last for a continuous period of not less than 12 months. You **are not** considered “financially disabled” during any period that your spouse/RDP or any other person is legally authorized to act on your behalf on financial matters. For more information, get form FTB 1564, Financially Disabled – Suspension of the Statute of Limitations.

Federal Notices

If you were notified of an error on your federal income tax return that changed your AGI, you may need to amend your California income tax return for that year.

If the IRS examines and changes your federal income tax return, and you owe additional tax, report these changes to the FTB within six months. You do not need to inform the FTB if the changes do not increase your California tax liability. If the changes made by the IRS result in a refund due, you must file a claim for refund within two years. Use an amended Form 540 and Schedule X to make any changes to your California income tax returns previously filed.

Include a copy of the final federal determination, along with all underlying data and schedules that explain or support the federal adjustment. Note: Most penalties assessed by the IRS also apply under California law. If you are including penalties in a payment with your amended tax return, see Schedule X, line 8a instructions.

Children With Investment Income

If your child was required to file form FTB 3800, Tax Computation for Certain Children with Unearned Income, and your taxable income has changed, review your child's tax return to see if you need to file an amended tax return. Get form FTB 3800 for more information.

Contacting the Franchise Tax Board

If you have not received a refund within six months of filing your amended return, **do not** file a duplicate amended return for the same year. For information on the status of your refund, you may write to:

FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-0040

For telephone assistance, see General Phone Service on page 95.

Filing Status

Your filing status for California must be the same as the filing status you used on your federal income tax return, unless you are in a RDP. If you are an RDP and file single for federal, you must file married/RDP filing jointly or married/RDP filing separately for California. If you entered into a same-sex marriage, your filing status for California would generally be the same as the filing status that was used for federal. If you are a same-sex married individual or an RDP and file head of household for federal, you may file head of household for California only if you meet the requirements to be considered unmarried or considered not in a registered domestic partnership.

Exception for Filing a Separate Tax Return – A married couple who filed a joint federal tax return may file separate state tax returns if either spouse was either of the following:

- An active member of the United States armed forces (or any auxiliary military branch) during the year being amended.
- A nonresident for the entire year and had no income from California sources during the year being amended.

Changing Your Filing Status – If you changed your filing status on your federal amended tax return, also change your filing status for California unless you meet one of the exceptions listed above.

Married/RDP Filing Jointly to Married/RDP Filing Separately – You cannot change from married/RDP filing jointly to married/RDP filing separately after the due date of the tax return.

Exception: A married couple who meets the “Exception for filing a separate tax return” shown above may change from joint to separate tax returns after the due date of the tax return.

Filing Separate Tax Returns to Married/RDP Filing Jointly – If you or your spouse/RDP (or both of you) filed a separate tax return, you generally can change to a joint tax return any time within four years from the original due date of the separate tax return(s). To change to a joint tax return, you and your spouse/RDP must have been legally married or an RDP on the last day of the taxable year.

To amend from separate tax returns to a joint tax return, follow the Form 540 instructions to complete only one amended tax return. Both you and your spouse/RDP must sign the amended joint tax return.

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ftb.ca.gov

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2020 Instructions for Schedule CA (540)

References in these instructions are to the Internal Revenue Code (IRC) as of **January 1, 2015**, and the California Revenue and Taxation Code (R&TC).

What's New

Setting Every Community Up for Retirement Enhancement (SECURE) Act

The SECURE Act was enacted on December 20, 2019. In general, California Revenue and Taxation Code (R&TC) does not conform to the changes. California taxpayers continue to follow the Internal Revenue Code (IRC) as of the specified date of January 1, 2015, with modifications. California law **does not** conform to the federal provision under the SECURE Act for the expansion of IRC Section 529 qualified tuition program accounts to cover costs associated with registered apprenticeship and qualified education loan repayments. See specific line instructions for more information.

Coronavirus Aid, Relief, and Economic Security (CARES) Act – The federal CARES Act was enacted on March 27, 2020. In general, California R&TC does not conform to the changes. California taxpayers continue to follow the IRC as of the specified date of January 1, 2015, with modifications. California law **does not** conform to the following federal provisions under the CARES Act:

- Charitable contributions changes
- Exclusion for certain employer payment of student loans
- Business interest limitations
- Health-savings account changes

California law conforms to the following federal provision under the CARES Act:

- Temporarily increases the amount of loans allowable from a qualified employer plan to \$100,000 for coronavirus-related relief and delays by one year the due date for any repayment for an outstanding loan from a qualified employer plan if requirements are met.

The above lists are not intended to be all-inclusive of the federal and state conformities and differences. For more information, see specific line instructions or refer to the R&TC.

CARES Act Loan Forgiveness – For taxable years beginning on or after January 1, 2020, California law provides an exclusion from gross income for covered loan amounts forgiven under the federal CARES Act, Paycheck Protection Program and Health Care Enhancement Act, or the Paycheck Protection Program Flexibility Act of 2020. Any credit or deduction allowed under this provision should be reduced by the amount of the exclusion allowed.

Worker Status: Employees and Independent Contractors – Some individuals may be classified as independent contractors for federal purposes and employees for California purposes, which may also cause changes in how their income and deductions are classified. For more information, see Schedule CA (540) specific line instructions in Part I, Section A, line 1; Part I, Section B, line 3; Part I, Section C, line 14 and line 16; and Part II, line 4.

Rental Real Estate Activities – For taxable years beginning on or after January 1, 2020, the dollar limitation for the offset for rental real estate activities shall not apply to the low income housing credit program. For more information, see R&TC Section 17561(d)(1). Get form FTB 3801-CR, Passive Activity Credit Limitations, for more information.

R&TC Section 41 Reporting Requirements – Beginning in taxable year 2020, California allows individuals and other taxpayers operating under the personal income tax law to claim credits and deductions of business expenses paid or incurred during the taxable year in conducting commercial cannabis activity. Sole proprietors conducting a commercial cannabis activity that is licensed under California Medicinal and Adult-Use Cannabis Regulation and Safety Act should file form FTB 4197, Information on Tax Expenditure Items. The Franchise Tax Board (FTB) uses information from form FTB 4197 for reports required by the California Legislature. For more information, see Schedule CA (540) specific line instructions in Part I, Section B, line 3, and get form FTB 4197 for more information.

Net Operating Loss Suspension – For taxable years beginning on or after January 1, 2020, and before January 1, 2023, California has suspended the net operating loss (NOL) carryover deduction. Taxpayers may

continue to compute and carryover an NOL during the suspension period. **However**, taxpayers with net business income or modified adjusted gross income of less than \$1,000,000 or with disaster loss carryovers are **not** affected by the NOL suspension rules.

The carryover period for suspended losses is extended by:

- Three years for losses incurred in taxable years beginning before January 1, 2020.
- Two years for losses incurred in taxable years beginning on or after January 1, 2020, and before January 1, 2021.
- One year for losses incurred in taxable years beginning on or after January 1, 2021, and before January 1, 2022.

For more information, see R&TC Section 17276.23, and get form FTB 3805V, Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations – Individuals, Estates, and Trusts.

Excess Business Loss Limitation – The federal CARES Act made amendments to IRC Section 461(l) by eliminating the excess business loss limitation of noncorporate taxpayers for taxable year 2020 and retroactively removing the limitation for taxable years 2018 and 2019. California does **not** conform to those amendments. For taxable year 2020, complete form FTB 3461, California Limitation on Business Losses, if you are a noncorporate taxpayer and your net losses from all of your trades or businesses are more than \$259,000 (\$518,000 for married taxpayers filing a joint return). For more information, see Schedule CA (540) specific line instructions in Part I, Section B, line 8f, and get form FTB 3461.

General Information

In general, for taxable years beginning on or after January 1, 2015, California law conforms to the IRC as of January 1, 2015. However, there are continuing differences between California and federal law. When California conforms to federal tax law changes, we do not always adopt all of the changes made at the federal level. For more information, go to ftb.ca.gov and search for **conformity**. Additional information can be found in FTB Pub. 1001, Supplemental Guidelines to California Adjustments, and the Business Entity tax booklets.

The instructions provided with California tax forms are a summary of California tax law and are only intended to aid taxpayers in preparing their state income tax returns. We include information that is most useful to the greatest number of taxpayers in the limited space available. It is not possible to include all requirements of the R&TC in the instructions. Taxpayers should not consider the instructions as authoritative law.

Conformity

For updates regarding federal acts, go to ftb.ca.gov and search for **conformity**.

Loophole Closure and Small Business and Working Families Tax Relief Act of 2019

The Tax Cuts and Jobs Act (TCJA) signed into law on December 22, 2017, made changes to the IRC. California R&TC does not conform to all of the changes. In general, for taxable years beginning on or after January 1, 2019, California conforms to the following TCJA provisions:

- California Achieving a Better Life Experience (ABLE) Program
- Student loan discharged on account of death or disability
- Federal Deposit Insurance Corporation (FDIC) Premiums
- Excess employee compensation
- Excess business loss

Federal Tax Reform – In general, California R&TC **does not** conform to all of the changes under the TCJA. For adjustments due to the TCJA, see the specific line instructions for the following items:

- Combat zone extended to Egypt's Sinai Peninsula
- Moving expenses and reimbursements
- Limitation on deduction of business interest
- Limitation on employer's deduction for fringe benefit expenses
- Limitation on wagering losses
- Sexual harassment settlements

- IRC Section 965 deferred foreign income
- Global intangible low-taxed income (GILTI) under IRC Section 951A
- Qualified equity grants
- Expanded use of 529 account funds
- Living expenses for members of Congress
- Limitation on state and local tax deduction
- Mortgage & home equity indebtedness interest deduction
- Limitation on charitable contribution deduction
- College athletic seating rights
- Casualty or theft loss(es)
- Miscellaneous itemized deductions

Registered Domestic Partners (RDP) – RDPs will compute their limitations based on the combined federal adjusted gross income (AGI) of each partner's individual tax return filed with the Internal Revenue Service (IRS).

For column A, Part I and Part II, combine each line item of your federal amounts from each partner's individual federal tax return. For more information on RDPs, get FTB Pub. 737, Tax Information for Registered Domestic Partners. The combined federal AGI used to compute limitations is different from the recalculated federal AGI used on Form 540, California Resident Income Tax Return, line 13. In situations where RDPs have no RDP adjustments, these amounts may be the same.

Military Personnel – Servicemembers domiciled outside of California, and their spouses/RDPs, may exclude the servicemember's military compensation from gross income when computing the tax rate on nonmilitary income. Requirements for military servicemembers domiciled in California remain unchanged. Military servicemembers domiciled in California must include their military pay in total income. In addition, they must include their military pay as California source income when stationed in California. However, military pay is not California source income when a servicemember is permanently stationed outside of California. Beginning 2009, the federal Military Spouses Residency Relief Act may affect the California income tax filing requirements for spouses of military personnel. For more information, get Form 540NR, California Nonresident or Part-Year Resident Income Tax Return, and FTB Pub. 1032, Tax Information for Military Personnel.

Single Member Limited Liability Company (SMLLC) – If you are a single member limited liability company, that is organized or doing business in California, or registered with the California Secretary of State (SOS), you are required to file Form 568, Limited Liability Company Return of Income, pay the annual tax and LLC Fee (if applicable), in addition to filing your tax return. Get Form 568, Limited Liability Company Tax Booklet for more information.

Purpose

Use Schedule CA (540), California Adjustments – Residents, to make adjustments to your federal adjusted gross income and to your federal itemized deductions using California law.

Specific Line Instructions

Part I Income Adjustment Schedule

Column A — Federal Amounts

Section A, Line 1 through Line 7, and Section B, Line 1 through Line 8

Enter in Section A, line 1 through line 7, and Section B, line 1 through line 8 the same amounts you entered on your federal Form 1040, U.S. Individual Income Tax Return or Form 1040-SR, U.S. Tax Return for Seniors, line 1 through 7; and federal Schedule 1 (Form 1040), Additional Income and Adjustments to Income, line 1 through line 8.

Line 9 – Total

Combine the amounts in Section A, line 1 through line 7, and Section B, line 1 through line 8.

Section C, Line 10 through Line 17 and Line 19 through Line 21

Enter the same amounts entered on your federal Schedule 1 (Form 1040), line 10 through line 17 and line 19 through line 21.

Line 18a and Line 18b

Enter on line 18a the same amount entered on your federal Schedule 1 (Form 1040), line 18a. Enter on line 18b the social security number (SSN) or individual taxpayer identification number (ITIN) and last name of the person to whom you paid alimony.

Line 22

Add line 10 through line 18a and line 19 through line 21. However, if you claimed any of the following deductions below or if you made any of the adjustments described in the instructions for federal Schedule 1 (Form 1040), line 22, include that amount in the total you enter in column A, line 22.

- Charitable contribution as a standard deduction (CCSD) on federal Form 1040 or 1040-SR, line 10b
- Foreign housing deduction from federal Form 2555, Foreign Earned Income from Schedule 1 (Form 1040), line 22

Line 23 – Total

Subtract line 22 from line 9. This amount should match the amount entered on federal Form 1040 or 1040-SR, line 11.

Column B and Column C — Subtractions and Additions

Use these columns to enter subtractions and additions to the federal amounts in column A that are necessary because of differences between California and federal law. Enter all amounts as positive numbers unless instructed otherwise.

You may need one or more of the following FTB publications to complete column B and column C:

- 1001, Supplemental Guidelines to California Adjustments
- 1005, Pension and Annuity Guidelines
- 1031, Guidelines for Determining Resident Status
- 1032, Tax Information for Military Personnel
- 1100, Taxation of Nonresidents and Individuals Who Change Residency

To get forms and publications, go to ftb.ca.gov/forms.

Section A – Income

Line 1 – Wages, Salaries, Tips, etc.

Generally, you will not make any adjustments on this line. If you did not receive any of the following types of income, make no entry on this line in either column B or column C.

Employees and independent contractors. Some taxpayers may be classified as independent contractors for federal purposes and as employees for California purposes. If the taxpayer is classified as an employee for California purposes, enter the amount reported as gross income of the business from federal Schedule C (Form 1040), line 7, as wages on line 1, column C.

Active duty military pay. Special rules apply to active duty military taxpayers. Get FTB Pub. 1032 for more information.

Combat zone foreign earned income exclusion. For taxable years beginning on and after January 1, 2018, California does not conform to the federal foreign earned income exclusion for amounts received by certain U.S. citizens or resident aliens with an abode in the U.S., specifically contractors or employees of contractors supporting the U.S. Armed Forces in designated combat zones. Enter the amount excluded from federal income on line 8f, column C.

Combat zone extended to Egypt's Sinai Peninsula. Federal law extended combat zone tax benefits to the Sinai Peninsula of Egypt. California does not conform. Enter the amount of combat pay excluded from federal income on line 1, column C. Get FTB Pub. 1032 for more information.

Sick pay received under the Federal Insurance Contributions Act and Railroad Retirement Act. California excludes this item from income. Enter in column B the amount of these benefits included in the amount in column A.

Ridesharing fringe benefit differences. Under federal law, certain qualified transportation benefits are excluded from gross income. Under the California R&TC, there are no monthly limits for the exclusion of these benefits and California's definitions are more expansive. Enter the amount of ridesharing benefits received and included in federal income on line 1, column B.

Foreign income. If you excluded income exempted by U.S. tax treaties on your federal Schedule 1 (Form 1040) (unless specifically exempt for state purposes), enter the excluded amount in column C. If you claimed foreign earned income or housing cost exclusion on your federal Schedule 1 (Form 1040) (under IRC Section 911), see the instructions for line 8.

Exclusion for compensation from exercising a California Qualified Stock Option (CQSO). To claim this exclusion:

- Your earned income is \$40,000 or less from the corporation granting the CQSO.
- The market value of the options granted to you must be less than \$100,000.
- The total number of shares must be 1,000 or less.
- The corporation issuing the stock must designate that the stock issued is a CQSO at the time the option is granted.

If you included an amount qualifying for this exclusion in federal income, enter that amount on line 1, column B.

Employer health savings account (HSA) contribution. Enter the amount of any employer HSA contribution from federal Form W-2, Wage and Tax Statement, box 12, code W on line 1, column C.

Income exclusion for In-Home Supportive Services (IHSS) supplementary payments. If you are an IHSS provider who received IHSS supplementary payments that were included in federal wages, enter the IHSS supplementary payments on line 1, column B. IHSS providers only receive a supplementary payment if they paid a sales tax on the IHSS services they provide. The supplementary payment is equal to the sales tax paid plus any increase in the federal payroll withholding paid due to the supplementary payment.

Native American earned income exemption. California does not tax federally recognized tribal members living in California Indian country who earn income from any federally recognized California Indian country. Military compensation is considered income from reservation sources. Enrolled members who receive reservation sourced per capita income must reside in their affiliated tribe's Indian country to qualify for tax exempt status. Enter on line 1, column B the earnings included in federal income that are exempt for California. Attach form FTB 3504, Enrolled Tribal Member Certification, to Form 540. For more information, get form FTB 3504.

Line 2 – Taxable Interest

If you did not receive any of the kinds of income listed below, make no entry on this line in either column B or column C.

Enter in column B the interest you received from:

- U.S. savings bonds (except for interest from series EE U.S. savings bonds issued after 1989 that qualified for the Education Savings Bond Program exclusion).
- U.S. Treasury bills, notes, and bonds.
- Any other bonds or obligations of the United States and its territories.
- Interest from Ottoman Turkish Empire Settlement Payments.
- Interest income from children under age 19 or students under age 24 included on the child's federal tax return and reported on the California tax return by the parent. For more information, get form FTB 3803, Parents' Election to Report Child's Interest and Dividends.

Certain mutual funds pay "exempt-interest dividends." If the mutual fund has at least 50% of its assets invested in tax-exempt U.S. obligations and/or in California or its municipal obligations, that amount of dividend is exempt from California tax. The proportion of dividends that are tax-exempt will be shown on your annual statement or statement issued with federal Form 1099-DIV, Dividends and Distributions.

Enter in column C the interest you identified as tax-exempt interest on your federal Form 1040 or 1040-SR, line 2a, **and** which you received from:

- The federally exempt interest dividends from other states, or their municipal obligations and/or from mutual funds that do not meet the 50% rule above.
- Non-California state bonds.
- Non-California municipal bonds issued by a county, city, town, or other local government unit.

- Obligations of the District of Columbia issued after December 27, 1973.
- Non-California bonds if the interest was passed through to you from S corporations, trusts, partnerships, or Limited Liability Companies (LLCs).
- Interest or other earnings earned from a Health Savings Account (HSA) are not treated as taxed deferred. Interest or earnings in a HSA are taxable in the year earned.
- Interest on any bond or other obligation issued by the Government of American Samoa.
- Interest income from children under age 19 or students under age 24 included on the parent's federal tax return and reported on the California tax return by the child.

Make no entries in either column B or column C for interest you earned on Federal National Mortgage Association (Fannie Mae) Bonds, Government National Mortgage Association (Ginnie Mae) Bonds, and Federal Home Loan Mortgage Corporations (FHLMC) securities, or grants paid to low income individuals.

Get FTB Pub. 1001 if you received interest income from the items listed above passed through to you from S corporations, trusts, estates, partnerships, or LLCs.

Line 3 – Ordinary Dividends

Generally, no difference exists between the amount of dividends reported in column A and the amount reported using California law. However, California taxes dividends derived from other states and their municipal obligations.

Add dividends received from the following and enter in column B:

- Dividend income from children under age 19 or students under age 24 **included** on the parent's or child's federal tax return and reported on the California tax return by the opposite taxpayer. For more information, get form FTB 3803.

Add dividends received from the following and enter in column C:

- Controlled foreign corporation (CFC) dividends in the year distributed.
- Regulated investment company (RIC) capital gains in the year distributed.
- Distributions of pre-1987 earnings from an S corporation.
- Dividend income from children under age 19 or students under age 24 **excluded** on the parent's or child's federal tax return and reported on the California tax return by the opposite taxpayer. For more information, get form FTB 3803.

Get FTB Pub. 1001 if you received dividends from:

- Non-cash patronage dividends from farmers' cooperatives or mutual associations.
- A CFC.
- Distributions of pre-1987 earnings from S corporations.
- Undistributed capital gains for RIC shareholders.

Line 4a and b – IRA Distributions

Generally, no adjustments are made on this line. However, there may be significant differences in the taxable amount of a distribution (including a distribution from conversion of a traditional IRA to a Roth IRA), depending on when you made your contributions to the IRA. Differences also occur if your California IRA deductions were different from your federal deductions because of differences between California and federal self-employment income.

If the taxable amount using California law is:

- Less than the amount taxable under federal law, enter the difference in column B.
- More than the amount taxable under federal law, enter the difference in column C.

Get FTB Pub. 1005 for more information and worksheets for figuring the adjustment to enter on this line, if any.

If you have an IRA basis and were a nonresident in prior years, you may need to restate your California IRA basis. Get FTB Pub. 1100 for more information.

Coverdell Education Savings Account (ESA) formerly known as Education (ED) IRA – If column A includes a taxable distribution from an ED IRA, you may owe additional tax on that amount. Get form FTB 3805P, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts.

Line 5a and b – Pensions and Annuities

Generally, no adjustments are made on this line. However, if you received Tier 2 railroad retirement benefits or partially taxable distributions from a pension plan, you may need to make the following adjustments.

If you received a federal Form RRB-1099-R, Annuities or Pensions by the Railroad Retirement Board, for railroad retirement benefits and included all or part of these benefits in taxable income in column A, enter the taxable benefit amount in column B.

If you began receiving a retirement annuity between July 1, 1986, and January 1, 1987, and elected to use the three-year rule for California purposes and the annuity rules for federal purposes, enter in column C the amount of the annuity payments you excluded for federal purposes.

You may have to pay an additional tax if you received a taxable distribution from a qualified retirement plan before reaching age 59½ and the distribution was not rolled over into another qualified plan. Get form FTB 3805P for more information.

Line 6 – Social Security Benefits

California excludes U.S. social security benefits or equivalent Tier 1 railroad retirement benefits from taxable income. Enter in column B the amount of taxable U.S. social security benefits or equivalent Tier 1 railroad retirement benefits shown in column A, line 6(b).

Line 7 – Capital Gain or (Loss)

Generally, no adjustments are made on this line. California taxes long and short term capital gains as regular income. No special rate for long term capital gains exists. However, the California basis of the assets listed below may be different from the federal basis due to differences between California and federal laws. If there are differences, use Schedule D (540), California Capital Gain or Loss Adjustment, to calculate the amount to enter on line 7.

- Gain on sale of qualified small business stock under IRC Section 1045 and IRC Section 1202.
- Basis amounts resulting from differences between California and federal law in prior years.
- Gain or loss on stock and bond transactions.
- Installment sale gain reported on form FTB 3805E, Installment Sale Income.
- Gain on the sale of personal residence where depreciation was allowable.
- Pass-through gain or loss from partnerships, fiduciaries, S corporations, or LLCs.
- Capital loss carryover from your 2019 California Schedule D (540).
- Capital gain from children under age 19 or students under age 24 included on the parent's or child's federal tax return and reported on the California tax return by the opposite taxpayer. For more information, get form FTB 3803.

Get FTB Pub. 1001 for more information about:

- Disposition of S corporation stock acquired before 1987.
- Capital gain exclusion for sale of principal residence by a surviving spouse.
- Gain on sale or disposition of qualified assisted housing development to low-income residents or to specified entities maintaining housing for low-income residents.
- Undistributed capital gain for RIC shareholders.
- Gain or loss on the sale of property inherited before January 1, 1987.
- Capital loss carrybacks.

Section B – Additional Income

Line 1 – Taxable Refunds, Credits, or Offsets of State and Local Income Taxes

California does not tax the state income tax refund. Enter in column B the amount of state tax refund entered in column A.

Line 2a – Alimony Received

Under federal law (TCJA), alimony and separate maintenance payments are not includable in the income of the receiving spouse, if made under any divorce or separation agreement executed after December 31, 2018, or executed on or before December 31, 2018 and modified after that date (if the modification expressly provides that the amendments apply). California does not conform. If you received alimony not included in your federal income, enter the alimony received in column C.

If you are a nonresident alien and received alimony not included in your federal income, enter the alimony on this line in column C.

Line 3 – Business Income or (Loss)

Adjustments to federal business income or loss you reported in column A generally are necessary because of the difference between California and federal law relating to depreciation methods, special credits, and accelerated write-offs. As a result, the recovery period or basis used to figure California depreciation may be different from the amount used for federal purposes.

Adjustments are figured on form FTB 3885A, Depreciation and Amortization Adjustments, and are most commonly necessary because of the following:

- **Before January 1, 1987**, California did not allow depreciation under the federal accelerated cost recovery system. Continue to figure California depreciation for those assets in the same manner as prior years.
- **On or after January 1, 1987**, California provides special credits and accelerated write-offs that affect the California basis of qualifying assets. Refer to the bulleted list below.

Use form FTB 3801, Passive Activity Loss Limitations, to figure the total adjustment for line 3 if you have:

- One or more passive activities that produce a loss.
- One or more passive activities that produce a loss **and** any nonpassive activity reported on federal Schedule C (Form 1040), Profit or Loss From Business.

Use form FTB 3885A to figure the total adjustment for line 3 if you have:

- Only nonpassive activities which produce either gains or losses (or combination of gains and losses).
- Passive activities that produce gains.

Employees and independent contractors. Some taxpayers may be classified as independent contractors for federal purposes and as employees for California purposes. If the taxpayer is classified as an employee for California purposes, enter the amount of federal business income from line 3, column A, on line 3, column B.

Commercial cannabis activity. Under federal law, deductions for business expenses of a trade or business paid or incurred during the taxable year in conducting commercial cannabis activity are disallowed. California does not conform. California allows cannabis business licensed under California Medicinal and Adult-Use Cannabis Regulation and Safety Act (CA MAUCRSA) to claim these expenses. Enter the amount of these expenses on line 3, column B.

Limitation on deduction of business interest. Under federal law, every business, regardless of its form, is generally subject to a disallowance of a deduction for net interest expense in excess of 50% of the business's adjustable taxable income. California does not conform. Figure the difference between the amounts allowed using federal law and California law. Enter the difference on line 3, column B.

Limitation on employer's deduction for fringe benefit expenses. Under federal law, deductions for entertainment expenses are disallowed; the current 50% limit on the deductibility of business meals is expanded to meals provided through an in-house cafeteria or otherwise on the premises of the employer; deductions for employee transportation fringe benefits (e.g., parking and mass transit) are denied; and no deduction is allowed for transportation expenses that are the equivalent of commuting for employees (e.g., between the employee's home and the workplace), except as provided for the safety of the employee. California does not conform. Figure the difference between the amounts allowed using federal law and California law. Enter the difference on line 3, column B or column C.

Limitation on wagering losses. Under federal law, all deductions for expenses incurred in carrying out wagering transactions, and not just gambling losses, are limited to the extent of gambling winnings. California does not conform. Figure the difference between the amounts allowed using federal law and California law. Enter the difference on line 3, column B.

Sexual harassment settlements. Under federal law, no deduction is allowed for any settlement, payout, or attorney fees related to sexual harassment or sexual abuse if such payments are subject to a nondisclosure agreement. California does not conform. Enter the amount received and included in federal income on line 3, column B.

Penalty Assessed by Professional Sports League. California does not allow a business expense deduction for any fine or penalty paid or incurred by an owner of a professional sports franchise assessed or imposed by the professional sports league that includes that franchise. If the fine or penalty was deducted for federal purposes, enter this amount on line 3, column C.

Business Expense Deduction Disallowance – California disallows a deduction for a business expense related to a payment to the Edge College and Career Network, LLC, to a taxpayer who meets all of the following:

- They are charged as a defendant in any of several specified criminal complaints as listed in R&TC Section 17275.4.
- There is a final determination of their guilt with regard to a violation of any offense arising out of that criminal complaint.
- There is a finding that they took the deduction unlawfully.

For more information, see R&TC Section 17275.4. Enter the amount of this deduction on line 3, column C.

Get FTB Pub. 1001 for more information about:

Income related to:

- Business, trade, or profession carried on within California that is an integral part of a unitary business carried on both within and outside California.
- Pro-rata share of income received from a CFC by a U.S. shareholder.

Basis adjustments related to:

- Property acquired prior to becoming a California resident.
- Sales or use tax credit for property used in a former Enterprise Zone (EZ), Local Agency Military Base Recovery Area (LAMBRA), or Targeted Tax Area (TTA).
- Reduced recovery periods for fruit-bearing grapevines replaced in a California vineyard on or after January 1, 1992, as a result of phylloxera infestation; or on or after January 1, 1997, as a result of Pierce's disease.
- Expenditures for tertiary injectants.
- Property placed in service on an Indian reservation after December 31, 2017, and before January 1, 2021.
- Amortization of pollution control facilities.
- Discharge of real property business indebtedness.
- Vehicles used in an employer-sponsored ridesharing program.
- An enhanced oil recovery system.
- Joint Strike Fighter property costs.
- The cost of making a business accessible to disabled individuals.
- Property for which you received an energy conservation subsidy from a public utility on or after January 1, 1995, and before January 1, 1997.
- Research and experimental expenditures.
- Reduction of capitalized costs attributable to the Work Opportunity Credit.

Business deductions related to:

- Wages paid in a former EZ, LAMBRA, Manufacturing Enhancement Area (MEA), or TTA.
- Certain employer costs for employees who are also enrolled members of Indian tribes.
- Abandonment or tax recoupment fees for open-space easements and timberland preserves.
- Research expense.
- Employer wage expense for the Work Opportunity Credit.

- Pro-rata share of deductions received from a CFC by a U.S. shareholder.
- Interest paid on indebtedness in connection with company-owned life insurance policies.
- Premiums paid on life insurance policies, annuities, or endowment contracts issued after June 8, 1997, where the owner of the business is directly or indirectly a policy beneficiary.
- Commercial Revitalization Deductions for Renewal Communities.
- Small Employer Health Insurance Credit.

Line 4 – Other Gains or (Losses)

Generally, no adjustments are made on this line. However, the California basis of your other assets may differ from your federal basis due to differences between California and federal law. Therefore, you may have to adjust the amount of other gains or losses. Get Schedule D-1, Sales of Business Property.

Line 5 – Rental Real Estate, Royalties, Partnerships, S Corporations, Trusts, etc.

Adjustments to federal income or loss you reported in column A generally are necessary because of the difference between California and federal law relating to depreciation methods, special credits, and accelerated write-offs. As a result, the recovery period or basis used to figure California depreciation may be different from the recovery period or amount used for federal. For more information, see the instructions for column B and column C, line 3.

California law does not conform to federal law for material participation in rental real estate activities. Beginning in 1994, and for federal purposes only, rental real estate activities conducted by persons in real property business are not automatically treated as passive activities. Get form FTB 3801 for more information.

Use form FTB 3801 to figure the total adjustment for line 5 if you have:

- One or more passive activities that produce a loss.
- One or more passive activities that produce a loss **and** any nonpassive activity reported on federal Schedule E (Form 1040), Supplemental Income and Loss.

Use form FTB 3885A to figure the total adjustment for line 5 if you have:

- Only nonpassive activities which produce either gains or losses (or combination of gains and losses).
- Passive activities that produce gains.

LLCs that are classified as partnerships for California purposes and limited liability partnerships (LLPs) are subject to the same rules as other partnerships. LLCs report distributive items to members on Schedule K-1 (568), Member's Share of Income, Deductions, Credits, etc. LLPs report to partners on Schedule K-1 (565), Partner's Share of Income, Deductions, Credits, etc.

Get FTB Pub. 1001 for more information about accumulation distributions to beneficiaries for which the trust was not required to pay California tax because the beneficiary's interest was contingent.

Line 6 – Farm Income or (Loss)

Adjustments to federal income or loss you report in column A generally are necessary because of the difference between California and federal law relating to depreciation methods, special credits, NOLs, and accelerated write-offs. As a result, the recovery period or basis you use to figure California depreciation may be different from the amount used for federal purposes, and you may need to make an adjustment to your farm income or loss. For more information, see the instructions for column B and column C, line 3.

Use form FTB 3801 to figure the total adjustment for line 6 if you have:

- One or more passive activities that produce a loss.
- One or more passive activities that produce a loss **and** any nonpassive activity reported on federal Schedule F (Form 1040), Profit or Loss From Farming.

Use form FTB 3885A to figure the total adjustment for line 6 if you have:

- Only nonpassive activities which produce either gains or losses (or combination of gains and losses).
- Passive activities that produce gains.

Line 7 – Unemployment Compensation

California excludes unemployment compensation from taxable income. Enter on line 7, column B the amount of unemployment compensation shown in column A.

Paid Family Leave Insurance (PFL) benefits, also known as Family Temporary Disability Insurance. Payments received from the PFL Program are reported on federal Form 1099-G, Certain Government Payments. California excludes payments received from the PFL program from taxable income. Enter on line 7, column B the amount of PFL payments shown in column A. For more information, get FTB Pub. 1001.

Line 8 – Other Income

a. California Lottery Winnings. California excludes California lottery winnings from taxable income. Enter in column B the amount of California lottery winnings included in the federal amount on line 8, column A.

Make no adjustment for lottery winnings from other states. They are taxable by California. If you reduced gambling income for California lottery income, you may need to reduce the losses included in the federal itemized deductions on Part II, line 16, column A. Enter these losses on Part II, line 16, column B.

b. Disaster Loss Deduction. If you have a California disaster loss carryover deduction and there is income in the current taxable year, enter the total amount from your 2020 form FTB 3805V, Part III, line 2 and/or line 3, column (f), as a positive number in column B.

NOL Attributable to a Qualified Disaster – If you deduct a 2020 disaster loss in the 2020 taxable year and have remaining disaster loss that results in an NOL, the NOL can be carried forward. Get FTB 3805V for more information.

c. Federal NOL from federal Schedule 1 (Form 1040), line 8. If the amount on line 8 in column A includes a federal NOL, enter the amount of the federal NOL as a positive number in column C. Get form FTB 3805V, to figure the allowable California NOL.

d. NOL Carryover from Form FTB 3805V. The allowable NOL carryover under California law is different from the allowable NOL carryover under federal law. If you have a California NOL carryover from prior years, enter the total allowable California NOL carryover deduction for the current year from form FTB 3805V, Part III, line 2, column (f), as a positive number in column B.

e. NOL from Forms FTB 3805Z, FTB 3807, or FTB 3809. Enter in column B the total NOL figured on the following forms.

- FTB 3805Z, Enterprise Zone Deduction and Credit Summary, line 3b
- FTB 3807, Local Agency Military Base Recovery Area Deduction and Credit Summary, line 3b
- FTB 3809, Targeted Tax Area Deduction and Credit Summary, line 3b

f. Other (describe).

Identify the type of income reported in the space provided. If there is more than one item to report on line 8f, attach a statement that lists each item and enter the total of all individual items in column B or column C as instructed below.

IRC Section 965 deferred foreign income. If you included IRC 965 deferred foreign income on your federal Schedule 1 (Form 1040), enter the amount on line 8f, column B and write “IRC 965” on line 8f and at the top of Form 540.

Global intangible low-taxed income (GILTI) under IRC Section 951A. If you included GILTI on your federal Schedule 1 (Form 1040), enter the amount on line 8f, column B and write “IRC 951A” on line 8f.

Excess business loss. For taxable years beginning after December 31, 2018, California law generally conforms to the changes under the Tax Cuts and Jobs Act in regard to the disallowance of excess business loss deductions of non-corporate taxpayers. For California purposes, any disallowed loss will be treated as a carryover excess business loss instead of an NOL carryover for the subsequent taxable year.

The federal CARES Act made amendments to IRC Section 461(l) by eliminating the excess business loss limitation of noncorporate taxpayers

for taxable year 2020 and retroactively removing the limitation for taxable years 2018 and 2019. California does **not** conform to those amendments. For taxable year 2020, complete form FTB 3461, if you are a noncorporate taxpayer and your net losses from all of your trades or businesses are more than \$259,000 (\$518,000 for married taxpayers filing a joint return). Enter the amount from form FTB 3461, line 16, on line 8f, column C. Attach form FTB 3461 to the tax return.

Qualified equity grants. California does not conform to federal law regarding the election to defer the recognition of income attributable to qualified stock. If you elected to defer income for federal purposes, make an adjustment on line 8f, column C.

Expanded use of 529 account funds. California does not conform to federal law regarding the IRC Section 529 account funding for elementary and secondary education or to the maximum distribution amount. If the amount was excluded for federal purposes, make an adjustment on line 8f, column C.

California does not conform to federal law under the SECURE Act regarding tax free distributions from an IRC Section 529 plan to cover costs associated with registered apprenticeship and qualified education loan repayments. If the amount was excluded for federal purposes, make an adjustment on line 8f, column C.

Olympic Medals and Prize Money. If you excluded the value of any award, medal, or prize money on your federal Schedule 1 (Form 1040), enter the excluded amount on line 8f, column C. For more information, get FTB Pub. 1001.

Native American Earned Income Exemption. California does not tax federally recognized tribal members living in California Indian country who earn income from any federally recognized California Indian country. Military compensation is considered income from reservation sources. Enrolled members who receive reservation sourced per capita income must reside in their affiliated tribe’s Indian country to qualify for tax exempt status. For more information, see form FTB 3504. Enter in column B the income included in federal income that is exempt for California and write “FTB 3504” on line 8f. Attach form FTB 3504 to Form 540.

Parents’ Election to Report Child’s Interest and Dividends. California conforms to federal law for elections made by parents reporting their child’s interest and dividends. Parents may elect to report their child’s income on their California income tax return by completing form FTB 3803. If you make this election, the child will not have to file a tax return. You may report your child’s income on your California income tax return even if you do not do so on your federal income tax return.

If the amount of your child’s income you are reporting on your California income tax return is different than the amount you reported on your federal income tax return, enter the difference on line 8f, column B or column C and write “FTB 3803” on line 8f. Get form FTB 3803 for more information.

Reward from a crime hotline. Enter in column B the amount of a reward authorized by a government agency received from a crime hotline established by a government agency or nonprofit organization that is included in the amount on line 8, column A.

You may not make this adjustment if you are an employee of the hotline or someone who sponsors rewards for the hotline.

Federal foreign earned income or housing exclusion. Enter in column C the amount deducted from federal income on federal Schedule 1 (Form 1040), line 8.

Combat zone foreign earned income exclusion. Enter the amount excluded from federal income on line 8f, column C.

Beverage container recycling income. Enter in column B the amount of recycling income included in the amount on line 8, column A.

Rebates or vouchers from a local water agency, energy agency, or energy supplier. California law allows an income exclusion for rebates or vouchers from a local water agency, energy agency, or energy supplier for the purchase and installation of water conservation appliances and devices. Enter in column B the amount of this type of income included in the amount on line 8, column A.

Financial Incentive for Seismic Improvement. California law allows an income exclusion for loan forgiveness, grant, credit, rebate, voucher, or other financial incentive issued by the California Residential Mitigation Program or California Earthquake Authority to assist a residential property owner or occupant with expenses paid, or obligation incurred for earthquake loss mitigation. Enter in column B the amount of this type of income included in the amount on line 8, column A.

Original issue discount (OID) for debt instruments issued in 1985 and 1986. In the year of sale or other disposition, you must recognize the difference between the amount reported on your federal tax return and the amount reported for California purposes. **Issuers:** Enter the difference between the federal deductible amount and the California deductible amount on line 8f in column B. **Holders:** Enter the difference between the amount included in federal gross income and the amount included for California purposes on line 8f, column C.

Foreign income of nonresident aliens. Adjust federal income to reflect worldwide income computed under California law. Enter losses from foreign sources in column B. Enter foreign source income in column C.

Cost-share payments received by forest landowners. Enter in column B the cost-share payments received from the Department of Forestry and Fire Protection under the California Forest Improvement Act of 1978 or from the United States Department of Agriculture, Forest Service, under the Forest Stewardship Program and the Stewardship Incentives Program, pursuant to the Cooperative Forestry Assistance Act.

Coverdell ESA distributions. If you received a distribution from a Coverdell ESA, report the difference between the federal taxable amount and the California taxable amount in column B or column C.

Grants paid to low-income individuals. California excludes grants paid to low-income individuals to construct or retrofit buildings to make them more energy efficient. Federal has no similar exclusion. Enter on line 8f, column B the amount of this type of income.

Health savings account (HSA) distributions for unqualified medical expense. Distributions from an HSA not used for qualified medical expenses, and included in federal income, are not taxable for California purposes. Enter the distribution not used for qualified medical expenses on line 8f, column B.

California National Guard Surviving Spouse & Children Relief Act of 2004. Death benefits received from the State of California by a surviving spouse/RDP or member-designated beneficiary of certain military personnel killed in the performance of duty is excluded from gross income. Military personnel include the California National Guard, State Military Reserve, or the Naval Militia. If you reported a death benefit on line 8, column A, enter the death benefit amount in column B.

Ottoman Turkish Empire settlement payments. If you received settlement payments as a person persecuted by the regime that was in control of the Ottoman Turkish Empire from 1915 until 1923 your gross income does not include those excludable settlement payments, or interest, received by you, your heirs, or your estate for payments received on or after January 1, 2005. If you reported settlement payments on line 8, column A, enter the amount of settlement payments in column B.

Mortgage forgiveness debt relief. California law does not conform to federal law regarding the exclusion of income from discharge of indebtedness from the disposition of your principal residence occurring after December 31, 2017. Enter the amount of discharge on line 8f, column C.

Certain employer payments of student loans. California does not conform to the federal CARES Act regarding the exclusion of student loan payments made on behalf of an employee by an employer. Enter the amount of loan payment on line 8f, column C.

g. Student Loan Discharged Due to Closure of a For-Profit School. California law allows an income exclusion for income that would result from the discharge of any student loan of an eligible individual. An individual is eligible for the exclusion if **any** of the following apply during the taxable year.

1. The individual is granted a discharge of any student loan because:
 - a. The individual successfully asserts that the school did something wrong or failed to do something that it should have done.
 - b. The individual could not complete a program of study due to the school closing.
2. The individual attended a Brightwood College school on or before December 5, 2018, and is granted a discharge of any student loan made in connection with attending that school, and that discharge is not covered under item 1 above.
3. The individual attended a location of The Art Institute of California and is granted a discharge of any student loan made in connection with attending that school, and that discharge is not covered under item 1 above.

Enter in column B the amount of this type of income included in the amount on line 8g, column A.

Line 9 – Total

Add Section A, line 1 through line 7, and Section B, line 1 through line 8g in column B and column C. Enter the totals on line 9.

Section C – Adjustments to Income

Line 10 through Line 18a and Line 19 through Line 21 – California law is the same as federal law with the exception of the following:

- **Line 10 Educator Expenses** – California does not conform to federal law regarding educator expenses. Enter the amount from column A, line 10 to column B, line 10.
- **Line 11 Certain Business Expense of Reservists, Performing Artists, and Fee Basis Government Officials** – If claiming a depreciation deduction as an unreimbursed employee business expense on federal Form 2106, Employee Business Expenses, you may have an adjustment in column B or column C. For more information, get FTB Pub. 1001.

Federal law eliminated the \$3,000 deduction for living expenses for members of Congress while away from home. California does not conform. Enter the amount of living expenses on line 11, column C.

- **Line 12 Health Savings Account (HSA) Deduction** – Federal law allows a deduction for contributions to an HSA account. California does not conform. Transfer the amount from column A, line 12, to column B, line 12.
- **Line 13 Moving Expenses** – California does not conform to federal law regarding the suspension of the deduction for moving expenses, except for members of the Armed Forces on active duty. Non-military taxpayers prepare federal Form 3903, Moving Expenses, using California amounts. If you have excess moving expense reimbursements, enter the amount of moving expenses from line 3 of federal Form 3903 on Schedule CA (540), line 13, column C. If your reimbursements are less than your moving expenses, enter the amount of moving expenses from line 5 of federal Form 3903 on Schedule CA (540), line 13, column C.
- **Line 14 Deductible Part of Self-employment Tax** – A taxpayer may be classified as an independent contractor for federal purposes and as an employee for California purposes. This deduction is not allowed to an employee. If for California purposes, the taxpayer is classified as an employee, an adjustment is needed in column B. Enter the amount from column A, line 14, on column B, line 14.
- **Line 16 Self-employed Health Insurance Deduction** – A taxpayer may be classified as an independent contractor for federal purposes and as an employee for California purposes. This deduction is not allowed to an employee. If for California purposes, the taxpayer is classified as an employee, an adjustment is needed in column B. Enter the amount from column A, line 16, on column B, line 16.

Note: A taxpayer classified as an employee for California purposes who makes an adjustment on this line may be able to claim this amount as a deduction for medical and dental expenses. For more information, see instructions for Part II, line 4.

- **Line 18a (Alimony Paid)** – Under federal law (TCJA), alimony and separate maintenance payments are not deductible by the payor spouse, if made under any divorce or separation agreement executed after December 31, 2018, or executed on or before

December 31, 2018, and modified after that date (if the modification expressly provides that the amendments apply). California does not conform. If you paid alimony and did not deduct it on your federal tax return, enter the alimony in column C.

If you are a nonresident alien and did not deduct alimony on your federal tax return, enter the amount you paid in column C.

Line 18b (Recipient's SSN/Last Name) – Enter the SSN or ITIN and last name of the person to whom you paid alimony.

- **Line 20 Student Loan Interest Deduction** – California conforms to federal law regarding student loan interest deduction except for a spouse/RDP of a non-California domiciled military taxpayer residing in a community property state. Use the Student Loan Interest Deduction Worksheet below to compute the amount to enter on line 20. For more information, get FTB Pub. 1032.

Student Loan Interest Deduction Worksheet

1	Enter the total amount from Schedule CA (540), line 20, column A. If the amount on line 1 is zero, STOP. You are not allowed a deduction for California	1 _____
2	Enter the total interest you paid in 2020 on qualified student loans but not more than \$2,500 here . .	2 _____
3	Add federal Schedule 1 (Form 1040), line 20 (student loan interest deduction) to federal Form 1040 or 1040-SR, line 11 (AGI). Enter the result here	3 _____
4	Enter the amount shown below for your filing status.	
	• Single, head of household, or qualifying widow(er) – \$60,000	} 4 _____
	• Married/RDP filing jointly – \$120,000	
5	Is the amount on line 3 more than the amount on line 4?	
	<input type="checkbox"/> No. Skip lines 5 and 6, enter -0- on line 7, and go to line 8.	
	<input type="checkbox"/> Yes. Subtract line 4 from line 3	5 _____
6	Divide line 5 by \$15,000 (\$30,000 if married/RDP filing jointly). Enter the result as a decimal (rounded to at least three places). If the result is 1.000 or more, enter 1.000 . .	6 _____
7	Multiply line 2 by line 6	7 _____
8	Student loan interest deduction. Subtract line 7 from line 2	8 _____
9	Student loan interest adjustment. If line 1 is less than line 8, enter the difference here and on Schedule CA (540), line 20, column C	9 _____

- **Line 21 Tuition and Fees** – California does not conform to federal law regarding the tuition and fees deduction. Enter the amount from column A, line 21 on column B, line 21.

Line 22 – Add line 10 through line 18a and line 19 through line 21 in column B and column C.

If you claimed a charitable contribution as a standard deduction (CCSD) from federal Form 1040 or 1040-SR, line 10b, include that amount in the total you enter on column B, line 22. Enter the amount and “1040, CCSD” on the dotted line next to line 22. This amount may only be claimed for California purposes as an itemized deduction. See instructions for Part II, line 11, for more information.

If you claimed the foreign housing deduction, include that amount in the total you enter in column B, line 22. Enter the amount and “Form 2555” on the dotted line next to line 22.

If you claimed the excess deduction on termination of an estate or trust for federal purposes, include that amount in the total you enter in column B, line 22. Enter the amount and “ED67(e)” on the dotted line next to line 22. For California purposes, this amount is claimed as a miscellaneous itemized deduction. For more information, see instructions in Part II for line 21.

Line 23 – Total

Subtract line 22 from line 9 in column B and column C.

Also, transfer the amount from:

- Line 23, column B to Form 540, line 14

If column B is a negative number, transfer the amount as a positive number to Form 540, line 16.

- Line 23, column C to Form 540, line 16

If column C is a negative number, transfer the amount as a positive number to Form 540, line 14.

Part II Adjustments to Federal Itemized Deductions

Important: If you did not itemize deductions on your federal tax return but will itemize deductions on your California tax return, first complete federal Schedule A (Form 1040), Itemized Deductions. Then check the box at the top of Schedule CA (540), Part II and complete line 1 through line 30. Attach a copy of federal Schedule A (Form 1040) to your Form 540.

Column A — Federal Amounts

Line 1 through Line 16

Enter on line 1 through line 16 the same amounts you entered on your federal Schedule A (Form 1040).

Column B and Column C — Subtractions and Additions

Use these columns to enter subtractions and additions to the federal amounts in column A that are necessary because of differences between California and federal law. Enter all amounts as positive numbers unless instructed otherwise.

Line 1 through Line 4

Employees and independent contractors – Taxpayers classified as independent contractors for federal purposes and classified as employees for California purposes may claim the amount of self-employed health insurance deduction for federal purposes as a medical and dental expense deduction for California purposes. Combine the amount paid for self-employed health insurance with other medical and dental expenses (as applicable). The total amount of the medical and dental expenses is subject to the 7.5% of federal AGI threshold. Enter the difference between the medical and dental expense deduction allowed for California and federal on line 4, column C

Health Savings Account (HSA) Distributions – If you received a tax-free HSA distribution for qualified medical expenses, enter the qualified expenses paid that exceed 7.5% of federal AGI on line 4, column C.

Line 5a – State and Local Taxes

California does not allow a deduction for state and local income tax (including limited partnership tax and income or franchise tax paid by corporations) and State Disability Insurance (SDI) or state and local general sales tax. Enter that amount on line 5a, column B.

Line 5e – The federal deduction for state and local tax is limited to \$10,000 (\$5,000 for married filing separate) for the aggregate of state and local income taxes and property taxes. California does not conform. If your deduction was limited under federal law, enter an adjustment on line 5e, column C for the amount over the federal limit.

Line 6 – Other Taxes

California does not allow a deduction for foreign income taxes. Enter that amount on line 6, column B.

Federal law suspended the deduction for foreign property taxes. California does not conform. Enter the amount on line 6, column C.

Generation Skipping Transfer Tax – Tax paid on generation skipping transfers is not deductible under California law. Enter the amount of generation skipping tax included in line 6, column A on line 6, column B.

Line 8 – Home Mortgage Interest

Federal law limited the mortgage interest deduction acquisition debt maximum from \$1,000,000 (\$500,000 for married filing separately) to \$750,000 (\$375,000 for married filing separately). California does

not conform. If your deduction was limited under federal law, enter an adjustment on line 8, column C for the amount over the federal limit.

Federal law suspended the deduction on up to \$100,000 (\$50,000 for married filing separately) for interest on home equity indebtedness, unless the loan is used to buy, build, or substantially improve the taxpayer's home that secures the loan. California does not conform. If your deduction was limited under the federal law, enter an adjustment on line 8, column C for the amount over the federal limit.

Mortgage Interest Credit – If you reduced your federal mortgage interest deduction by the amount of your mortgage interest credit (from federal Form 8396, Mortgage Interest Credit), increase your California itemized deductions by the same amount. Enter the amount of your federal mortgage interest credit on line 8, column C.

Line 8d – Mortgage Insurance Premiums

California does not allow a deduction for mortgage insurance premiums. Enter the amount from column A, line 8d on column B, line 8d.

Line 9 – Investment Interest Expense

Your California deduction for investment interest expense may be different from your federal deduction. Use form FTB 3526, Investment Interest Expense Deduction, to figure the amount to enter on line 9, column B or column C.

Line 11 – Gifts By Cash Or Check

Qualified Charitable Contributions – Your California deduction may be different from your federal deduction. California limits the amount of your deduction to 50% of your federal adjusted gross income. Figure the difference between the amount allowed using federal law and the amount allowed using California law. Enter the difference on line 11, column B.

Standard Deduction For Cash Charitable Contributions – If you claimed a charitable contribution as a standard deduction (CCSD) from federal Form 1040 or 1040-SR, line 10b, this amount may only be claimed for California purposes as an itemized deduction. Enter the amount allowed using California law on line 11, column C.

College Athletic Seating Rights – Federal law no longer allows a charitable deduction for amounts paid to an institution of higher education in exchange for college athletic seating rights. California does not conform. Enter the amount on line 11, column C.

College Access Tax Credit – If you deducted a charitable contribution amount for the College Access Tax Credit Fund on your federal Schedule A (Form 1040) and are claiming the College Access Tax Credit on your Form 540, enter the amount used to calculate the College Access Tax Credit on line 11, column B.

Charitable Contribution Deduction Disallowance – California disallows a charitable contribution deduction to an educational organization that is a postsecondary institution or to the Key Worldwide Foundation to a taxpayer who meets all of the following:

- They are charged as a defendant in any of several specified criminal complaints as listed in R&TC Section 17275.4.
- There is a final determination of their guilt with regard to a violation of any offense arising out of that criminal complaint.
- There is a finding that they took the deduction unlawfully.

For more information, see R&TC Section 17275.4. Enter the amount of this deduction on line 11, column B.

Line 12 – Other Than By Cash or Check

Qualified Charitable Contributions – Your California deduction may be different from your federal deduction. California limits the amount of your deduction to 50% of your federal adjusted gross income. Figure the difference between the amount allowed using federal law and the amount allowed using California law. Enter the difference on line 12, column B.

Charitable Contribution Deduction Disallowance – California disallows a charitable contribution deduction to an educational organization that is a postsecondary institution or to the Key Worldwide Foundation to a taxpayer who meets all of the following:

- They are charged as a defendant in any of several specified criminal complaints as listed in R&TC Section 17275.4.

- There is a final determination of their guilt with regard to a violation of any offense arising out of that criminal complaint.
- There is a finding that they took the deduction unlawfully.

For more information, see R&TC Section 17275.4. Enter the amount of this deduction on line 12, column B.

Line 13 – Carryover From Prior Year

Charitable Contribution Carryover Deduction – If deducting a prior year charitable contribution carryover, and the California carryover is larger than the federal carryover, enter the additional amount on line 13, column C.

Carryover Deduction of Appreciated Stock Contributed to a Private Foundation prior to January 1, 2002 – If deducting a charitable contribution carryover of appreciated stock donated to a private operating foundation prior to January 1, 2002, and the fair market value allowed for federal purposes is larger than the basis allowed for California purposes, enter the difference on line 13, column B.

Line 15 – Casualty or Theft Loss(es)

Under federal law, the personal casualty and theft loss deduction is suspended, with exception for personal casualty gains. Federal allows a deduction for personal casualty and theft loss incurred in a federally declared disaster. California does not conform.

California allows personal casualty and theft loss and disaster loss deductions. If you have personal casualty and theft loss and/or disaster loss, complete another federal Form 4684, Casualties and Thefts, using California amounts. Enter the difference between the federal and California amount in column B or column C.

Line 16 – Other Itemized Deductions

Unreimbursed Impairment-Related Work Expenses – If you completed federal Form 2106, prepare a second set of forms reflecting your employee business expense using California amounts (i.e., following California law). Include your entertainment expenses, if any, on line 5 of federal Form 2106 for California purposes.

Generally, California law conforms with federal law and no adjustment is needed. However, differences occur when:

- Assets (requiring depreciation) were placed in service before January 1, 1987. Figure the depreciation based on California law.
- Federal employees who were on temporary duty status. California does not conform to the federal provision that expanded temporary duties to include prosecution duties, in addition to investigative duties. Therefore, travel expenses paid or incurred in connection with temporary duty status (exceeding one year), involving the prosecution (or support of the prosecution) of a federal crime, should not be included in the California amount.

Compare federal Form 2106, line 10 and the form completed using California amounts. Enter the difference between the federal and California amount in column B or column C.

Gambling Losses – California lottery losses are not deductible for California. Enter the amount of California lottery losses included in line 16, column A on line 16, column B.

Federal Estate Tax – Federal estate tax paid on income in respect of a decedent is not deductible for California. Enter the amount of federal estate tax included in line 16, column A on line 16, column B.

Claim of Right – If you had to repay an amount that you included in your income in an earlier year, because at the time you thought you had an unrestricted right to it, you may be able to deduct the amount repaid from your income for the year in which you repaid it. Or, if the amount you repaid is more than \$3,000, you may take a credit against your tax for the year in which you repaid it, whichever results in the least tax.

If the amount repaid was not taxed by California, no deduction or credit is allowed.

Social security benefits are not taxable by California and the repayment would not qualify for claim of right deduction or credit. If you deducted the repayment of Social Security benefits on your federal tax return, enter the amount of the federal deduction on line 16, column B.

If you claimed a credit for the repayment on your federal tax return and are deducting the repayment for California, enter the allowable deduction on line 16, column C.

If you deducted the repayment on your federal tax return and are taking a credit for California, enter the amount of the federal deduction on line 16, column B. To help you determine whether to take a credit or deduction, see the Repayment section of federal Publication 525, Taxable and Nontaxable Income. Remember to use the California tax rate in your computations. If you choose to take the credit instead of the deduction for California, add the credit amount on line 78, the total payment line, of the Form 540. To the left of the total, write "IRC 1341" and the amount of the credit.

Line 19 through Line 22 – Job Expenses and Certain Miscellaneous Deductions

Under federal law, the deduction for miscellaneous itemized deductions subject to the 2% floor is suspended. California does not conform.

Line 19 – Unreimbursed Employee Expenses

Prepare federal Form 2106 reflecting your employee business expense using California amounts (i.e., following California law). Include your entertainment expenses, if any, on line 5 of federal Form 2106 for California purposes.

Enter the amount from line 10 of federal Form 2106 on line 19.

Line 20 – Tax Preparation Fees

Enter the fees you paid for preparation of your tax return, including fees paid for filing your return electronically. If you paid your tax by credit or debit card, include the convenience fee you were charged on line 21 instead of this line.

Line 21 – Other Expenses

Enter the total amount you paid to produce or collect taxable income and manage or protect property held for earning income.

List the type of each expense next to line 21 and enter the total of these expenses on line 21. If you are filing a paper return and you can't fit all your expenses on the dotted lines next to line 21, attach a statement showing the type and amount of each expense.

Examples of expenses to include on line 21 are:

- Certain legal and accounting fees.
- Custodial fees (for example, trust account).
- Casualty and theft losses of property used in performing services as an employee from federal Form 4684, line 32 and 38b, or federal Form 4797, line 18a.
- Deduction for repayment of amounts under a claim of right if \$3,000 or less.
- Excess deduction on termination of an estate or trust.

Claim of Right – If you had to repay an amount that you included in your income in an earlier year, because at the time you thought you had an unrestricted right to it, you may be able to deduct the amount repaid from your income for the year in which you repaid it. If the amount you repaid is less than \$3,000, the deduction is subject to the 2% AGI limit for California purposes. If you are deducting the repayment for California, enter the allowable deduction on line 21.

If the amount repaid was not taxed by California, no deduction is allowed.

Line 27 – Other Adjustments

Adoption-Related Expenses – If you deducted adoption-related expenses on your federal Schedule A (Form 1040) and are claiming the adoption cost credit for the same amounts on your Form 540, enter the amount of the adoption cost credit claimed as a negative number on line 27.

Nontaxable Income Expenses – If, on federal Schedule A (Form 1040), you claim expenses related to producing income taxed under federal law but not taxed by California, enter the amount as a negative number on line 27.

You may claim expenses related to producing income taxed by California law but not taxed under federal law by entering the amount as a positive number on line 27.

State Legislator's Travel Expenses – Under California law, deductible travel expenses for state legislators include only those incurred while away from their place of residence overnight. Figure the difference between the amount allowed using federal law and the amount allowed using California law. Enter the difference as a negative number on line 27.

Interest on Loans from Utility Companies – Taxpayers are allowed a tax deduction for interest paid or incurred on a public utility company financed loan that is used to purchase and install energy efficient equipment or products, including zone-heating products for a qualified residence **located in California**. Federal law has no equivalent deduction. Enter the amount as a positive number on line 27.

Line 29 – California Itemized Deductions

Is the amount on Form 540, line 13 more than the amount shown below for your filing status?

Single or married/RDP filing separately	\$203,341
Head of household	\$305,016
Married/RDP filing jointly or qualifying widow(er)	\$406,687

NO Transfer the amount from line 28 to line 29. Do not complete the Itemized Deductions Worksheet.

YES Complete the Itemized Deductions Worksheet below.

Note:

- If married or an RDP and filing a separate tax return, you and your spouse/RDP must either both itemize your deductions (even if the itemized deductions of one spouse/RDP are less than the standard deduction) or both take the standard deduction.
- Also, if someone else can claim you as a dependent, claim the greater of the standard deduction or your itemized deductions. See the instructions for "California Standard Deduction Worksheet for Dependents" within the Form 540 Personal Income Tax Booklet to figure your standard deduction.

Itemized Deductions Worksheet	
1. Amount from Schedule CA (540), Part II, line 28	1 _____
2. Add the amounts on federal Schedule A (Form 1040), line 4, line 9, and line 15 plus any gambling losses included on line 16	2 _____
3. Subtract line 2 from line 1	3 _____
If zero, STOP. Enter the amount from line 1 on Schedule CA (540), Part II, line 29.	
4. Multiply line 3 by 80% (.80)	4 _____
5. Amount from Form 540, line 13	5 _____
6. Enter the amount shown above for your filing status	6 _____
7. Subtract line 6 from line 5	7 _____
Note: If zero or less, STOP. Enter the amount from line 1 on Schedule CA (540), Part II, line 29.	
8. Multiply line 7 by 6% (.06)	8 _____
9. Compare line 4 and line 8. Enter the smaller amount here	9 _____
10. Total itemized deductions. Subtract line 9 from line 1. Enter here and on Schedule CA (540), Part II, line 29	10 _____

Line 30 – Amount from Line 29 or Standard Deduction

If your filing status is Married/RDP filing separately and your spouse itemizes, enter the amount from line 29 (even if the standard deduction is larger).

2020 Instructions for California Schedule D (540)

California Capital Gain or Loss Adjustment

References in these instructions are to the Internal Revenue Code (IRC) as of January 1, 2015, and to the California Revenue and Taxation Code (R&TC).

General Information

In general, for taxable years beginning on or after January 1, 2015, California law conforms to the Internal Revenue Code (IRC) as of January 1, 2015. However, there are continuing differences between California and federal law. When California conforms to federal tax law changes, we do not always adopt all of the changes made at the federal level. For more information, go to ftb.ca.gov and search for **conformity**. Additional information can be found in FTB Pub. 1001, Supplemental Guidelines to California Adjustments, the instructions for California Schedule CA (540), California Adjustments - Residents, or Schedule CA (540NR), California Adjustments - Nonresidents or Part-Year Residents, and the Business Entity tax booklets.

The instructions provided with California tax forms are a summary of California tax law and are only intended to aid taxpayers in preparing their state income tax returns. We include information that is most useful to the greatest number of taxpayers in the limited space available. It is not possible to include all requirements of the California Revenue and Taxation Code (R&TC) in the instructions. Taxpayers should not consider the instructions as authoritative law.

For purposes of California income tax, references to a spouse, husband, or wife also refer to a California registered domestic partner (RDP), unless otherwise specified. When we use the initials RDP they refer to both a California registered domestic "partner" and a California registered domestic "partnership," as applicable. For more information on RDPs, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

Purpose

Use California Schedule D (540), California Capital Gain or Loss Adjustment, **only** if there is a difference between your California and federal capital gains and losses.

Get FTB Pub. 1001, for more information about the following:

- Disposition of property inherited before 1987.
- Gain on the sale or disposition of a qualified assisted housing development to low-income residents or to specific entities maintaining housing for low-income residents.
- Capital loss carryback.

Important Information

Installment Sales.

If you sold property at a gain (other than publicly traded stocks or securities) and you will receive a payment in a tax year after the year of sale, report the sale on the installment method unless you elect not to do so. Get form FTB 3805E, Installment Sale Income. Also, use that form if you received a payment in 2020, for an installment sale made in an earlier year.

You may elect not to use the installment sale method for California by reporting the entire gain on Schedule D (540) (or Schedule D-1, Sales of Business Property, for business assets) in the year of the sale and filing your return on or before the due date.

At-Risk Rules and Passive Activity Limitations.

If you dispose of (1) an asset used in an activity to which the at-risk rules apply, or (2) any part of your interest in an activity to which the at-risk rules apply, and the amounts in the activity for which you are not at risk, get and complete federal Form 6198, At-Risk Limitations, using California amounts to figure your California deductible loss under the at-risk rules. Once a loss becomes allowable under the at-risk rules, it becomes subject to the passive activity rules. Get form FTB 3801, Passive Activity Loss Limitations.

Capital Assets.

The Tax Cuts and Jobs Act (TCJA) amended IRC Section 1221 excluding a patent, invention, model or design (whether or not patented), and a secret formula or process held by the taxpayer who created the property (and certain other taxpayers) from the definition of a capital asset. California does not conform. Report your capital assets on Schedule D (540).

Specific Line Instructions

Line 1 – List each capital asset transaction.

Column (a) – Description of Property. Describe the asset you sold or exchanged.

Column (b) – Sales Price. Enter in this column either the gross sales price or the net sales price. If you received federal Form 1099-B, Proceeds From Broker and Barter Exchange Transactions; federal Form 1099-S, Proceeds From Real Estate Transactions; or similar statement showing the gross sales price, enter that amount in column (b). However, if box 6 of federal Form 1099-B indicates that net proceeds were reported to the Internal Revenue Service, enter that net amount in column (b). If you entered the net amount in column (b), **do not** include the commissions and option premiums in column (c).

Column (c) – Cost or Other Basis. In general, the cost or other basis represents the cost of the property plus purchase commissions and improvements, minus depreciation, amortization, and depletion. Enter the cost or adjusted basis of the asset for California purposes. Use your records and California tax returns for years before 1987 to determine the California amount to enter in column (c). If you used an amount other than cost as the original basis, your federal basis may be different from your California basis. Other reasons for differences include:

- **Depreciation Methods and Property Expensing** – Before 1987, California law disallowed the use of accelerated cost recovery system and disallowed the use of an asset depreciation range 20% above or below the standard rate. California has different limits on the expensing of property under IRC Section 179. California law permits rapid write-off of certain property such as solar energy systems, pollution control devices, and property used in an Enterprise Zone, Local Agency Military Base Recovery Area, Targeted Tax Area, or Los Angeles Revitalization Zone.
- **Inherited Property** – The California basis of property inherited from a decedent is generally the fair market value at the time of death.
- **S Corporation Stock** – Prior to 1987, California law did not recognize S corporations; therefore, your California basis in S corporation stock may differ from your federal basis. In general, your California basis will be cost-adjusted for income, loss, and distributions received after 1986, while your stock was California S corporation stock. Your federal basis will be cost-adjusted for income, loss, and distributions received during the time your stock qualified for federal S corporation treatment. Effective for taxable years beginning on or after January 1, 2002, any corporation with a valid federal S corporation election is considered an S corporation for California purposes. Existing law already requires federal C corporations to be treated as C corporations for California purposes.
- **Special Credits** – California law authorizes special tax credits not allowed under federal law or computed differently under federal law. In many instances if you claimed special credits related to capital assets, you must reduce your basis in the assets by the amount of credit.

Other adjustments may apply differently to the federal and California basis of your capital assets. Figure the original basis of your asset using the California law in effect when the asset was acquired, and adjust it according to provisions of California law in effect during the period of your ownership.

Column (e) – Gain.

- **Qualified Small Business Stock** – California does not conform to the qualified small business stock deferral and gain exclusion under IRC Section 1045 and IRC Section 1202. Enter the entire gain realized in column (e).
- **Qualified Opportunity Zone Funds** – California does not conform to the deferral and exclusion of capital gains reinvested or invested in qualified opportunity zone funds under IRC Sections 1400Z-1 and 1400Z-2. Enter the entire gain amount in column (e). If, for California purposes, gains from investment in qualified opportunity zone property had been included in income during previous taxable years, do not include the gain in the current year income.

Line 2 – Net Gain or (Loss) Shown on California Schedule(s) K-1 (100S, 541, 565, and 568).

Combine gain(s) and loss(es) from all California Schedule(s) K-1 (100S, 541, 565, and 568), Share of Income, Deductions, Credits, etc. See California Schedule K-1 (100S, 541, 565, and 568) instructions for more information on capital gains and losses. Enter the net loss on line 2, column (d), or the net gain on line 2, column (e).

Line 3 – Capital Gain Distributions.

If you receive federal Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains, from a mutual fund, do not include the **undistributed** capital gain dividends on Schedule D (540). If you receive federal Form 1099-DIV, Dividends and Distributions, enter the amount of **distributed** capital gain dividends.

Line 6 – 2019 California Capital Loss Carryover.

If you were a resident of California for all prior years, enter your California capital loss carryover from 2019. However, if you were a nonresident of California during any taxable year that generated a portion of your 2019 capital loss carryover, recalculate your 2019 capital loss carryover as if you resided in California for all prior years. Get FTB Pub. 1100, Taxation of Nonresidents and Individuals Who Change Residency, for more information. Enter your California capital loss carryover amount from 2019 on line 6.

Line 8 – Net Gain or Loss.

If the amount on line 4 is more than the amount on line 7, subtract line 7 from line 4. Enter the difference as a gain on line 8.

If the amount on line 7 is more than the amount on line 4, subtract line 4 from line 7 and enter the difference as a negative amount on line 8.

Use the worksheet on this page to figure your capital loss carryover to 2021.

Line 9

If line 8 is a net capital loss, enter the smaller of the loss on line 8 or \$3,000 (\$1,500 if you are married or an RDP filing a separate return).

Line 12a

Compare the amounts entered on line 10 and line 11 to figure the adjustment to enter on Schedule CA (540), Part I, Section A, line 7, column B.

For example:

Loss on line 10 is less than loss on line 11.

Federal loss on line 10 is	(\$1,000)
California loss on line 11 is	(\$2,000)
Difference between line 10 and line 11	\$1,000

Gain on line 10 and loss on line 11.

Federal gain on line 10 is	\$3,000
California loss on line 11 is	(\$3,000)
Difference between line 10 and line 11	\$6,000

Line 12b

Compare the amounts on line 10 and line 11 to figure the adjustment to enter on Schedule CA (540), Part I, Section A, line 7, column C.

For example:

Loss on line 10 is more than loss on line 11.

Federal loss on line 10 is	(\$2,000)
California loss on line 11 is	(\$1,000)
Difference between line 11 and line 10	\$1,000

Loss on line 10 and gain on line 11.

Federal loss on line 10 is	(\$2,000)
California gain on line 11 is	\$5,000
Difference between line 10 and line 11	\$7,000

California Capital Loss Carryover Worksheet

1. Loss from Schedule D (540), line 11, stated as a positive number. 1 _____
2. Amount from Form 540, line 17 2 _____
3. Amount from Form 540, line 18 3 _____
4. Subtract line 3 from line 2. If less than zero, enter as a negative amount. 4 _____
5. Combine line 1 and line 4. If less than zero, enter -0- 5 _____
6. Loss from Schedule D (540), line 8 6 _____
7. Enter the smaller of line 1 or line 5 7 _____
8. Subtract line 7 from line 6. This is your capital loss carryover to 2021 8 _____

TAX PAYMENT WORKSHEET (KEEP FOR YOUR RECORDS)

1	Total tax you expect to owe. This is the amount you expect to enter on Form 540, line 65; or Form 540NR, line 75.	1	00
2	Payments and credits:		
a	California income tax withheld (including real estate and nonresident withholding)	2a	00
b	California estimated tax payments and amount applied from your 2019 tax return. (To check your estimated tax payments go to ftb.ca.gov and login or register for MyFTB.)	2b	00
c	Other payments and credits (including any tax payments made with any previous form FTB 3519)	2c	00
3	Total tax payments and credits. Add line 2a, line 2b, and line 2c	3	00
4	Tax due. Is line 1 more than line 3?	4	00

- **No. Stop here.** You have no tax due. **Do not** mail form FTB 3519. If you file your tax return by October 15, 2021 (fiscal year filer – see instructions), the automatic extension will apply.
- **Yes.** Subtract line 3 from line 1 and enter on line 4. This is your tax due. For online payments, **do not** mail the form, go to **ftb.ca.gov/pay** for more information. If you meet the requirements of the Mandatory e-Pay program, you must make all payments electronically, regardless of the taxable year or amount. Go to **ftb.ca.gov/e-pay**. For check or money order payments, using black or blue ink, complete your check or money order and form FTB 3519. Enter the tax due amount from line 4 as the “Amount of payment.” Make your check or money order payable to the “Franchise Tax Board,” and write your SSN or ITIN and “2020 FTB 3519” in the “For” section. Enclose, but **do not** staple your payment to form FTB 3519 and mail to:
FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0008.

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Visit our website:

ftb.ca.gov

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2021 Instructions for Form 540-ES Estimated Tax For Individuals

General Information

Installment Payments – Installments due shall be 30% of the required annual payment for the 1st required installment, 40% of the required annual payment for the 2nd required installment, no installment is due for the 3rd required installment, and 30% of the required annual payment for the 4th required installment.

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. Once you meet the threshold, all subsequent payments regardless of amount, tax type, or taxable year must be remitted electronically. The first payment that would trigger the mandatory e-pay requirement does not have to be made electronically. Individuals who do not send the payment electronically will be subject to a 1% noncompliance penalty. For more information, go to ftb.ca.gov/e-pay. Electronic payments can be made using Web Pay on the Franchise Tax Board's (FTB's) website, electronic funds withdrawal (EFW) using tax preparation software, or your credit card.

A Purpose

Use Form 540-ES, Estimated Tax for Individuals, and the 2021 CA Estimated Tax Worksheet, to determine if you owe estimated tax for 2021 and to figure the required amounts. Estimated tax is the tax you expect to owe in 2021 after subtracting the credits you plan to take and tax you expect to have withheld.

If you need to make a payment for your 2020 tax liability or make a separate payment for any balance due on your 2020 tax return, use form FTB 3519, Payment for Automatic Extension for Individuals.

Certain taxpayers are limited in their use of the prior year's tax as a basis for figuring their estimated tax. See Section C for more information. Check for estimated payments we've received at ftb.ca.gov and login or register for MyFTB.

Increasing your withholding could eliminate the need to make a large payment with your tax return. To increase your withholding, complete Employment Development Department (EDD) Form DE 4, Employee's Withholding Allowance Certificate, and give it to your employer's appropriate payroll staff. You can get this form from your employer, or by calling EDD at **888.745.3886**. You can download Form DE 4 from EDD's website at edd.ca.gov or go to ftb.ca.gov and search for **de 4**.

Form DE 4 specifically adjusts your California state withholding and is not the same as the federal Form W-4, Employee's Withholding Certificate.

B Who Must Make Estimated Tax Payments

Generally, you must make estimated tax payments if you expect to owe at least \$500 (\$250 if married/RDP filing separately) in tax for 2021 (after subtracting withholding and credits) and you expect your withholding and credits to be less than the **smaller** of:

- 90% of the tax shown on your 2021 tax return; or
- 100% of the tax shown on your 2020 tax return including Alternative Minimum Tax (AMT).

Note:

- You do not have to make estimated tax payments if you are a nonresident or new resident of California in 2021 and did not have a California tax liability in 2020, see Section C for more information.
- If you are a military servicemember not domiciled in California, do not include your military pay in your computation of estimated tax payments. If you are the nonmilitary spouse of a servicemember you may or may not need to include your pay in your computation of estimated tax payments. For more information, get FTB Pub. 1032, Tax Information for Military Personnel.

If you and your spouse/RDP paid joint estimated tax payments, but are now filing separate income tax returns, either of you may claim all of the amount paid, or you may each claim part of the joint estimated payments. If you want the estimated tax payments to be divided, notify the FTB before you file the income tax returns so that the payments can be applied to the proper account. The FTB will accept in writing, any divorce agreement (or court ordered settlement) or a statement showing the allocation of the payments along with a notarized signature of both taxpayers. The statements should be sent to:

JOINT ESTIMATE CREDIT ALLOCATION MS F283
TAXPAYER SERVICES CENTER
FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-0040

C Limit on the Use of Prior Year's Tax

Individuals who are required to make estimated tax payments, and whose 2020 California adjusted gross income is more than \$150,000 (or \$75,000 if married/RDP filing separately), must figure estimated tax based on the lesser of 90% of their tax for 2021 or 110% of their tax for 2020 including AMT. This rule does not apply to farmers or fishermen.

Taxpayers with 2021 California adjusted gross income equal to or greater than \$1,000,000 (or \$500,000 if married/RDP filing separately), must figure estimated tax based on their tax for 2021.

D When to Make Your Estimated Tax Payments

Pay your estimated payments by the dates shown below:

1st payment	April 15, 2021
2nd payment	June 15, 2021
3rd payment	September 15, 2021
4th payment	January 18, 2022

Filing an Early Tax Return In Place of the 4th Installment. If you file your 2021 tax return by January 31, 2022, and pay the entire balance due, you do not have to make your last estimated tax payment. In addition, you will not owe a penalty for the fourth installment.

Annualization Option. If you do not receive your taxable income evenly during the year, it may be to your advantage to annualize your income. This method allows you to match your estimated tax payments to the actual period when you earned the income. You may use the annualization schedule included with the 2020 form FTB 5805, Underpayment of Estimated Tax by Individuals and Fiduciaries.

Farmers and Fishermen. If you are a farmer or fisherman, and at least two-thirds of your 2020 and 2021 gross income is from farming or fishing, you may do either of the following:

- Pay all of your estimated tax by January 18, 2022.
- File your tax return for 2021 on or before March 1, 2022, and pay the total tax due. In this case, you need not make estimated tax payments for 2021. Use the 2020 form FTB 5805F, Underpayment of Estimated Tax by Farmers and Fishermen, to determine if you paid the required estimated tax. If the estimated tax is underpaid, attach the completed form FTB 5805F to the back of your tax return.

Fiscal Year. If you file your tax return on a fiscal year basis, your due dates will be the 15th day of the 4th, 6th, and 9th months of your fiscal year and the 1st month of the following fiscal year. If the due date falls on a weekend, or legal holiday, use the next business day.

Mental Health Services Tax. If your taxable income or nonresident CA source taxable income is more than \$1,000,000, complete the worksheet below.

A. Taxable income from Form 540, line 19, or Form 540NR, line 35.	_____
B. Less:	\$(1,000,000)
C. Subtotal	_____
D. Tax rate – 1%	x .01
E. Mental Health Services Tax – Multiply line C by line D. Enter this amount here and on line 17 of the 2021 CA Estimated Tax Worksheet, on the next page.	_____

E How to Use Form 540-ES Payment Form

Use the CA Estimated Tax Worksheet and your 2020 California income tax return as a guide for figuring your 2021 estimated tax. Be sure that the amount shown on line 21 of the CA Estimated Tax Worksheet has been reduced by any overpaid tax on your 2020 tax return which you chose to apply toward your 2021 estimated tax payment.

Note:

- If you filed Form 540 2EZ for 2020, **do not** use the Form 540 2EZ instructions to figure amounts on this worksheet. Instead, get the 2020 California 540 Personal Income Tax Booklet.
- Complete Form 540-ES using black or blue ink:
 1. Complete the Record of Estimated Tax Payments on the next page for your files.
 2. Paying your tax:

Web Pay – Make a payment online or schedule a future payment (up to one year in advance), go to ftb.ca.gov/pay for more information. **Do not mail** Forms 540-ES to us.

Electronic Funds Withdrawal (EFW) – Individuals can make an extension or estimated tax payment using tax preparation software. Check with your software provider to determine if they support EFW for extension or estimated tax payments.

Credit card – Use your Discover, MasterCard, Visa, or American Express Card to pay your tax. Call 800.272.9829 or go to officialpayments.com, use code 1555. Official Payments Corporation charges a fee for this service. **Do not mail** Forms 540-ES if you pay by credit card.

Check or money order – There is a separate payment form for each due date. Be sure you use the form with the correct due date shown in the top margin of the form.

Fiscal year filers: Enter the month of your fiscal year end (located directly below the form’s title).

Print your name, address, and social security number (SSN) or individual taxpayer identification number (ITIN) in the space provided on Form 540-ES. If you have a foreign address, enter the information in the following order: City, Country, Province/Region, and Postal Code. Follow the country’s practice for entering the postal code. Do not abbreviate the country name.

Complete the amount of payment line of the form by entering the amount of the payment that you are sending. Using black or blue ink, make your check or money order payable to the “Franchise Tax Board.” Write your SSN or ITIN and “2021 Form 540-ES” on it and mail to the address in Section F.

Make all checks and money orders payable in U.S. dollars and drawn against a U.S. financial institution.

F Where to Mail Estimated Tax Payments

FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0008

G Failure to Make Estimated Tax Payments

If you do not make the required estimate payments, if you pay an installment after the date it is due, or if you underpay any installment, a penalty may be assessed on the portion of estimated tax that was underpaid from the due date of the installment to the date of payment or the due date of your tax return, whichever is earlier. Get the 2020 form FTB 5805 for more information.

2021 California Estimated Tax Worksheet Keep this worksheet for your records.

- 1 Residents:** Enter your estimated 2021 California AGI. Nonresidents and part-year residents: Enter your estimated 2021 total AGI from all sources. Military servicemember/spouses, get FTB Pub. 1032, Tax Information for Military Personnel **1** _____
- 2 a** If you plan to itemize deductions, enter the estimated total of your itemized deductions **2a** _____
- b** If you do not plan to itemize deductions, enter the standard deduction for your filing status:
 \$4,601 single or married/RDP filing separately
 \$9,202 married/RDP filing jointly, head of household, or qualifying widow(er) **2b** _____
- c** Enter the amount from line 2a or line 2b, whichever applies **2c** _____
- 3** Subtract line 2c from line 1 **3** _____
- 4** Tax. Figure your tax on the amount on line 3 using the 2020 tax table for Form 540, or Form 540NR. Also, include any tax from form FTB 3800, Tax Computation for Certain Children with Unearned Income, and form FTB 3803, Parents' Election to Report Child's Interest and Dividends **4** _____
- 5 Residents:** Skip to line 6a. **Nonresidents and part-year residents:**
- a** Enter your estimated 2021 California taxable income from Schedule CA (540NR), Part IV, line 5 **5a** _____
- b** Compute the CA Tax Rate: Tax on total taxable income from line 4 **5b** _____
 Total taxable income from line 3
- c** Multiply the amount on line 5a by the CA Tax Rate on line 5b **5c** _____
- 6 a Residents:** Enter the exemption credit amount from the 2020 instructions for Form 540. **6a** _____
- b Nonresidents or part-year residents:** Enter the CA credit proration percentage. Divide line 5a by line 3. If more than 1 enter 1.0000 **6b** _____
- 7 Nonresidents:** CA prorated exemption credits. Multiply the total exemption credit amount by line 6b **7** _____
- 8 Residents:** Subtract line 6a from line 4. **Nonresidents or part-year residents:** Subtract line 7 from line 5c **8** _____
- 9** Tax on accumulation distribution of trusts. See instructions for form FTB 5870A, Tax on Accumulation Distribution of Trusts **9** _____
- 10** Add line 8 and line 9 **10** _____
- 11** Credits for joint custody head of household, dependent parent, senior head of household, and child and dependent care expenses. **11** _____
Nonresidents and part-year residents: For the child and dependent care expenses credit, use the amount from your 2020 Form 540NR, line 50. For the other credits listed on line 11, multiply the total 2020 credit amount by the ratio on line 6b.
- 12** Subtract line 11 from line 10. **12** _____
- 13** Other credits (such as other state tax credit). See the 2020 instructions for Form 540, or Form 540NR **13** _____
- 14** Subtract line 13 from line 12. **14** _____
- 15** Interest on deferred tax from installment obligations under IRC Sections 453 or 453A **15** _____
- 16** Alternative Minimum Tax. See Schedule P (540 or 540NR) **16** _____
- 17** Mental Health Services Tax Worksheet, line E (on page 60 of these instructions). **17** _____
- 18** 2021 Estimated Tax. Add line 14 through line 17. Enter the result, but not less than zero **18** _____
- 19 a** Multiply line 18 by 90% (.90). Farmers and fishermen multiply line 18 by 66 2/3% (.6667) **19a** _____
- b** Enter the sum of line 48, line 61, and line 62 from your 2020 Form 540
 or the sum of line 63, line 71, and line 72 from your Form 540NR **19b** _____
- c** Enter the amount from your 2020 Form 540, line 17; or Form 540NR, line 32 **19c** _____
- d** Is the amount on line 19c more than \$150,000 (\$75,000 if married/RDP filing separately)?
Yes. Go to line 19e. **No.** Enter the lesser of line 19a or line 19b. Skip line 19e and 19f and go to line 20. **19d** _____
- e** Multiply 110% (1.10) by line 19b **19e** _____
- f** Enter the lesser of line 19a or line 19e and go to line 20 (If your California AGI is equal to or greater than \$1,000,000/\$500,000 for married filing separately, use line 19a.) **19f** _____
- Caution:** Generally, if you do not prepay at least the amount on line 19d (or line 19f if no amount on line 19d), you may owe a penalty for not paying enough estimated tax. To avoid a penalty, make sure your estimated tax on line 18 is as accurate as possible. If you prefer, you may pay 100% of your 2021 estimated tax (line 18).
- 20** California income tax withheld and estimated to be withheld during 2021 (include withholding on pensions, annuities, etc.) **20** _____
- 21 Balance.** Subtract line 20 from line 19d (or line 19f if no amount on line 19d). If less than \$500 (or less than \$250, if married/RDP filing separately), you do not have to make a payment at this time. **21** _____
- 22 Installment amount.** Multiply the amount on line 21 by 30%. Enter the results on the 1st and 4th installments of your Forms 540-ES. Multiply the amount on line 21 by 40%. Enter the result on the 2nd installment of your Forms 540-ES. There is not a required 3rd installment payment. If you will earn your income at an uneven rate during the year, see Annualization Option in the instructions under Section D.

Record of Estimated Tax Payments

Payment form number	(a) Date	(b) Web Pay/Credit card and confirmation number	(c) Amount paid	(d) 2020 overpayment applied	(e) Total amount paid and credited add (c) and (d)
1			\$	\$	\$
2					
3					
4					
Total			\$	\$	\$

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2020 Instructions for Form FTB 3506

Child and Dependent Care Expenses Credit

General Information

Attach the completed form FTB 3506, Child and Dependent Care Expenses Credit, to your Form 540, California Resident Income Tax Return, or Form 540NR, California Nonresident or Part-Year Resident Income Tax Return, if you claim the child and dependent care expenses credit.

The child and dependent care expenses credit is **nonrefundable**.

Registered Domestic Partners (RDP) – For purposes of California income tax, references to a spouse, husband, or wife also refer to a California RDP, unless otherwise specified. When we use the initials RDP, they refer to both a California registered domestic “partner” and a California registered domestic “partnership,” as applicable. For more information on RDPs, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

A Purpose

You may qualify to claim the 2020 credit for child and dependent care expenses, if you (and your spouse/RDP) paid someone in California to care for your child or other qualifying person while you worked or looked for employment. You must have earned income to do so. If you qualify to claim the credit, use form FTB 3506 to figure the amount of your credit.

If you received dependent care benefits for 2020 but do not qualify to claim the credit, you are not required to complete form FTB 3506. For additional definitions, requirements, and instructions, get federal Form 2441, Child and Dependent Care Expenses.

B Differences in California and Federal Law

The differences between California and federal law are as follows:

- California allows this credit only for care provided in California.
- If you were a nonresident, you must have earned wages from working in California or earned self-employment income from California business activities.
- The California credit is a percentage of the federal credit.
- RDPs may file a joint California return and claim this credit. For more information, get FTB Pub. 737.

C Qualifications

You may take the credit if **all eight** of the following apply.

1. If you are married or an RDP, you must file a joint tax return. For an exception, see Section E, Married Persons or RDPs Filing Separate Returns.
2. Care must be provided in California for one or more qualifying persons. See Section D, Qualifying Person Defined.
3. You paid for care so you (and your spouse/RDP) could work or look for work. However, if you did not find a job and have no earned income, you do not qualify for the credit. If your spouse/RDP was a student or disabled, see the instructions for Part III, line 5.
4. You (and your spouse/RDP) must have earned income (wages or self-employment income) during the year. See the instructions for Part III, line 4, for more information on earned income.
5. You and the qualifying person(s) live in the same home for more than half the year.
6. The person who provided care was not your spouse/RDP, the parent of your qualifying child, or a person for whom you can claim a dependent exemption. If your child provided the care, the child must have been age 19 or older by the end of 2020.
7. You report the required information about the care provider(s) in Part II, line 1, and the information about the qualifying person(s) in Part III, line 2.
8. Your federal adjusted gross income (AGI) is \$100,000 or less.

D Qualifying Person Defined

Rules for Most People	
A qualifying person is:	
1. A child under age 13 who meets the requirements to be your dependent as a Qualifying Child. A child who turned 13 during the year qualifies only for the part of the year when he or she was 12 years old; or	
2. Your spouse/RDP who was physically or mentally incapable of self-care; or	
3. Any person who was physically or mentally incapable of self-care and either:	
a. Was your dependent.	
b. Would have been your dependent except that:	
i. He or she received gross income of \$4,300 or more.	
ii. He or she filed a joint tax return.	
iii. You, or your spouse/RDP if filing a joint tax return, could be claimed as a dependent on someone else’s 2020 tax return.	

Qualifying Child

A Qualifying Child is a child who meets **all** of the following tests:

- **Relationship Test** – The child must be your son, daughter, stepchild, adopted child, eligible foster child, brother, sister, half-brother, half-sister, stepbrother, stepsister, or a descendant of one of these. An adopted child includes a child who has been lawfully placed with you for legal adoption even if the adoption is not yet final. An eligible foster child must be placed with you by an authorized placement agency or by a court.
- **Age Test** – For the purposes of qualifying for the Child and Dependent Care Expenses Credit, the child must be under 13.
- **Residency Test** – The child must live with you for more than half the year.
- **Support Test** – The child must not have provided more than half of his or her own support.
- **Joint Return Test** – The child must not have filed a joint federal or state income tax return with his or her spouse/RDP.
- **Citizenship Test** – The child must be a citizen or national of the U.S. or a resident of the U.S., Canada, or Mexico.

Tie-Breaker Rules: Qualifying Child of More Than One Person*	
If an individual may be claimed as a qualifying child by two or more taxpayers for the same taxable year, the following rules apply:	
If...	Then the child will be treated as the qualifying child of the...
Only one of the persons is the child’s parent	Parent.
Both of the persons are the child’s parent but they do not file a joint return	Parent with whom the child lived for the longer period of time during the year. If the child lived with both parents for the same amount of time, the parent who had the higher AGI for the year.
The child’s parents can claim the child as a qualifying person but neither parent does	Person with the highest AGI of all persons claiming the child, but only if that person’s AGI is higher than the highest AGI of any of the child’s parents.
No parent can claim the child as a qualifying child	Person with the highest AGI of all persons claiming the child.

*These rules assume all other qualifying child requirements are satisfied.

Divorced, RDP Terminated, Separated, or Never-Married Parents

For divorced, RDP terminated, separated, or never-married parents, special rules apply in determining if your child meets the requirements to be your qualifying person. When parents file separate returns, only one parent qualifies to claim a child as a qualifying person.

Even if both parents pay for child care for the same child, both parents cannot qualify for the credit. Some custody agreements designate which parent is entitled to the credit. However, the designated parent must meet all the qualifications in Section C, Qualifications, to claim the credit. To verify that your child meets the requirements to be your qualifying person, use the table below.

RULES FOR DIVORCED, RDP TERMINATED, SEPARATED, OR NEVER-MARRIED PARENTS		
IF	AND	THEN
<p>ALL four of the following apply:</p> <p>1. Your child was under 13 and/or physically or mentally incapable of self-care when the care was provided. Children turning 13 during the year qualify only for the part of the year they were 12 years old.</p> <p>2. One of the following applies</p> <p>a. You are divorced, legally separated, or have terminated a registered domestic partnership.</p> <p>b. You are separated under a written separation agreement.</p> <p>c. You and the other parent lived apart at all times during the last 6 months of the year. (This includes parents never married to each other.)</p> <p>3. One or both parents had custody of the child for more than half the year.</p> <p>4. One or both parents provided more than half the child's support for the year.</p>	<p>You were the custodial parent and you can claim the dependent exemption credit for the child.</p>	<p>The child is your qualifying person.</p>
	<p>You were the custodial parent and under the provisions of a decree of divorce, legal separation, termination of registered domestic partnership, or a written separation agreement, the noncustodial parent claimed the dependent exemption credit, or you signed a statement releasing the dependent exemption credit to the noncustodial parent.</p>	<p>The child is your qualifying person.</p>
	<p>You are not the custodial parent.</p>	<p>The child is not your qualifying person.</p>
<p>One or more of the four statements above do not apply.</p>		<p>Use the "Rules for Most People" in Section D.</p>

Custodial Parent and Noncustodial Parent. The custodial parent is the parent with whom the child lived for the greater number of nights during the year. The other parent is the noncustodial parent. If the child lived with each parent for an equal number of nights during the year, the custodial parent is the parent with the higher AGI.

Parent Works at Night. If, due to a parent's night-time work schedule, a child lives for a greater number of days, but not nights, with the parent who works at night, that parent is treated as the custodial parent. On a school day, the child is treated as living at the primary residence registered with the school.

E Married Persons or RDPs Filing Separate Tax Returns

Generally, if you are married or an RDP, you must file a joint tax return to claim the credit. However, you can take the credit on your separate tax return if:

- You meet all three requirements below:
 - You lived apart from your spouse/RDP at all times during the last six months of 2020.
 - The qualifying person(s) lived in your home more than half of 2020.
 - You provided over half the cost of keeping up your home.
- You meet all the other qualifications in Section C, Qualifications.

F Nonresidents and Part-Year Residents

- You must complete and attach Schedule CA (540NR), California Adjustments – Nonresidents or Part-Year Residents, to your tax return, Form 540NR. If Part I of Schedule CA (540NR) is not fully completed, we may disallow your credit.
- Nonresidents must have earned income from California sources to qualify for the credit. A nonresident servicemember's military wages are considered earned income from a California source for the purpose of qualifying for the credit.
- Part-year residents must have earned income while a California resident or earned income from California sources while a nonresident to qualify for the credit.

G Military Personnel

For the purposes of this credit, active duty pay is considered earned income from California sources, regardless of whether the servicemember is domiciled in California. The federal Military Spouses Residency Relief Act may affect the credit requirements for spouses of military servicemembers. For more information, get FTB Pub. 1032, Tax Information for Military Personnel.

Specific Line Instructions

Part I – Unearned Income and Other Funds Received in 2020

List the source and amount of **any** money you received in 2020 that is not included in your earned income (Part III, line 4 and line 5) but that was used to support your household. Include child support, property settlements, public assistance benefits, court awards, inheritances, insurance proceeds, pensions and annuities, social security payments, workers' compensation, unemployment compensation, interest, and dividends.

Part II – Persons or Organizations Who Provided the Care in California

Line 1

Complete line 1a through line 1g for each person or organization that provided the care in California. Only care provided in California qualifies for the credit. Use federal Form W-10, Dependent Care Provider's Identification and Certification, or any other source listed in the instructions for federal Form W-10 to get the information from your care provider. If your provider does not give you the information, complete as much of the information as possible and explain that your provider did not give you the information you requested.

If you do not give correct and complete information, we may disallow your credit unless you can show you used due diligence in trying to get the required information.

Line 1a through Line 1c

Enter your California care provider's complete name (or business name), address, and telephone number (including the area code). If you do not give complete information, we may disallow your credit. We may contact your care provider to verify the information you provide.

If you were covered by your employer's dependent care plan and your employer furnished the care (either at your workplace or by hiring a care provider), enter your employer's name on line 1a. Next, enter "See W-2" on line 1b. Complete line 1c through line 1f. Then leave line 1g blank. But, if your employer paid a third party (not hired by your employer) on your behalf to provide care, you must provide information on the third party on line 1a through line 1g.

Line 1d

For each care provider, check one box indicating whether the care provider is a person or organization.

Line 1e

If your care provider is	Then enter on line 1e
An individual	The provider's social security number (SSN) or Individual Taxpayer Identification Number (ITIN).
Not an individual	The provider's federal employer identification number (FEIN).
A tax-exempt organization	"Tax-exempt."

Line 1f

Enter the complete physical address where the care was provided. A post office box is not acceptable. If you do not provide correct or complete information, your credit may be disallowed. Only care provided in California qualifies for the credit.

Line 1g

Enter the total amount you **actually paid** in 2020 to your care provider for care provided in California. Also include amounts your employer paid to a third party on your behalf. It does not matter when the expenses were incurred. **Do not** reduce this amount by any reimbursement you received.

We may ask you to provide proof of payment. Cash payments without verifiable documentation may not be accepted.

Part III – Credit for Child and Dependent Care Expenses

Line 2

Complete column (a) through column (e) for each qualifying person for whom care was provided in California. If claiming more than three qualifying persons, attach a sheet of paper to your tax return with the required information and write "see attached." Write your name and SSN or ITIN on the sheet.

Column (a)

Enter each qualifying person's name.

Column (b)

Enter each qualifying person's SSN. Verify that the name and SSN match the qualifying person's social security card to avoid the reduction or disallowance of your credit. If the person was born in, and later died in, 2020, and does not have a SSN, enter "Died" in column (b) and attach a copy of the person's birth and death certificates.

Column (c)

Enter the qualifying person's date of birth (mm/dd/yyyy) in the space provided or if the qualifying person is disabled (physically or mentally incapable of self-care), check the "Yes" box. Incomplete information could result in a delay or disallowance of your credit.

Column (d)

If you shared custody of the qualifying person(s), enter the percentage of time you possessed physical custody during 2020. If you have 50% or less physical custody of your child, you **do not** qualify for the credit.

Column (e)

Qualified Expenses are amounts paid for the care of your qualifying person while you worked or looked for work.

Enter the qualified expenses you incurred and paid in 2020 for the qualifying person(s). Include only the qualified expenses for care provided in California. If the child turned 13 years old during the year, include only the qualified expenses for the part of the year the child was 12 years old.

Do not include in column (e) qualified expenses:

- You incurred in 2020 but did not pay until 2021. You may be able to use these expenses to increase your 2021 credit.
- You incurred in 2019 but did not pay until 2020. Instead, see instructions for line 11.
- You prepaid in 2020 for care to be provided in 2021. These expenses may only be used to figure your 2021 credit.

A qualified expense does not include the amount you paid for education (school tuition) or the amount you received through a subsidy program.

Qualified expenses include:	Qualified expenses do not include:
<ul style="list-style-type: none"> The cost of care for the qualifying person's well-being and protection. If care was provided by a dependent care center, the center must meet all applicable state and local regulations. Cost of pre-school or similar program below the kindergarten level. Day camp, even if it specialized in a particular activity, such as soccer. 	<ul style="list-style-type: none"> Child support payments. Payments made to the parent of your qualifying child. Payments made to your spouse/RDP. Payments made to your child who is under age 19 at the end of the year, even if he or she is not your dependent. Payments made to a dependent for whom you (or your spouse/RDP) can claim a dependent exemption. Expenses paid by or reimbursed through a subsidy program. Cost for education (school tuition) at the kindergarten level and above. Overnight camp.

Line 4

Earned income includes:	Earned income does not include:
<ul style="list-style-type: none"> Wages, salary, tips, and other taxable employee compensation, as well as, military compensation including compensation for service in a combat zone. Net earnings from self-employment. Strike benefits. Disability payments you report as wages. Active duty pay received by servicemembers of the armed forces is considered earned income regardless of whether the servicemember is domiciled in this state or elsewhere. 	<ul style="list-style-type: none"> Pensions or annuities Social security payments Workers' compensation Interest Dividends Capital gains Unemployment compensation Public assistance California service income excluded under the Military Spouses Residency Relief Act.

Nonresidents and Part-Year Residents Only: Earned income from California sources includes:	Earned income does not include:
<ul style="list-style-type: none"> Wages, salary, tips, and other taxable employee compensation for working in California, as well as, military compensation including compensation for service in a combat zone. Net earnings from self-employment from California business activities. Strike benefits related to California employment. Disability payments you report as California wages. Active duty pay received by servicemembers of the armed forces is considered earned income regardless of whether the servicemember is domiciled in this state or elsewhere. 	<ul style="list-style-type: none"> Pensions or annuities Social security payments Workers' compensation Interest Dividends Capital gains Unemployment compensation Public assistance California service income excluded under the Military Spouses Residency Relief Act.

Line 5

Spouse/RDP Who Was a Student or Disabled

Your spouse/RDP was a **student** if he or she was enrolled as a full-time student at a school during any 5 months of 2020. A school does not include a night school or correspondence school.

Your spouse/RDP was **disabled** if he or she was not capable of self-care. Figure your spouse's/RDP's earned income on a monthly basis.

For each month your spouse/RDP was a full-time student or disabled, enter on line 5 the larger of the following:

- Your spouse's/RDP's actual earned income for that month.
- \$250 (\$500, if you have 2 or more qualifying persons).

If, in the same month, both you and your spouse/RDP qualified as either full-time students or disabled, only one of you receive treatment as having earned income of \$250 (or \$500) in that month. For any month that your spouse/RDP was not a full-time student or disabled, use your spouse's/RDP's actual earned income for that month.

Line 7

Use the chart below to determine the decimal amount to enter on line 7. Your federal AGI is on Form 540, line 13 or Form 540NR, line 13. For military personnel domiciled outside of California, use your federal AGI less your military pay to determine the decimal amount to enter on line 7.

If your Federal AGI is:		The decimal amount on Line 7 is:
Over	But not over	
\$0	\$15,000	.35
15,000	17,000	.34
17,000	19,000	.33
19,000	21,000	.32
21,000	23,000	.31
23,000	25,000	.30
25,000	27,000	.29
27,000	29,000	.28
29,000	31,000	.27
31,000	33,000	.26
33,000	35,000	.25
35,000	37,000	.24
37,000	39,000	.23
39,000	41,000	.22
41,000	43,000	.21
43,000	No limit	.20

Line 9

Use the chart below to determine the decimal amount to enter on line 9. For military personnel domiciled outside of California, use your federal AGI less your military pay to determine the decimal amount to enter on line 9.

If your federal AGI from Form 540, line 13 or Form 540NR, line 13 is:	The decimal amount to enter on line 9 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 \$100,000	Stop. You do not qualify for this credit.

Line 11

If you had qualified expenses for care that was provided in 2019 that you paid for in 2020, you may be able to increase your credit for 2020. Complete the Worksheet on Side 2 of form FTB 3506. See Worksheet instructions on this page.

Part IV – Dependent Care Benefits

Line 13

Dependent care benefits are:

- Amounts an employer paid directly to you (or your spouse/RDP), or to your care provider for the care of your qualifying person(s), while you worked.
- A day-care facility provided by your employer.
- Generally deducted from your salary.
- Shown in box 10 of your 2020 federal Form(s) W-2.

Line 14

Enter the amount from federal Form 2441, line 13.

Line 15

If you had a flexible spending account, any amount included on line 13 that you did not receive because you did not incur the expense is considered forfeited. **Do not** include amounts you expect to receive at a future date.

Line 17

Enter the total of all qualified expenses incurred in 2020. It does not matter when the expenses were paid.

A qualified expense does not include the amount you paid for education (school tuition) or the amount you received through a subsidy program.

Example: You received \$2,000 cash under your employer's dependent care plan for 2020. The \$2,000 is shown in box 10 of your federal Form W-2. You incurred \$900 of qualified expenses in 2020 for the care of your 3-year-old dependent child. Enter \$900 on line 17, but report the entire \$2,000 on line 13.

For all other lines, follow specific line instructions on the form. For additional information, get federal Form 2441 or federal Publication 503, Child and Dependent Care Expenses.

Line 20

If you are married or an RDP filing a separate return and you meet the requirements of Section E, Married Persons or RDPs Filing Separate Tax Returns, item 1, then enter your earned income from line 19. On line 22, enter \$5,000.

If you were married or an RDP and filed a separate return but did not meet the requirements of Section E, Married Persons or RDPs Filing Separate Tax Returns, item 1, then enter **your spouse's/RDP's earned income**. If your spouse/RDP was a student or disabled in 2020, see the instructions for line 5. On line 22, enter \$2,500.

Worksheet – Credit for 2019 Expenses Paid in 2020

You will need a copy of your 2019 California tax return to complete the worksheet.

Line 12 and line 14

You need the 2019 form FTB 3506 instructions to complete the Credit for 2019 Expenses Paid in 2020 Worksheet, on Side 2. Forms are available at ftb.ca.gov/forms or by calling 800.338.0505.

Line 12

Enter the decimal amount from the chart in the line 7 instructions of the 2019 form FTB 3506 that corresponds to your 2019 federal AGI.

Line 14

Enter the decimal amount from the chart in the line 9 instructions of the 2019 form FTB 3506 that corresponds to your 2019 California AGI.

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2020 Instructions for Form FTB 3514

California Earned Income Tax Credit

References in these instructions are to the Internal Revenue Code (IRC) as of **January 1, 2015**, and to the California Revenue and Taxation Code (R&TC).

What's New

Expansion for Credits Eligibility – For taxable years beginning on or after January 1, 2020, California expanded Earned Income Tax Credit (EITC) and Young Child Tax Credit (YCTC) eligibility to allow either the federal Individual Tax Identification Number (ITIN) or the Social Security Number (SSN) to be used by all eligible individuals, their spouses, and qualifying children. If an ITIN is used, eligible individuals should provide identifying documents upon request of the Franchise Tax Board (FTB). Any valid SSN can be used, not only those that are valid for work. Additionally, upon receiving a valid SSN, the individual should notify the FTB in the time and manner prescribed by the FTB. The YCTC is available if the eligible individual or spouse has a qualifying child younger than six years old. For more information, see Specific Instructions for line 7 and go to ftb.ca.gov and search for **eitc**.

Worker Status: Employees and Independent Contractors – Some individuals may be classified as independent contractors for federal purposes and employees for California purposes, which may also cause changes in how their income and deductions are classified. For more information, see General Information B, Differences in California and Federal Law and Specific Instructions, Step 5, line 13 and line 18.

General Information

In general, for taxable years beginning on or after January 1, 2015, California law conforms to the Internal Revenue Code (IRC) as of January 1, 2015. However, there are continuing differences between California and federal law. When California conforms to federal tax law changes, we do not always adopt all of the changes made at the federal level. For more information, go to ftb.ca.gov and search for **conformity**. Additional information can be found in FTB Pub. 1001, Supplemental Guidelines to California Adjustments, the instructions for California Schedule CA (540), California Adjustments - Residents, or Schedule CA (540NR), California Adjustments - Nonresidents or Part-Year Residents, and the Business Entity tax booklets.

The instructions provided with California tax forms are a summary of California tax law and are only intended to aid taxpayers in preparing their state income tax returns. We include information that is most useful to the greatest number of taxpayers in the limited space available. It is not possible to include all requirements of the California Revenue and Taxation Code (R&TC) in the instructions. Taxpayers should not consider the instructions as authoritative law.

Registered Domestic Partners (RDPs)

For purposes of California income tax, references to a spouse, husband, or wife also refer to a California RDP, unless otherwise specified. When we use the initials RDP they refer to both a California registered domestic “partner” and a California registered domestic “partnership,” as applicable. For more information on RDPs, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

California Earned Income Tax Credit

The refundable California EITC is available to taxpayers who earned wage income subject to California withholding and/or have net earnings from self-employment. This credit is similar to the federal Earned Income Credit (EIC) but with different income limitations. The CA EITC reduces your California tax obligation, or allows a refund if no California tax is due. You do not need a child to qualify, but must file a California income tax return to claim the credit and attach a completed form FTB 3514, California Earned Income Tax Credit.

Young Child Tax Credit

For taxable years beginning on or after January 1, 2019, the refundable YCTC is available to taxpayers who also qualify for the CA EITC and who have at least one qualifying child who is younger than six years old as of the last day of the taxable year. The maximum amount of credit allowable for a qualified taxpayer is \$1,000. The credit amount phases out as earned income exceeds the threshold amount of \$25,000, and completely

phases out at \$30,000. For more information, see Step 8, Qualifications for Young Child Tax Credit (YCTC) in the instructions.

A Purpose

Use form FTB 3514 to determine whether you qualify to claim the credit, provide information about your qualifying children, if applicable, and to figure the amount of your credit.

B Differences in California and Federal Law

The differences between California and federal law for the Earned Income Tax Credit are as follows:

- California allows this credit for wage income (wages, salaries, tips and other employee compensation) that is subject to California withholding.
- If you were a nonresident, you must have earned wage income that is subject to California withholding.
- Both your earned income and federal adjusted gross income (AGI) must be less than \$56,844 to qualify for the federal credit, and less than \$30,001 to qualify for the California credit.
- An eligible individual without a qualifying child is 18 years or older for the California credit.
- You may elect to include all of your (and/or all of your spouse's/RDP's if filing jointly) nontaxable military combat pay in earned income for California purposes, whether or not you elect to include it for federal purposes. Get FTB Pub. 1032, Tax Information for Military Personnel, for special rules that apply to military personnel claiming the EITC.
- California allows this credit to eligible individuals and their spouses who have a valid federal ITIN or who have qualifying children who have a valid federal ITIN.

Specific Instructions

If certain requirements are met, you or your eligible spouse may claim the EITC even if you do not have a valid SSN and instead have a valid federal ITIN. This also applies for the YCTC. If you have a valid federal ITIN, enter it in the Your SSN or ITIN field at the top of the form. For more information, see the What's New Section and specific instructions for line 7.

If certain requirements are met, you may claim the EITC even if you do not have a qualifying child. The amount of the credit is greater if you have a qualifying child, and increases with each child that qualifies, up to a maximum of three children. Follow Step 1 through Step 7 below to determine if you qualify for the credit and to figure the amount of the credit.

If your EITC was reduced or disallowed for any reason other than a math or clerical error and you now want to take the EITC then answer “Yes” on line 1b within the form and follow Step 1 through Step 7 below to determine if you qualify for the credit.

Attach the completed form FTB 3514 to your Form 540 or 540 2EZ, California Resident Income Tax Return, or Form 540NR, California Nonresident or Part-Year Resident Income Tax Return, if you claim the California EITC.

Step 1 Qualifications for All Filers

a. Federal AGI

In taxable year 2020, is the amount on federal Form 1040, U.S. Individual Income Tax Return, or Form 1040-SR, U.S. Tax Return for Seniors, line 11 less than \$30,001?

Yes Continue.

No Stop here, you cannot take the credit.

b. Do you, and your spouse/RDP if filing a joint return, have a valid SSN or federal ITIN? See line 7, “Valid SSN” or “Valid ITIN” within Step 3, Qualifying Child, for a full definition.

Yes If you have a qualifying child continue to question c. If you do not have a qualifying child, continue to question d.

No Stop here, you cannot take the EITC.

- c. Do you, and your spouse/RDP if filing a joint return, have a qualifying child who has a valid SSN or federal ITIN?
Yes Continue to question d.
No You may qualify for the EITC as a filer without a qualifying child, continue to question d.
- d. Is your filing status married filing separately?
Yes Stop here, you cannot take the credit.
No Continue.
- e. Are you filing federal Form 2555, Foreign Earned Income?
Yes Stop here, you cannot take the credit.
No Continue.

- f. Were you or your spouse/RDP a nonresident alien for any part of 2020?
Yes If your filing status is married filing jointly, continue. Otherwise, stop here; you cannot take the EITC.
No Continue.
- g. If you are filing Form 540NR, did you and your spouse/RDP live in California for at least 184 days?
Yes Continue.
No Stop here, you cannot take the credit.
- h. Complete line 1, line 2, and line 3 on the form. Then go to Step 2.

Step 2 Investment Income

If you are filing Form 540 or Form 540NR complete Worksheet 1. If you are filing Form 540 2EZ complete Worksheet 2.

Worksheet 1 – Investment Income Form 540 and Form 540NR Filers	
Interest and Dividends	
1	Add and enter the amounts from federal Form 1040 or 1040-SR, line 2a and line 2b 1 _____
2	Enter the amount from federal Form 8814, Parents' Election to Report Child's Interest and Dividends, line 1b 2 _____
3	Enter the amount from federal Form 1040 or 1040-SR, line 3b 3 _____
4	Enter any amounts from federal Form 8814, line 12 for child's interest and dividends 4 _____
Capital Gain Net Income	
5	Enter the amount from federal Form 1040 or 1040-SR, line 7. If the result is less than zero, enter -0- 5 _____
6	Enter the gain from federal Form 4797 Sales of Business Property, line 7. If the amount on that line is a loss, enter -0-. (But, if you completed federal Form 4797, line 8 and line 9, enter the amount from line 9 instead) 6 _____
7	Subtract line 6 from line 5. (If the result is less than zero, enter -0-) 7 _____
Passive Activities	
8	Enter the total of net income from passive activities included on federal Schedule 1 (Form 1040), Additional Income and Adjustments to Income, line 5 8 _____
Other Activities	
9	Enter any income from the rental of personal property included on federal Schedule 1 (Form 1040), line 8. If the result is zero or less, enter -0- 9 _____
10	Enter any expenses related to the rental of personal property included as a write-in adjustment on federal Schedule 1 (Form 1040), line 22 10 _____
11	Subtract line 10 from line 9. (If the result is less than zero, enter -0-) 11 _____
Investment Income	
12	Add the amounts on lines 1, 2, 3, 4, 7, 8, and 11. Enter the total. This is your investment income 12 _____
13	Is the amount on line 12 more than \$3,882 ? Yes Stop here, you cannot take the credit. No Enter the amount from line 12 on form FTB 3514, line 4. Go to Step 3.

Worksheet 2 – Investment Income Form 540 2EZ Filer	
1	Taxable interest. Enter the amount from Form 540 2EZ, line 10. 1 _____
2	Nontaxable interest. Add and enter the amounts from federal Form 1099-INT, box 3 and box 8, and the amount from federal Form 1099-DIV, box 11 2 _____
3	Dividends. Enter the amount from Form 540 2EZ, line 11 3 _____
4	Capital gain net income. Enter the amount from Form 540 2EZ, line 13. 4 _____
5	Investment Income. Add line 1, line 2, line 3 and line 4. Enter the amount here 5 _____
6	Is the amount on line 5 more than \$3,882 ? Yes Stop here, you cannot take the credit. No Enter the amount from line 5 on form FTB 3514, line 4. Go to Step 3.

Step 3 Qualifying Child

Qualifying Child Definition

A qualifying child for the EITC is a child who meets the following conditions:

- Is your son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, half brother, half sister, or a descendant of any of them (for example, your grandchild, niece, or nephew).
- Is under age 19 at the end of 2020 and younger than you (or your spouse/RDP, if filing jointly), or under age 24 at the end of 2020, a student, and younger than you (or your spouse/RDP, if filing jointly), or any age and permanently and totally disabled.
- Is not filing a joint return for 2020 or is filing a joint return for 2020 only to claim a refund of withheld income tax or estimated tax paid. Get federal Publication 596, Earned Income Credit, for examples.
- Lived with you in California for more than half of 2020. If the child did not live with you for the required time, see exceptions in the instructions for line 11.

Note: If the child was married or meets the conditions to be a qualifying child of another person (other than your spouse/RDP if filing a joint return), special rules apply. Get federal Publication 596 for more information.

Qualifying Child Questionnaire

- a. Do you have at least one child who meets the conditions to be your qualifying child?
Yes Continue.
No Go to Step 4.
- b. Are you filing a joint return for 2020?
Yes Complete form FTB 3514, Part III, line 5 through line 12. Go to Step 5.
No Continue.

c. Could you be a qualifying child of another person for 2020? (Answer “No” if the other person is not required to file, and is not filing, a 2020 tax return or is filing a 2020 return only to claim a refund of withheld income tax or estimated tax paid. Get federal Publication 596 for examples.)

Yes Stop here, you cannot take the credit.

No Complete form FTB 3514, Part III, line 5 through line 12. Go to Step 5.

Note: If your qualifying child is younger than six years old as of the last day of the taxable year, you must list that child information under Child 1, Child 2 or Child 3 column. **Do not** include any child younger than six years old as an attachment to the form FTB 3514. See Step 8 and Step 9 in the instructions to see if you qualify for the Young Child Tax Credit.

Line 7 – SSN or ITIN

The child must have a valid SSN or ITIN, as defined below, unless the child was born and died in 2020. If your child was born alive and died in 2020 and did not have an SSN, enter “Died” on this line and attach a copy of the child’s birth certificate, death certificate, or hospital medical records or include it according to your software’s instructions.

Valid SSN. A valid SSN is a number issued by the Social Security Administration without regard to whether it was issued for employment or issued solely for the purpose of receiving federally funded benefits.

Valid ITIN. A valid ITIN is a federal tax processing number issued by the Internal Revenue Service that is not expired or revoked. For taxable years beginning on or after January 1, 2020, a valid federal ITIN can be used to claim the EITC and YCTC. If an ITIN is used, eligible individuals should provide the documents listed below upon request by FTB:

- Identifying documents acceptable for purposes of obtaining a California driver’s license as authorized by the Vehicle code and related regulations for purposes of establishing documents acceptable to prove identity.
- Identifying documents used to report earned income for the taxable year.

Additionally, upon receiving a valid SSN, the individual should notify the FTB in the time and manner prescribed by the FTB. For more information, go to ftb.ca.gov and search for **eitc**.

An Adoption Taxpayer Identification Number (ATIN) cannot be used to claim EITC. If you or your child has an ATIN and later gets a valid SSN or a valid federal ITIN, you may be able to file an amended return. Use Form 540, 540 2EZ, or 540NR to amend your original or previously filed tax return with Schedule X, California Explanation of Amended Return Changes, attached to the amended return.

If you did not have an SSN or federal ITIN by the due date of your 2020 return (including extensions), you cannot claim the EITC (or YCTC) on either your original or an amended 2020 return, even if you later get an SSN or federal ITIN. Also, if a child did not have an SSN or federal ITIN by the due date of your return (including extensions), you cannot count that child as a qualifying child in figuring the EITC (or YCTC) on either your original or an amended 2020 return, even if that child later gets an SSN or federal ITIN.

Line 9a – Student

A student is a child who during any part of 5 calendar months of 2020 was enrolled as a full-time student at a school, or took a full-time, on-farm training course given by a school or a state, county, or local government agency. A school includes a technical, trade, or mechanical school. It does not include an on-the-job training course, correspondence school, or school offering courses only through the Internet.

Line 9b – Permanently and totally disabled

A person is permanently and totally disabled if, at any time in 2020, the person could not engage in any substantial gainful activity because of a physical or mental condition and a doctor has determined that this condition (a) has lasted or can be expected to last continuously for at least a year, or (b) can be expected to lead to death.

Line 10 – Child’s relationship to you

For additional information see qualifying child definition.

Line 11 – Number of days child lived with you

Enter the number of days the child lived with you in California during 2020. To qualify, the child must have the same principal place of residence in California as you for more than half of 2020, defined as 184 days or more. If the child was born or died in 2020 and your home was the child’s home for more than half the time he or she was alive during 2020, enter “366”. Do not enter more than 366 days. If the child did not live with you for the required time, temporary absences may count as time lived at home. For more information get federal Publication 596.

Line 12 – Child’s physical address

Enter the physical address where the child resided during 2020. This should be the address of the principal place of residence in California where the child lived with you for more than half of 2020. If the child lived with you in California for more than half of 2020, but moved within California during this period, this should be the address of the principal place of residence that was shared the longest.

Step 4 Filer Without a Qualifying Child

a. Is the amount on federal Form 1040 or 1040-SR, line 11 less than \$30,001?

Yes Continue.

No Stop here, you cannot take the credit.

b. Were you (or your spouse/RDP if filing a joint return) at least age 18 at the end of 2020? (Answer “Yes” if you, or your spouse/RDP if filing a joint return, were born on or before January 1, 2003.) If your spouse/RDP died in 2020 (or if you are preparing a return for someone who died in 2020), get federal Publication 596 for more information before you answer.

Yes Continue.

No Stop here, you cannot take the credit.

c. Was your main home, and your spouse’s/RDP’s if filing a joint return, in California for more than half of 2020?

Yes Continue.

No Stop here, you cannot take the credit.

d. Are you filing a joint return for 2020? For more information get federal Publication 596.

Yes Skip questions e and f; go to Step 5.

No Continue.

e. Could you be a qualifying child of another person for 2020? (Answer “No” if the other person is not required to file, and is not filing, a 2020 tax return or is filing a 2020 return only to claim a refund of withheld income tax or estimated tax paid. Get federal Publication 596 for examples.)

Yes Stop here, you cannot take the credit.

No Continue.

f. Can you be claimed as a dependent on someone else’s 2020 tax return?

Yes Stop here, you cannot take the credit.

No Go to Step 5.

Step 5 California Earned Income

Complete lines 13 through 19 to figure your California earned income.

Line 13 – Wages, salaries, tips, and other employee compensation, subject to California withholding

Enter the total amount of your California wages from your federal Form(s) W-2, Wage and Tax Statement. This amount appears on Form W-2, box 16.

Note: If you have clergy wages, subtract the self employment tax, if any, that was reported on federal Schedule SE (Form 1040), Self-Employment Tax, and enter the result on form FTB 3514, line 13.

Employees and independent contractors – If the taxpayer’s classification for California and federal purposes is different, enter the earned income as wages on line 13 or as business income on line 18 based on the federal classification of income. For example, a taxpayer may be classified as an independent contractor for federal purposes, but as an employee for California purposes. Based on this example, this taxpayer would enter their income as business income on form FTB 3514, line 18. Use your federal classification for EITC purposes only and for all other purposes such as completing other tax forms, schedules, etc., use your California classification.

Line 14 – IHSS payments

Enter the amount included on line 13, that you received as Medicaid waiver payments, In Home Supportive Services (IHSS) payments, or IHSS supplementary payments that are nontaxable for federal purposes.

Line 15 – Prison inmate wages and/or pension or annuity from a nonqualified deferred compensation plan or a nongovernmental IRC Section 457 plan

Enter the amount included on line 13, that you received for work performed while an inmate in a penal institution.

Enter the amount included on line 13, that you received as a pension or annuity from a nonqualified deferred compensation plan or a nongovernmental IRC Section 457 plan. This amount may be shown on federal Form W-2, box 11. If you received such an amount and box 11 is blank, contact your employer for the amount received as a pension or annuity.

Line 17 – Nontaxable combat pay

Enter the amount from federal Form W-2, box 12, code Q, if you elect to include your nontaxable military combat pay in earned income for EITC purposes. If you are filing a joint return, both you and/or your spouse/RDP can elect to include your own nontaxable military combat pay for EITC purposes. Each must include all of their nontaxable military combat pay, not just a portion of it. You may elect to include nontaxable military combat pay in earned income for California purposes, whether or not you elect to include it for federal purposes.

Line 18 – Business income or (loss)

If you are self-employed and have net earnings from self-employment, go to Worksheet 3 to figure your business income or loss. Attach a copy of your complete federal return, including any federal Schedule C (Form 1040), Profit or Loss From Business, Schedule F (Form 1040), Profit or Loss From Farming, Schedule SE (Form 1040), and any Schedule K-1 (Form 1065), Partner’s Share of Income, Deductions, Credits, etc.

Employees and independent contractors – If the taxpayer’s classification for California and federal purposes is different, enter the earned income as wages on line 13 or as business income on line 18 based on the federal classification of income. For example, a taxpayer may be classified as an independent contractor for federal purposes, but as an employee for California purposes. Based on this example, this taxpayer would enter their income as business income on form FTB 3514, line 18. Use your federal classification for EITC purposes only and for all other purposes such as completing other tax forms, schedules, etc., use your California classification.

Worksheet 3 – Business Income or (Loss)

1	Business income or (loss). Enter the amount from federal Schedule 1 (Form 1040), line 3	1	_____
2	Farm income or (loss). Enter the amount from federal Schedule 1 (Form 1040), line 6	2	_____
3	Self-employment earnings from partnerships reported on K-1s. Enter the net profit (or loss) from federal Schedule K-1 (Form 1065), box 14, code A.	3	_____
4	Deductible part of self-employment tax. Enter the amount from federal Schedule 1 (Form 1040), line 14	4	_____
5	Total business income or (loss). Add line 1, line 2, line 3, and subtract line 4. Enter the amount here and on form FTB 3514, line 18	5	_____

Lines 18 a-e Business information

Enter your business information in the spaces provided. If you have multiple businesses, use the information from the schedule with the largest net profit (loss).

Line b – Business address

Enter your business address. Show a street address instead of a box number. Include the suite or room number, if any.

Line c – Business license number

Enter your business license number. A business license number is a reference number from a county, city, or state that allows you to engage in a specific business activity within the designated area. If you do not have a business license number, leave line c blank.

Line d – SEIN

Enter your state employer identification number (SEIN) issued by the California Employment Development Department. If you do not have a SEIN, leave line d blank.

Line e – Business code

Use the six-digit code from federal Schedule C or Schedule F, box B.

After completing Step 5, line 18e, go to Step 6.

Step 6 How to Figure the CA EITC

Complete the California Earned Income Tax Credit Worksheet below. If you file Form 540 or 540 2EZ, after completing Step 6, skip Step 7 and go to Step 8. If you file a Form 540NR, after completing Step 6, go to Step 7.

California Earned Income Tax Credit Worksheet

Part I All Filers

- 1** Enter your California earned income from form FTB 3514, line 19. If the amount is zero or less, stop here. **1** _____
- 2** Look up the amount on line 1 in the EITC Table to find the credit. Be sure you use the correct column for the number of qualifying children you have. Enter the credit here **2** _____
If the amount on line 2 is zero, stop here. You cannot take the credit.
- 3** Enter the amount from federal Form 1040 or 1040-SR, line 11 **3** _____
- 4** Are the amounts on lines 1 and 3 the same?
Yes Skip line 5; and enter the amount from line 2 on line 6.
No Go to line 5.
-

Part II Filers who Answered "No" on Line 4

- 5** If you have:
- No qualifying children, is the amount on line 3 less than \$3,757?
 - 1 qualifying child, is the amount on line 3 less than \$5,642?
 - 2 or more qualifying children, is the amount on line 3 less than \$7,920?
- Yes** Leave line 5 blank; enter the amount from line 2 on line 6.
No Look up the amount on line 3 in the EITC Table to find the credit. Be sure you use the correct column for the number of qualifying children you have. Enter the credit here. **5** _____
Compare the amounts on line 5 and line 2, enter the **smaller** amount on line 6.
-

Part III Your Earned Income Tax Credit

- 6** This is your California earned income tax credit.
Enter this amount on form FTB 3514, line 20. **6** _____

(continued on the next page)

Step 7 How to Figure the Nonresident or Part-Year Resident EITC

If you file Form 540 or 540 2EZ, skip Step 7 and go to Step 8.

Line 21 – CA Exemption Credit Percentage

If you file a Form 540NR, enter your CA Exemption Credit Percentage from Form 540NR, line 38 on form FTB 3514, line 21. However, if your total taxable income was less than zero and you entered \$0 on Form 540NR, line 19, complete Worksheet 4 below to compute the correct CA Exemption Credit Percentage to enter on form FTB 3514, line 21.

Worksheet 4 – CA Exemption Credit Percentage	
Complete this worksheet only if you are a nonresident or part-year resident with negative total taxable income and you entered zero on Form 540NR, line 19.	
Part I Total Taxable Income	
1 Enter the amount from Form 540NR, line 17. If a negative amount, enter as negative	1 _____
2 Enter the amount from Form 540NR, line 18	2 _____
3 Total Taxable Income. Subtract line 2 from line 1. Enter the negative result here	3 _____
Part II California Taxable Income	
4 Enter the amount from Schedule CA (540NR), Part IV, line 1. If a negative amount, enter as negative	4 _____
5 Enter the amount from Schedule CA (540NR), Part IV, line 4	5 _____
6 California Taxable Income. Subtract line 5 from line 4. If a negative amount, enter as negative	6 _____
Part III CA Exemption Credit Percentage	
7 Subtract line 6 from line 3. If a negative amount, enter as negative	7 _____
8 Enter the amount from line 3 as a positive amount.	8 _____
9 Divide line 7 by line 8. Enter amount as a decimal	9 _____
10 CA Exemption Credit Percentage. Subtract line 9 from 1.000. If more than 1, enter 1.000. If less than zero, enter 0. Enter the result as a decimal here and on form FTB 3514, line 21 or line 29.	10 _____

Line 22 – Nonresident or Part-Year Resident EITC

Multiply line 20 by line 21 and enter the result on form FTB 3514, line 22. This amount should also be entered on Form 540NR, line 85.

Step 8 Qualifications for Young Child Tax Credit (YCTC)

To qualify for the YCTC, you must meet **all** of the following:

- You have been allowed the CA EITC on this form.
- You have at least one qualifying child for the CA EITC.
- Your qualifying child is younger than six years old as of the last day of the taxable year.

Caution: If you **do not** meet all of the above requirements, you cannot take this credit.

If you meet all of the above requirements, complete Part VII, Young Child Tax Credit. If you are a nonresident or part-year resident, also complete Part VIII, Nonresident or Part-Year Resident Young Child Tax Credit.

For taxable years beginning on or after January 1, 2020, California expanded YCTC eligibility to a qualifying child who is younger than 6 years old as of the last day of the taxable year, who has a valid federal ITIN. The child must be a qualifying child of an eligible individual, the eligible individual's spouse (if married), who have a federal ITIN.

Note: If your qualifying child is younger than six years old as of the last day of the taxable year, you must list that child information under Part III, Qualifying Child Information, Child 1, Child 2 or Child 3 column. **Do not** include any child younger than six years old as an attachment to the form FTB 3514.

Line 23 – California Earned Income

CA earned income for purposes of the YCTC is the same as for the CA EITC. Enter the amount from form FTB 3514, line 19.

Line 25 – Excess Earned Income over threshold

Subtract the \$25,000 threshold amount from your CA earned income entered on line 23 and enter the excess amount on line 25.

Line 26 and Line 27

For every \$100 over the threshold amount, your credit is reduced by \$20.

Line 28

This is the amount of your allowable YCTC to claim on your tax return. This amount should also be entered on Form 540, line 76; or Form 540 2EZ, line 24. If you file Form 540 or 540 2EZ, stop here, do not go to Step 9.

Step 9 Nonresident or Part-Year Resident Young Child Tax Credit

Line 29

If you file a Form 540NR, enter your CA Exemption Credit Percentage from Form 540NR, line 38 on form FTB 3514, line 29. However, if you completed Worksheet 4, enter the CA Exemption Credit Percentage from Worksheet 4, line 10 on form FTB 3514, line 29.

Line 30

Multiply line 28 by line 29 and enter the result on form FTB 3514, line 30. This amount should also be entered on Form 540NR, line 86.

2020 Earned Income Tax Credit Table – Continued

Caution: This is not a tax table. If you are married filing separately you do not qualify for this credit.

- To find your credit, read down the “At least - But not over” columns and find the line that includes the amount you were told to look up from your California Earned Income Tax Credit Worksheet.
- Then, go to the column that includes the number of qualifying children you have. Enter the credit from that column on your California Earned Income Tax Credit Worksheet.

If the amount you are looking up from the worksheet is . . .		And your number of qualifying children is			
At least	But Not Over	0	1	2	3
		Your credit is . . .			
1	50	2	7	9	10
51	100	5	22	26	29
101	150	8	36	43	48
151	200	11	51	60	67
201	250	15	65	77	86
251	300	18	80	94	105
301	350	21	94	111	125
351	400	24	109	128	144
401	450	28	123	145	163
451	500	31	137	162	182
501	550	34	152	179	201
551	600	37	166	196	220
601	650	41	181	213	239
651	700	44	195	230	258
701	750	47	210	247	278
751	800	50	224	264	297
801	850	54	239	281	316
851	900	57	253	298	335
901	950	60	267	315	354
951	1,000	63	282	332	373
1,001	1,050	67	296	349	392
1,051	1,100	70	311	366	411
1,101	1,150	73	325	383	431
1,151	1,200	76	340	400	450
1,201	1,250	80	354	417	469
1,251	1,300	83	369	434	488
1,301	1,350	86	383	451	507
1,351	1,400	89	398	468	526
1,401	1,450	93	412	485	545
1,451	1,500	96	426	502	564
1,501	1,550	99	441	519	584
1,551	1,600	102	455	536	603
1,601	1,650	106	470	553	622
1,651	1,700	109	484	570	641
1,701	1,750	112	499	587	660
1,751	1,800	115	513	604	679
1,801	1,850	119	528	621	698
1,851	1,900	122	542	638	717
1,901	1,950	125	556	655	737
1,951	2,000	128	571	672	756

If the amount you are looking up from the worksheet is . . .		And your number of qualifying children is			
At least	But Not Over	0	1	2	3
		Your credit is . . .			
2,001	2,050	132	585	689	775
2,051	2,100	135	600	706	794
2,101	2,150	138	614	723	813
2,151	2,200	141	629	740	832
2,201	2,250	145	643	757	851
2,251	2,300	148	658	774	870
2,301	2,350	151	672	791	890
2,351	2,400	154	687	808	909
2,401	2,450	158	701	825	928
2,451	2,500	161	715	842	947
2,501	2,550	164	730	859	966
2,551	2,600	167	744	876	985
2,601	2,650	171	759	893	1,004
2,651	2,700	174	773	910	1,023
2,701	2,750	177	788	927	1,043
2,751	2,800	180	802	944	1,062
2,801	2,850	184	817	961	1,081
2,851	2,900	187	831	978	1,100
2,901	2,950	190	845	995	1,119
2,951	3,000	193	860	1,012	1,138
3,001	3,050	197	874	1,029	1,157
3,051	3,100	200	889	1,046	1,176
3,101	3,150	203	903	1,063	1,196
3,151	3,200	206	918	1,080	1,215
3,201	3,250	210	932	1,097	1,234
3,251	3,300	213	947	1,114	1,253
3,301	3,350	216	961	1,131	1,272
3,351	3,400	219	976	1,148	1,291
3,401	3,450	223	990	1,165	1,310
3,451	3,500	226	1,004	1,182	1,329
3,501	3,550	229	1,019	1,199	1,349
3,551	3,600	232	1,033	1,216	1,368
3,601	3,650	236	1,048	1,233	1,387
3,651	3,700	239	1,062	1,250	1,406
3,701	3,750	242	1,077	1,267	1,425
3,751	3,800	243	1,091	1,284	1,444
3,801	3,850	240	1,106	1,301	1,463
3,851	3,900	237	1,120	1,318	1,482
3,901	3,950	233	1,134	1,335	1,502
3,951	4,000	230	1,149	1,352	1,521

Continued on next page.

2020 Earned Income Tax Credit Table – Continued

Caution: This is **not** a tax table. If you are married filing separately you do **not** qualify for this credit.

- To find your credit, read down the “At least - But not over” columns and find the line that includes the amount you were told to look up from your California Earned Income Tax Credit Worksheet.
- Then, go to the column that includes the number of qualifying children you have. Enter the credit from that column on your California Earned Income Tax Credit Worksheet.

If the amount you are looking up from the worksheet is . . .		And your number of qualifying children is			
At least	But Not Over	0	1	2	3
		Your credit is . . .			
4,001	4,050	227	1,163	1,369	1,540
4,051	4,100	224	1,178	1,386	1,559
4,101	4,150	220	1,192	1,403	1,578
4,151	4,200	217	1,207	1,420	1,597
4,201	4,250	214	1,221	1,437	1,616
4,251	4,300	211	1,236	1,454	1,635
4,301	4,350	207	1,250	1,471	1,655
4,351	4,400	204	1,265	1,488	1,674
4,401	4,450	203	1,279	1,505	1,693
4,451	4,500	202	1,293	1,522	1,712
4,501	4,550	202	1,308	1,539	1,731
4,551	4,600	201	1,322	1,556	1,750
4,601	4,650	201	1,337	1,573	1,769
4,651	4,700	201	1,351	1,590	1,788
4,701	4,750	200	1,366	1,607	1,808
4,751	4,800	200	1,380	1,624	1,827
4,801	4,850	199	1,395	1,641	1,846
4,851	4,900	199	1,409	1,658	1,865
4,901	4,950	199	1,423	1,675	1,884
4,951	5,000	198	1,438	1,692	1,903
5,001	5,050	198	1,452	1,709	1,922
5,051	5,100	197	1,467	1,726	1,941
5,101	5,150	197	1,481	1,743	1,961
5,151	5,200	197	1,496	1,760	1,980
5,201	5,250	196	1,510	1,777	1,999
5,251	5,300	196	1,525	1,794	2,018
5,301	5,350	195	1,539	1,811	2,037
5,351	5,400	195	1,554	1,828	2,056
5,401	5,450	195	1,568	1,845	2,075
5,451	5,500	194	1,582	1,862	2,094
5,501	5,550	194	1,597	1,879	2,114
5,551	5,600	194	1,611	1,896	2,133
5,601	5,650	193	1,626	1,913	2,152
5,651	5,700	193	1,621	1,930	2,171
5,701	5,750	192	1,606	1,947	2,190
5,751	5,800	192	1,592	1,964	2,209
5,801	5,850	192	1,578	1,981	2,228
5,851	5,900	191	1,563	1,998	2,247
5,901	5,950	191	1,549	2,015	2,267
5,951	6,000	190	1,534	2,032	2,286

If the amount you are looking up from the worksheet is . . .		And your number of qualifying children is			
At least	But Not Over	0	1	2	3
		Your credit is . . .			
6,001	6,050	190	1,520	2,049	2,305
6,051	6,100	190	1,505	2,066	2,324
6,101	6,150	189	1,491	2,083	2,343
6,151	6,200	189	1,476	2,100	2,362
6,201	6,250	188	1,462	2,117	2,381
6,251	6,300	188	1,447	2,134	2,400
6,301	6,350	188	1,433	2,151	2,420
6,351	6,400	187	1,419	2,168	2,439
6,401	6,450	187	1,404	2,185	2,458
6,451	6,500	186	1,390	2,202	2,477
6,501	6,550	186	1,375	2,219	2,496
6,551	6,600	186	1,361	2,236	2,515
6,601	6,650	185	1,346	2,253	2,534
6,651	6,700	185	1,332	2,270	2,553
6,701	6,750	184	1,317	2,287	2,573
6,751	6,800	184	1,303	2,304	2,592
6,801	6,850	184	1,289	2,321	2,611
6,851	6,900	183	1,274	2,338	2,630
6,901	6,950	183	1,260	2,355	2,649
6,951	7,000	182	1,245	2,372	2,668
7,001	7,050	182	1,231	2,389	2,687
7,051	7,100	182	1,216	2,406	2,706
7,101	7,150	181	1,202	2,423	2,726
7,151	7,200	181	1,187	2,440	2,745
7,201	7,250	180	1,173	2,457	2,764
7,251	7,300	180	1,158	2,474	2,783
7,301	7,350	180	1,144	2,491	2,802
7,351	7,400	179	1,130	2,508	2,821
7,401	7,450	179	1,115	2,525	2,840
7,451	7,500	178	1,101	2,542	2,859
7,501	7,550	178	1,086	2,559	2,879
7,551	7,600	178	1,072	2,576	2,898
7,601	7,650	177	1,057	2,593	2,917
7,651	7,700	177	1,043	2,610	2,936
7,701	7,750	177	1,028	2,627	2,955
7,751	7,800	176	1,014	2,644	2,974
7,801	7,850	176	1,000	2,661	2,993
7,851	7,900	175	985	2,678	3,012
7,901	7,950	175	971	2,691	3,027
7,951	8,000	175	956	2,674	3,008

Continued on next page.

2020 Earned Income Tax Credit Table – Continued

Caution: This is **not** a tax table. If you are married filing separately you do **not** qualify for this credit.

- To find your credit, read down the “At least - But not over” columns and find the line that includes the amount you were told to look up from your California Earned Income Tax Credit Worksheet.
- Then, go to the column that includes the number of qualifying children you have. Enter the credit from that column on your California Earned Income Tax Credit Worksheet.

If the amount you are looking up from the worksheet is . . .		And your number of qualifying children is			
At least	But Not Over	0	1	2	3
		Your credit is . . .			
8,001	8,050	174	942	2,657	2,989
8,051	8,100	174	927	2,640	2,970
8,101	8,150	173	913	2,623	2,951
8,151	8,200	173	898	2,606	2,932
8,201	8,250	173	884	2,589	2,913
8,251	8,300	172	869	2,572	2,893
8,301	8,350	172	855	2,555	2,874
8,351	8,400	171	841	2,538	2,855
8,401	8,450	171	826	2,521	2,836
8,451	8,500	171	812	2,504	2,817
8,501	8,550	170	797	2,487	2,798
8,551	8,600	170	783	2,470	2,779
8,601	8,650	169	768	2,453	2,760
8,651	8,700	169	754	2,436	2,740
8,701	8,750	169	739	2,419	2,721
8,751	8,800	168	725	2,402	2,702
8,801	8,850	168	711	2,385	2,683
8,851	8,900	167	696	2,368	2,664
8,901	8,950	167	682	2,351	2,645
8,951	9,000	167	667	2,334	2,626
9,001	9,050	166	653	2,317	2,607
9,051	9,100	166	638	2,300	2,587
9,101	9,150	165	624	2,283	2,568
9,151	9,200	165	609	2,266	2,549
9,201	9,250	165	595	2,249	2,530
9,251	9,300	164	580	2,232	2,511
9,301	9,350	164	566	2,215	2,492
9,351	9,400	163	552	2,198	2,473
9,401	9,450	163	537	2,181	2,454
9,451	9,500	163	523	2,164	2,434
9,501	9,550	162	511	2,147	2,415
9,551	9,600	162	510	2,130	2,396
9,601	9,650	162	509	2,113	2,377
9,651	9,700	161	508	2,096	2,358
9,701	9,750	161	506	2,079	2,339
9,751	9,800	160	505	2,062	2,320
9,801	9,850	160	504	2,045	2,301
9,851	9,900	160	503	2,028	2,281
9,901	9,950	159	501	2,011	2,262
9,951	10,000	159	500	1,994	2,243

If the amount you are looking up from the worksheet is . . .		And your number of qualifying children is			
At least	But Not Over	0	1	2	3
		Your credit is . . .			
10,001	10,050	158	499	1,977	2,224
10,051	10,100	158	498	1,960	2,205
10,101	10,150	158	496	1,943	2,186
10,151	10,200	157	495	1,926	2,167
10,201	10,250	157	494	1,909	2,148
10,251	10,300	156	493	1,892	2,128
10,301	10,350	156	491	1,875	2,109
10,351	10,400	156	490	1,858	2,090
10,401	10,450	155	489	1,841	2,071
10,451	10,500	155	488	1,824	2,052
10,501	10,550	154	486	1,807	2,033
10,551	10,600	154	485	1,790	2,014
10,601	10,650	154	484	1,773	1,995
10,651	10,700	153	483	1,756	1,975
10,701	10,750	153	481	1,739	1,956
10,751	10,800	152	480	1,722	1,937
10,801	10,850	152	479	1,705	1,918
10,851	10,900	152	478	1,688	1,899
10,901	10,950	151	476	1,671	1,880
10,951	11,000	151	475	1,654	1,861
11,001	11,050	150	474	1,637	1,842
11,051	11,100	150	473	1,620	1,822
11,101	11,150	150	471	1,603	1,803
11,151	11,200	149	470	1,586	1,784
11,201	11,250	149	469	1,569	1,765
11,251	11,300	148	468	1,552	1,746
11,301	11,350	148	466	1,535	1,727
11,351	11,400	148	465	1,518	1,708
11,401	11,450	147	464	1,501	1,689
11,451	11,500	147	463	1,484	1,669
11,501	11,550	146	461	1,467	1,650
11,551	11,600	146	460	1,450	1,631
11,601	11,650	146	459	1,433	1,612
11,651	11,700	145	458	1,416	1,593
11,701	11,750	145	456	1,399	1,574
11,751	11,800	145	455	1,382	1,555
11,801	11,850	144	454	1,365	1,536
11,851	11,900	144	453	1,348	1,516
11,901	11,950	143	451	1,331	1,497
11,951	12,000	143	450	1,314	1,478

Continued on next page.

2020 Earned Income Tax Credit Table – Continued

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- Then, go to the column that includes the number of qualifying children you have. Enter the credit from that column on your California Earned Income Tax Credit Worksheet.

If the amount you are looking up from the worksheet is . . .		And your number of qualifying children is			
At least	But Not Over	0	1	2	3
		Your credit is . . .			
12,001	12,050	143	449	1,297	1,459
12,051	12,100	142	448	1,280	1,440
12,101	12,150	142	446	1,263	1,421
12,151	12,200	141	445	1,246	1,402
12,201	12,250	141	444	1,229	1,383
12,251	12,300	141	443	1,212	1,363
12,301	12,350	140	441	1,195	1,344
12,351	12,400	140	440	1,178	1,325
12,401	12,450	139	439	1,161	1,306
12,451	12,500	139	438	1,144	1,287
12,501	12,550	139	436	1,127	1,268
12,551	12,600	138	435	1,110	1,249
12,601	12,650	138	434	1,093	1,230
12,651	12,700	137	433	1,076	1,210
12,701	12,750	137	431	1,059	1,191
12,751	12,800	137	430	1,042	1,172
12,801	12,850	136	429	1,025	1,153
12,851	12,900	136	428	1,008	1,134
12,901	12,950	135	426	991	1,115
12,951	13,000	135	425	974	1,096
13,001	13,050	135	424	957	1,077
13,051	13,100	134	423	940	1,057
13,101	13,150	134	421	923	1,038
13,151	13,200	133	420	906	1,019
13,201	13,250	133	419	889	1,000
13,251	13,300	133	418	872	981
13,301	13,350	132	416	855	962
13,351	13,400	132	415	838	943
13,401	13,450	131	414	821	924
13,451	13,500	131	413	804	904
13,501	13,550	131	411	787	885
13,551	13,600	130	410	770	866
13,601	13,650	130	409	753	847
13,651	13,700	129	408	736	828
13,701	13,750	129	406	719	809
13,751	13,800	129	405	702	790
13,801	13,850	128	404	685	771
13,851	13,900	128	403	668	751
13,901	13,950	128	401	651	732
13,951	14,000	127	400	634	713

If the amount you are looking up from the worksheet is . . .		And your number of qualifying children is			
At least	But Not Over	0	1	2	3
		Your credit is . . .			
14,001	14,050	127	399	617	694
14,051	14,100	126	398	600	675
14,101	14,150	126	397	583	656
14,151	14,200	126	395	566	637
14,201	14,250	125	394	549	618
14,251	14,300	125	393	532	598
14,301	14,350	124	392	515	579
14,351	14,400	124	390	510	560
14,401	14,450	124	389	509	541
14,451	14,500	123	388	507	522
14,501	14,550	123	387	506	511
14,551	14,600	122	385	504	509
14,601	14,650	122	384	502	507
14,651	14,700	122	383	501	506
14,701	14,750	121	382	499	504
14,751	14,800	121	380	497	503
14,801	14,850	120	379	496	501
14,851	14,900	120	378	494	499
14,901	14,950	120	377	492	498
14,951	15,000	119	375	491	496
15,001	15,050	119	374	489	494
15,051	15,100	118	373	488	493
15,101	15,150	118	372	486	491
15,151	15,200	118	370	484	489
15,201	15,250	117	369	483	488
15,251	15,300	117	368	481	486
15,301	15,350	116	367	479	484
15,351	15,400	116	365	478	483
15,401	15,450	116	364	476	481
15,451	15,500	115	363	474	479
15,501	15,550	115	362	473	478
15,551	15,600	114	360	471	476
15,601	15,650	114	359	470	474
15,651	15,700	114	358	468	473
15,701	15,750	113	357	466	471
15,751	15,800	113	355	465	469
15,801	15,850	112	354	463	468
15,851	15,900	112	353	461	466
15,901	15,950	112	352	460	464
15,951	16,000	111	350	458	463

Continued on next page.

2020 Earned Income Tax Credit Table – Continued

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- Then, go to the column that includes the number of qualifying children you have. Enter the credit from that column on your California Earned Income Tax Credit Worksheet.

If the amount you are looking up from the worksheet is . . .		And your number of qualifying children is			
At least	But Not Over	0	1	2	3
		Your credit is . . .			
16,001	16,050	111	349	456	461
16,051	16,100	111	348	455	460
16,101	16,150	110	347	453	458
16,151	16,200	110	345	452	456
16,201	16,250	109	344	450	455
16,251	16,300	109	343	448	453
16,301	16,350	109	342	447	451
16,351	16,400	108	340	445	450
16,401	16,450	108	339	443	448
16,451	16,500	107	338	442	446
16,501	16,550	107	337	440	445
16,551	16,600	107	335	438	443
16,601	16,650	106	334	437	441
16,651	16,700	106	333	435	440
16,701	16,750	105	332	434	438
16,751	16,800	105	330	432	436
16,801	16,850	105	329	430	435
16,851	16,900	104	328	429	433
16,901	16,950	104	327	427	431
16,951	17,000	103	325	425	430
17,001	17,050	103	324	424	428
17,051	17,100	103	323	422	426
17,101	17,150	102	322	420	425
17,151	17,200	102	320	419	423
17,201	17,250	101	319	417	422
17,251	17,300	101	318	416	420
17,301	17,350	101	317	414	418
17,351	17,400	100	315	412	417
17,401	17,450	100	314	411	415
17,451	17,500	99	313	409	413
17,501	17,550	99	312	407	412
17,551	17,600	99	310	406	410
17,601	17,650	98	309	404	408
17,651	17,700	98	308	402	407
17,701	17,750	97	307	401	405
17,751	17,800	97	305	399	403
17,801	17,850	97	304	398	402
17,851	17,900	96	303	396	400
17,901	17,950	96	302	394	398
17,951	18,000	95	300	393	397

If the amount you are looking up from the worksheet is . . .		And your number of qualifying children is			
At least	But Not Over	0	1	2	3
		Your credit is . . .			
18,001	18,050	95	299	391	395
18,051	18,100	95	298	389	393
18,101	18,150	94	297	388	392
18,151	18,200	94	295	386	390
18,201	18,250	94	294	384	388
18,251	18,300	93	293	383	387
18,301	18,350	93	292	381	385
18,351	18,400	92	290	380	383
18,401	18,450	92	289	378	382
18,451	18,500	92	288	376	380
18,501	18,550	91	287	375	379
18,551	18,600	91	285	373	377
18,601	18,650	90	284	371	375
18,651	18,700	90	283	370	374
18,701	18,750	90	282	368	372
18,751	18,800	89	280	366	370
18,801	18,850	89	279	365	369
18,851	18,900	88	278	363	367
18,901	18,950	88	277	362	365
18,951	19,000	88	275	360	364
19,001	19,050	87	274	358	362
19,051	19,100	87	273	357	360
19,101	19,150	86	272	355	359
19,151	19,200	86	270	353	357
19,201	19,250	86	269	352	355
19,251	19,300	85	268	350	354
19,301	19,350	85	267	348	352
19,351	19,400	84	265	347	350
19,401	19,450	84	264	345	349
19,451	19,500	84	263	344	347
19,501	19,550	83	262	342	345
19,551	19,600	83	260	340	344
19,601	19,650	82	259	339	342
19,651	19,700	82	258	337	340
19,701	19,750	82	257	335	339
19,751	19,800	81	255	334	337
19,801	19,850	81	254	332	336
19,851	19,900	80	253	330	334
19,901	19,950	80	252	329	332
19,951	20,000	80	250	327	331

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2020 Earned Income Tax Credit Table – Continued

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- Then, go to the column that includes the number of qualifying children you have. Enter the credit from that column on your California Earned Income Tax Credit Worksheet.

If the amount you are looking up from the worksheet is . . .		And your number of qualifying children is			
At least	But Not Over	0	1	2	3
		Your credit is . . .			
20,001	20,050	79	249	326	329
20,051	20,100	79	248	324	327
20,101	20,150	79	247	322	326
20,151	20,200	78	245	321	324
20,201	20,250	78	244	319	322
20,251	20,300	77	243	317	321
20,301	20,350	77	242	316	319
20,351	20,400	77	240	314	317
20,401	20,450	76	239	312	316
20,451	20,500	76	238	311	314
20,501	20,550	75	237	309	312
20,551	20,600	75	235	308	311
20,601	20,650	75	234	306	309
20,651	20,700	74	233	304	307
20,701	20,750	74	232	303	306
20,751	20,800	73	230	301	304
20,801	20,850	73	229	299	302
20,851	20,900	73	228	298	301
20,901	20,950	72	227	296	299
20,951	21,000	72	225	294	298
21,001	21,050	71	224	293	296
21,051	21,100	71	223	291	294
21,101	21,150	71	222	290	293
21,151	21,200	70	220	288	291
21,201	21,250	70	219	286	289
21,251	21,300	69	218	285	288
21,301	21,350	69	217	283	286
21,351	21,400	69	215	281	284
21,401	21,450	68	214	280	283
21,451	21,500	68	213	278	281
21,501	21,550	67	212	276	279
21,551	21,600	67	210	275	278
21,601	21,650	67	209	273	276
21,651	21,700	66	208	272	274
21,701	21,750	66	207	270	273
21,751	21,800	65	205	268	271
21,801	21,850	65	204	267	269
21,851	21,900	65	203	265	268
21,901	21,950	64	202	263	266
21,951	22,000	64	200	262	264

If the amount you are looking up from the worksheet is . . .		And your number of qualifying children is			
At least	But Not Over	0	1	2	3
		Your credit is . . .			
22,001	22,050	63	199	260	263
22,051	22,100	63	198	258	261
22,101	22,150	63	197	257	259
22,151	22,200	62	195	255	258
22,201	22,250	62	194	254	256
22,251	22,300	62	193	252	255
22,301	22,350	61	192	250	253
22,351	22,400	61	190	249	251
22,401	22,450	60	189	247	250
22,451	22,500	60	188	245	248
22,501	22,550	60	187	244	246
22,551	22,600	59	185	242	245
22,601	22,650	59	184	240	243
22,651	22,700	58	183	239	241
22,701	22,750	58	182	237	240
22,751	22,800	58	180	236	238
22,801	22,850	57	179	234	236
22,851	22,900	57	178	232	235
22,901	22,950	56	177	231	233
22,951	23,000	56	175	229	231
23,001	23,050	56	174	227	230
23,051	23,100	55	173	226	228
23,101	23,150	55	172	224	226
23,151	23,200	54	170	222	225
23,201	23,250	54	169	221	223
23,251	23,300	54	168	219	221
23,301	23,350	53	167	218	220
23,351	23,400	53	165	216	218
23,401	23,450	52	164	214	217
23,451	23,500	52	163	213	215
23,501	23,550	52	162	211	213
23,551	23,600	51	160	209	212
23,601	23,650	51	159	208	210
23,651	23,700	50	158	206	208
23,701	23,750	50	157	204	207
23,751	23,800	50	155	203	205
23,801	23,850	49	154	201	203
23,851	23,900	49	153	200	202
23,901	23,950	48	152	198	200
23,951	24,000	48	150	196	198

Continued on next page.

2020 Earned Income Tax Credit Table – Continued

Caution: This is **not** a tax table. If you are married filing separately you do **not** qualify for this credit.

- To find your credit, read down the “At least - But not over” columns and find the line that includes the amount you were told to look up from your California Earned Income Tax Credit Worksheet.
- Then, go to the column that includes the number of qualifying children you have. Enter the credit from that column on your California Earned Income Tax Credit Worksheet.

If the amount you are looking up from the worksheet is . . .		And your number of qualifying children is			
At least	But Not Over	0	1	2	3
		Your credit is . . .			
24,001	24,050	48	149	195	197
24,051	24,100	47	148	193	195
24,101	24,150	47	147	191	193
24,151	24,200	46	145	190	192
24,201	24,250	46	144	188	190
24,251	24,300	46	143	186	188
24,301	24,350	45	142	185	187
24,351	24,400	45	140	183	185
24,401	24,450	45	139	182	183
24,451	24,500	44	138	180	182
24,501	24,550	44	137	178	180
24,551	24,600	43	135	177	178
24,601	24,650	43	134	175	177
24,651	24,700	43	133	173	175
24,701	24,750	42	132	172	174
24,751	24,800	42	130	170	172
24,801	24,850	41	129	168	170
24,851	24,900	41	128	167	169
24,901	24,950	41	127	165	167
24,951	25,000	40	125	164	165
25,001	25,050	40	124	162	164
25,051	25,100	39	123	160	162
25,101	25,150	39	122	159	160
25,151	25,200	39	120	157	159
25,201	25,250	38	119	155	157
25,251	25,300	38	118	154	155
25,301	25,350	37	117	152	154
25,351	25,400	37	115	150	152
25,401	25,450	37	114	149	150
25,451	25,500	36	113	147	149
25,501	25,550	36	112	146	147
25,551	25,600	35	110	144	145
25,601	25,650	35	109	142	144
25,651	25,700	35	108	141	142
25,701	25,750	34	107	139	140
25,751	25,800	34	105	137	139
25,801	25,850	33	104	136	137
25,851	25,900	33	103	134	135
25,901	25,950	33	102	132	134
25,951	26,000	32	100	131	132

If the amount you are looking up from the worksheet is . . .		And your number of qualifying children is			
At least	But Not Over	0	1	2	3
		Your credit is . . .			
26,001	26,050	32	99	129	131
26,051	26,100	31	98	128	129
26,101	26,150	31	97	126	127
26,151	26,200	31	95	124	126
26,201	26,250	30	94	123	124
26,251	26,300	30	93	121	122
26,301	26,350	29	92	119	121
26,351	26,400	29	90	118	119
26,401	26,450	29	89	116	117
26,451	26,500	28	88	114	116
26,501	26,550	28	87	113	114
26,551	26,600	28	85	111	112
26,601	26,650	27	84	110	111
26,651	26,700	27	83	108	109
26,701	26,750	26	82	106	107
26,751	26,800	26	80	105	106
26,801	26,850	26	79	103	104
26,851	26,900	25	78	101	102
26,901	26,950	25	77	100	101
26,951	27,000	24	75	98	99
27,001	27,050	24	74	96	97
27,051	27,100	24	73	95	96
27,101	27,150	23	72	93	94
27,151	27,200	23	70	92	93
27,201	27,250	22	69	90	91
27,251	27,300	22	68	88	89
27,301	27,350	22	67	87	88
27,351	27,400	21	65	85	86
27,401	27,450	21	64	83	84
27,451	27,500	20	63	82	83
27,501	27,550	20	62	80	81
27,551	27,600	20	60	78	79
27,601	27,650	19	59	77	78
27,651	27,700	19	58	75	76
27,701	27,750	18	57	74	74
27,751	27,800	18	55	72	73
27,801	27,850	18	54	70	71
27,851	27,900	17	53	69	69
27,901	27,950	17	52	67	68
27,951	28,000	16	50	65	66

Continued on next page.

2020 Earned Income Tax Credit Table – Continued

Caution: This is **not** a tax table. If you are married filing separately you do **not** qualify for this credit.

- To find your credit, read down the “At least - But not over” columns and find the line that includes the amount you were told to look up from your California Earned Income Tax Credit Worksheet.
- Then, go to the column that includes the number of qualifying children you have. Enter the credit from that column on your California Earned Income Tax Credit Worksheet.

If the amount you are looking up from the worksheet is . . .		And your number of qualifying children is			
At least	But Not Over	0	1	2	3
		Your credit is . . .			
28,001	28,050	16	49	64	64
28,051	28,100	16	48	62	63
28,101	28,150	15	47	60	61
28,151	28,200	15	45	59	59
28,201	28,250	14	44	57	58
28,251	28,300	14	43	56	56
28,301	28,350	14	42	54	54
28,351	28,400	13	40	52	53
28,401	28,450	13	39	51	51
28,451	28,500	12	38	49	50
28,501	28,550	12	37	47	48
28,551	28,600	12	35	46	46
28,601	28,650	11	34	44	45
28,651	28,700	11	33	42	43
28,701	28,750	11	32	41	41
28,751	28,800	10	30	39	40
28,801	28,850	10	29	38	38
28,851	28,900	9	28	36	36
28,901	28,950	9	27	34	35
28,951	29,000	9	25	33	33
29,001	29,050	8	24	31	31
29,051	29,100	8	23	29	30
29,101	29,150	7	22	28	28
29,151	29,200	7	20	26	26
29,201	29,250	7	19	24	25
29,251	29,300	6	18	23	23
29,301	29,350	6	17	21	21
29,351	29,400	5	15	20	20
29,401	29,450	5	14	18	18
29,451	29,500	5	13	16	16
29,501	29,550	4	12	15	15
29,551	29,600	4	10	13	13
29,601	29,650	3	9	11	11
29,651	29,700	3	8	10	10
29,701	29,750	3	7	8	8
29,751	29,800	2	5	6	7
29,801	29,850	2	4	5	5
29,851	29,900	1	3	3	3
29,901	29,950	1	2	2	2
29,951	30,000	1	1	1	1

2020 California Tax Table

To Find Your Tax:

- Read down the column labeled "If Your Taxable Income Is ..." to find the range that includes your taxable income from Form 540, line 19.
- Read across the columns labeled "The Tax For Filing Status" until you find the tax that applies for your taxable income and filing status.

Filing status: 1 or 3 (Single; Married/RDP Filing Separately)					2 or 5 (Married/RDP Filing Jointly; Qualifying Widow(er))					4 (Head of Household)				
If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status		
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is
\$1	\$50	\$0	\$0	\$0	6,451	6,550	65	65	65	12,951	13,050	171	130	130
51	150	1	1	1	6,551	6,650	66	66	66	13,051	13,150	173	131	131
151	250	2	2	2	6,651	6,750	67	67	67	13,151	13,250	175	132	132
251	350	3	3	3	6,751	6,850	68	68	68	13,251	13,350	177	133	133
351	450	4	4	4	6,851	6,950	69	69	69	13,351	13,450	179	134	134
451	550	5	5	5	6,951	7,050	70	70	70	13,451	13,550	181	135	135
551	650	6	6	6	7,051	7,150	71	71	71	13,551	13,650	183	136	136
651	750	7	7	7	7,151	7,250	72	72	72	13,651	13,750	185	137	137
751	850	8	8	8	7,251	7,350	73	73	73	13,751	13,850	187	138	138
851	950	9	9	9	7,351	7,450	74	74	74	13,851	13,950	189	139	139
951	1,050	10	10	10	7,451	7,550	75	75	75	13,951	14,050	191	140	140
1,051	1,150	11	11	11	7,551	7,650	76	76	76	14,051	14,150	193	141	141
1,151	1,250	12	12	12	7,651	7,750	77	77	77	14,151	14,250	195	142	142
1,251	1,350	13	13	13	7,751	7,850	78	78	78	14,251	14,350	197	143	143
1,351	1,450	14	14	14	7,851	7,950	79	79	79	14,351	14,450	199	144	144
1,451	1,550	15	15	15	7,951	8,050	80	80	80	14,451	14,550	201	145	145
1,551	1,650	16	16	16	8,051	8,150	81	81	81	14,551	14,650	203	146	146
1,651	1,750	17	17	17	8,151	8,250	82	82	82	14,651	14,750	205	147	147
1,751	1,850	18	18	18	8,251	8,350	83	83	83	14,751	14,850	207	148	148
1,851	1,950	19	19	19	8,351	8,450	84	84	84	14,851	14,950	209	149	149
1,951	2,050	20	20	20	8,451	8,550	85	85	85	14,951	15,050	211	150	150
2,051	2,150	21	21	21	8,551	8,650	86	86	86	15,051	15,150	213	151	151
2,151	2,250	22	22	22	8,651	8,750	87	87	87	15,151	15,250	215	152	152
2,251	2,350	23	23	23	8,751	8,850	88	88	88	15,251	15,350	217	153	153
2,351	2,450	24	24	24	8,851	8,950	89	89	89	15,351	15,450	219	154	154
2,451	2,550	25	25	25	8,951	9,050	91	90	90	15,451	15,550	221	155	155
2,551	2,650	26	26	26	9,051	9,150	93	91	91	15,551	15,650	223	156	156
2,651	2,750	27	27	27	9,151	9,250	95	92	92	15,651	15,750	225	157	157
2,751	2,850	28	28	28	9,251	9,350	97	93	93	15,751	15,850	227	158	158
2,851	2,950	29	29	29	9,351	9,450	99	94	94	15,851	15,950	229	159	159
2,951	3,050	30	30	30	9,451	9,550	101	95	95	15,951	16,050	231	160	160
3,051	3,150	31	31	31	9,551	9,650	103	96	96	16,051	16,150	233	161	161
3,151	3,250	32	32	32	9,651	9,750	105	97	97	16,151	16,250	235	162	162
3,251	3,350	33	33	33	9,751	9,850	107	98	98	16,251	16,350	237	163	163
3,351	3,450	34	34	34	9,851	9,950	109	99	99	16,351	16,450	239	164	164
3,451	3,550	35	35	35	9,951	10,050	111	100	100	16,451	16,550	241	165	165
3,551	3,650	36	36	36	10,051	10,150	113	101	101	16,551	16,650	243	166	166
3,651	3,750	37	37	37	10,151	10,250	115	102	102	16,651	16,750	245	167	167
3,751	3,850	38	38	38	10,251	10,350	117	103	103	16,751	16,850	247	168	168
3,851	3,950	39	39	39	10,351	10,450	119	104	104	16,851	16,950	249	169	169
3,951	4,050	40	40	40	10,451	10,550	121	105	105	16,951	17,050	251	170	170
4,051	4,150	41	41	41	10,551	10,650	123	106	106	17,051	17,150	253	171	171
4,151	4,250	42	42	42	10,651	10,750	125	107	107	17,151	17,250	255	172	172
4,251	4,350	43	43	43	10,751	10,850	127	108	108	17,251	17,350	257	173	173
4,351	4,450	44	44	44	10,851	10,950	129	109	109	17,351	17,450	259	174	174
4,451	4,550	45	45	45	10,951	11,050	131	110	110	17,451	17,550	261	175	175
4,551	4,650	46	46	46	11,051	11,150	133	111	111	17,551	17,650	263	176	176
4,651	4,750	47	47	47	11,151	11,250	135	112	112	17,651	17,750	265	177	177
4,751	4,850	48	48	48	11,251	11,350	137	113	113	17,751	17,850	267	178	178
4,851	4,950	49	49	49	11,351	11,450	139	114	114	17,851	17,950	269	179	179
4,951	5,050	50	50	50	11,451	11,550	141	115	115	17,951	18,050	271	181	181
5,051	5,150	51	51	51	11,551	11,650	143	116	116	18,051	18,150	273	183	183
5,151	5,250	52	52	52	11,651	11,750	145	117	117	18,151	18,250	275	185	185
5,251	5,350	53	53	53	11,751	11,850	147	118	118	18,251	18,350	277	187	187
5,351	5,450	54	54	54	11,851	11,950	149	119	119	18,351	18,450	279	189	189
5,451	5,550	55	55	55	11,951	12,050	151	120	120	18,451	18,550	281	191	191
5,551	5,650	56	56	56	12,051	12,150	153	121	121	18,551	18,650	283	193	193
5,651	5,750	57	57	57	12,151	12,250	155	122	122	18,651	18,750	285	195	195
5,751	5,850	58	58	58	12,251	12,350	157	123	123	18,751	18,850	287	197	197
5,851	5,950	59	59	59	12,351	12,450	159	124	124	18,851	18,950	289	199	199
5,951	6,050	60	60	60	12,451	12,550	161	125	125	18,951	19,050	291	201	201
6,051	6,150	61	61	61	12,551	12,650	163	126	126	19,051	19,150	293	203	203
6,151	6,250	62	62	62	12,651	12,750	165	127	127	19,151	19,250	295	205	205
6,251	6,350	63	63	63	12,751	12,850	167	128	128	19,251	19,350	297	207	207
6,351	6,450	64	64	64	12,851	12,950	169	129	129	19,351	19,450	299	209	209

Continued on next page.

2020 California Tax Table – Continued

Filing status: 1 or 3 (Single; Married/RDP Filing Separately)			2 or 5 (Married/RDP Filing Jointly; Qualifying Widow(er))			4 (Head of Household)								
If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status		
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is
19,451	19,550	301	211	211	26,451	26,550	547	351	351	33,451	33,550	829	491	491
19,551	19,650	303	213	213	26,551	26,650	551	353	353	33,551	33,650	835	493	493
19,651	19,750	305	215	215	26,651	26,750	555	355	355	33,651	33,750	841	495	495
19,751	19,850	307	217	217	26,751	26,850	559	357	357	33,751	33,850	847	497	497
19,851	19,950	309	219	219	26,851	26,950	563	359	359	33,851	33,950	853	499	499
19,951	20,050	311	221	221	26,951	27,050	567	361	361	33,951	34,050	859	501	501
20,051	20,150	313	223	223	27,051	27,150	571	363	363	34,051	34,150	865	503	503
20,151	20,250	315	225	225	27,151	27,250	575	365	365	34,151	34,250	871	505	505
20,251	20,350	317	227	227	27,251	27,350	579	367	367	34,251	34,350	877	507	507
20,351	20,450	319	229	229	27,351	27,450	583	369	369	34,351	34,450	883	509	509
20,451	20,550	321	231	231	27,451	27,550	587	371	371	34,451	34,550	889	511	511
20,551	20,650	323	233	233	27,551	27,650	591	373	373	34,551	34,650	895	513	513
20,651	20,750	325	235	235	27,651	27,750	595	375	375	34,651	34,750	901	515	515
20,751	20,850	327	237	237	27,751	27,850	599	377	377	34,751	34,850	907	517	517
20,851	20,950	329	239	239	27,851	27,950	603	379	379	34,851	34,950	913	519	519
20,951	21,050	331	241	241	27,951	28,050	607	381	381	34,951	35,050	919	521	521
21,051	21,150	333	243	243	28,051	28,150	611	383	383	35,051	35,150	925	523	523
21,151	21,250	335	245	245	28,151	28,250	615	385	385	35,151	35,250	931	525	525
21,251	21,350	339	247	247	28,251	28,350	619	387	387	35,251	35,350	937	527	527
21,351	21,450	343	249	249	28,351	28,450	623	389	389	35,351	35,450	943	529	529
21,451	21,550	347	251	251	28,451	28,550	627	391	391	35,451	35,550	949	531	531
21,551	21,650	351	253	253	28,551	28,650	631	393	393	35,551	35,650	955	533	533
21,651	21,750	355	255	255	28,651	28,750	635	395	395	35,651	35,750	961	535	535
21,751	21,850	359	257	257	28,751	28,850	639	397	397	35,751	35,850	967	537	537
21,851	21,950	363	259	259	28,851	28,950	643	399	399	35,851	35,950	973	539	539
21,951	22,050	367	261	261	28,951	29,050	647	401	401	35,951	36,050	979	541	541
22,051	22,150	371	263	263	29,051	29,150	651	403	403	36,051	36,150	985	543	543
22,151	22,250	375	265	265	29,151	29,250	655	405	405	36,151	36,250	991	545	545
22,251	22,350	379	267	267	29,251	29,350	659	407	407	36,251	36,350	997	547	547
22,351	22,450	383	269	269	29,351	29,450	663	409	409	36,351	36,450	1,003	549	549
22,451	22,550	387	271	271	29,451	29,550	667	411	411	36,451	36,550	1,009	551	551
22,551	22,650	391	273	273	29,551	29,650	671	413	413	36,551	36,650	1,015	553	553
22,651	22,750	395	275	275	29,651	29,750	675	415	415	36,651	36,750	1,021	555	555
22,751	22,850	399	277	277	29,751	29,850	679	417	417	36,751	36,850	1,027	557	557
22,851	22,950	403	279	279	29,851	29,950	683	419	419	36,851	36,950	1,033	559	559
22,951	23,050	407	281	281	29,951	30,050	687	421	421	36,951	37,050	1,039	561	561
23,051	23,150	411	283	283	30,051	30,150	691	423	423	37,051	37,150	1,045	563	563
23,151	23,250	415	285	285	30,151	30,250	695	425	425	37,151	37,250	1,051	565	565
23,251	23,350	419	287	287	30,251	30,350	699	427	427	37,251	37,350	1,057	567	567
23,351	23,450	423	289	289	30,351	30,450	703	429	429	37,351	37,450	1,063	569	569
23,451	23,550	427	291	291	30,451	30,550	707	431	431	37,451	37,550	1,069	571	571
23,551	23,650	431	293	293	30,551	30,650	711	433	433	37,551	37,650	1,075	573	573
23,651	23,750	435	295	295	30,651	30,750	715	435	435	37,651	37,750	1,081	575	575
23,751	23,850	439	297	297	30,751	30,850	719	437	437	37,751	37,850	1,087	577	577
23,851	23,950	443	299	299	30,851	30,950	723	439	439	37,851	37,950	1,093	579	579
23,951	24,050	447	301	301	30,951	31,050	727	441	441	37,951	38,050	1,099	581	581
24,051	24,150	451	303	303	31,051	31,150	731	443	443	38,051	38,150	1,105	583	583
24,151	24,250	455	305	305	31,151	31,250	735	445	445	38,151	38,250	1,111	585	585
24,251	24,350	459	307	307	31,251	31,350	739	447	447	38,251	38,350	1,117	587	587
24,351	24,450	463	309	309	31,351	31,450	743	449	449	38,351	38,450	1,123	589	589
24,451	24,550	467	311	311	31,451	31,550	747	451	451	38,451	38,550	1,129	591	591
24,551	24,650	471	313	313	31,551	31,650	751	453	453	38,551	38,650	1,135	593	593
24,651	24,750	475	315	315	31,651	31,750	755	455	455	38,651	38,750	1,141	595	595
24,751	24,850	479	317	317	31,751	31,850	759	457	457	38,751	38,850	1,147	597	597
24,851	24,950	483	319	319	31,851	31,950	763	459	459	38,851	38,950	1,153	599	599
24,951	25,050	487	321	321	31,951	32,050	767	461	461	38,951	39,050	1,159	601	601
25,051	25,150	491	323	323	32,051	32,150	771	463	463	39,051	39,150	1,165	603	603
25,151	25,250	495	325	325	32,151	32,250	775	465	465	39,151	39,250	1,171	605	605
25,251	25,350	499	327	327	32,251	32,350	779	467	467	39,251	39,350	1,177	607	607
25,351	25,450	503	329	329	32,351	32,450	783	469	469	39,351	39,450	1,183	609	609
25,451	25,550	507	331	331	32,451	32,550	787	471	471	39,451	39,550	1,189	611	611
25,551	25,650	511	333	333	32,551	32,650	791	473	473	39,551	39,650	1,195	613	613
25,651	25,750	515	335	335	32,651	32,750	795	475	475	39,651	39,750	1,201	615	615
25,751	25,850	519	337	337	32,751	32,850	799	477	477	39,751	39,850	1,207	617	617
25,851	25,950	523	339	339	32,851	32,950	803	479	479	39,851	39,950	1,213	619	619
25,951	26,050	527	341	341	32,951	33,050	807	481	481	39,951	40,050	1,219	621	621
26,051	26,150	531	343	343	33,051	33,150	811	483	483	40,051	40,150	1,225	623	623
26,151	26,250	535	345	345	33,151	33,250	815	485	485	40,151	40,250	1,231	625	625
26,251	26,350	539	347	347	33,251	33,350	819	487	487	40,251	40,350	1,237	627	627
26,351	26,450	543	349	349	33,351	33,450	823	489	489	40,351	40,450	1,243	629	629

Continued on next page.

2020 California Tax Table – Continued

Filing status: 1 or 3 (Single; Married/RDP Filing Separately)		2 or 5 (Married/RDP Filing Jointly; Qualifying Widow(er))					4 (Head of Household)							
If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status		
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is
40,451	40,550	1,249	631	631	47,451	47,550	1,691	874	874	54,451	54,550	2,251	1,154	1,154
40,551	40,650	1,255	633	633	47,551	47,650	1,699	878	878	54,551	54,650	2,259	1,158	1,158
40,651	40,750	1,261	635	635	47,651	47,750	1,707	882	882	54,651	54,750	2,267	1,162	1,164
40,751	40,850	1,267	637	637	47,751	47,850	1,715	886	886	54,751	54,850	2,275	1,166	1,170
40,851	40,950	1,273	639	639	47,851	47,950	1,723	890	890	54,851	54,950	2,283	1,170	1,176
40,951	41,050	1,279	641	641	47,951	48,050	1,731	894	894	54,951	55,050	2,291	1,174	1,182
41,051	41,150	1,285	643	643	48,051	48,150	1,739	898	898	55,051	55,150	2,299	1,178	1,188
41,151	41,250	1,291	645	645	48,151	48,250	1,747	902	902	55,151	55,250	2,307	1,182	1,194
41,251	41,350	1,297	647	647	48,251	48,350	1,755	906	906	55,251	55,350	2,315	1,186	1,200
41,351	41,450	1,303	649	649	48,351	48,450	1,763	910	910	55,351	55,450	2,323	1,190	1,206
41,451	41,550	1,309	651	651	48,451	48,550	1,771	914	914	55,451	55,550	2,331	1,194	1,212
41,551	41,650	1,315	653	653	48,551	48,650	1,779	918	918	55,551	55,650	2,339	1,198	1,218
41,651	41,750	1,321	655	655	48,651	48,750	1,787	922	922	55,651	55,750	2,347	1,202	1,224
41,751	41,850	1,327	657	657	48,751	48,850	1,795	926	926	55,751	55,850	2,355	1,206	1,230
41,851	41,950	1,333	659	659	48,851	48,950	1,803	930	930	55,851	55,950	2,363	1,210	1,236
41,951	42,050	1,339	661	661	48,951	49,050	1,811	934	934	55,951	56,050	2,371	1,214	1,242
42,051	42,150	1,345	663	663	49,051	49,150	1,819	938	938	56,051	56,150	2,379	1,218	1,248
42,151	42,250	1,351	665	665	49,151	49,250	1,827	942	942	56,151	56,250	2,387	1,222	1,254
42,251	42,350	1,357	667	667	49,251	49,350	1,835	946	946	56,251	56,350	2,395	1,226	1,260
42,351	42,450	1,363	670	670	49,351	49,450	1,843	950	950	56,351	56,450	2,403	1,230	1,266
42,451	42,550	1,369	674	674	49,451	49,550	1,851	954	954	56,451	56,550	2,411	1,234	1,272
42,551	42,650	1,375	678	678	49,551	49,650	1,859	958	958	56,551	56,650	2,419	1,238	1,278
42,651	42,750	1,381	682	682	49,651	49,750	1,867	962	962	56,651	56,750	2,427	1,242	1,284
42,751	42,850	1,387	686	686	49,751	49,850	1,875	966	966	56,751	56,850	2,435	1,246	1,290
42,851	42,950	1,393	690	690	49,851	49,950	1,883	970	970	56,851	56,950	2,443	1,250	1,296
42,951	43,050	1,399	694	694	49,951	50,050	1,891	974	974	56,951	57,050	2,451	1,254	1,302
43,051	43,150	1,405	698	698	50,051	50,150	1,899	978	978	57,051	57,150	2,459	1,258	1,308
43,151	43,250	1,411	702	702	50,151	50,250	1,907	982	982	57,151	57,250	2,467	1,262	1,314
43,251	43,350	1,417	706	706	50,251	50,350	1,915	986	986	57,251	57,350	2,475	1,266	1,320
43,351	43,450	1,423	710	710	50,351	50,450	1,923	990	990	57,351	57,450	2,483	1,270	1,326
43,451	43,550	1,429	714	714	50,451	50,550	1,931	994	994	57,451	57,550	2,491	1,274	1,332
43,551	43,650	1,435	718	718	50,551	50,650	1,939	998	998	57,551	57,650	2,499	1,278	1,338
43,651	43,750	1,441	722	722	50,651	50,750	1,947	1,002	1,002	57,651	57,750	2,507	1,282	1,344
43,751	43,850	1,447	726	726	50,751	50,850	1,955	1,006	1,006	57,751	57,850	2,515	1,286	1,350
43,851	43,950	1,453	730	730	50,851	50,950	1,963	1,010	1,010	57,851	57,950	2,523	1,290	1,356
43,951	44,050	1,459	734	734	50,951	51,050	1,971	1,014	1,014	57,951	58,050	2,531	1,294	1,362
44,051	44,150	1,465	738	738	51,051	51,150	1,979	1,018	1,018	58,051	58,150	2,539	1,298	1,368
44,151	44,250	1,471	742	742	51,151	51,250	1,987	1,022	1,022	58,151	58,250	2,547	1,302	1,374
44,251	44,350	1,477	746	746	51,251	51,350	1,995	1,026	1,026	58,251	58,350	2,555	1,306	1,380
44,351	44,450	1,483	750	750	51,351	51,450	2,003	1,030	1,030	58,351	58,450	2,563	1,310	1,386
44,451	44,550	1,489	754	754	51,451	51,550	2,011	1,034	1,034	58,451	58,550	2,571	1,314	1,392
44,551	44,650	1,495	758	758	51,551	51,650	2,019	1,038	1,038	58,551	58,650	2,579	1,318	1,398
44,651	44,750	1,501	762	762	51,651	51,750	2,027	1,042	1,042	58,651	58,750	2,587	1,322	1,404
44,751	44,850	1,507	766	766	51,751	51,850	2,035	1,046	1,046	58,751	58,850	2,595	1,326	1,410
44,851	44,950	1,513	770	770	51,851	51,950	2,043	1,050	1,050	58,851	58,950	2,603	1,330	1,416
44,951	45,050	1,519	774	774	51,951	52,050	2,051	1,054	1,054	58,951	59,050	2,611	1,334	1,422
45,051	45,150	1,525	778	778	52,051	52,150	2,059	1,058	1,058	59,051	59,150	2,619	1,338	1,428
45,151	45,250	1,531	782	782	52,151	52,250	2,067	1,062	1,062	59,151	59,250	2,627	1,342	1,434
45,251	45,350	1,537	786	786	52,251	52,350	2,075	1,066	1,066	59,251	59,350	2,635	1,346	1,440
45,351	45,450	1,543	790	790	52,351	52,450	2,083	1,070	1,070	59,351	59,450	2,643	1,350	1,446
45,451	45,550	1,549	794	794	52,451	52,550	2,091	1,074	1,074	59,451	59,550	2,651	1,354	1,452
45,551	45,650	1,555	798	798	52,551	52,650	2,099	1,078	1,078	59,551	59,650	2,659	1,358	1,458
45,651	45,750	1,561	802	802	52,651	52,750	2,107	1,082	1,082	59,651	59,750	2,667	1,362	1,464
45,751	45,850	1,567	806	806	52,751	52,850	2,115	1,086	1,086	59,751	59,850	2,675	1,366	1,470
45,851	45,950	1,573	810	810	52,851	52,950	2,123	1,090	1,090	59,851	59,950	2,683	1,370	1,476
45,951	46,050	1,579	814	814	52,951	53,050	2,131	1,094	1,094	59,951	60,050	2,691	1,374	1,482
46,051	46,150	1,585	818	818	53,051	53,150	2,139	1,098	1,098	60,051	60,150	2,699	1,378	1,488
46,151	46,250	1,591	822	822	53,151	53,250	2,147	1,102	1,102	60,151	60,250	2,707	1,382	1,494
46,251	46,350	1,597	826	826	53,251	53,350	2,155	1,106	1,106	60,251	60,350	2,715	1,386	1,500
46,351	46,450	1,603	830	830	53,351	53,450	2,163	1,110	1,110	60,351	60,450	2,723	1,390	1,506
46,451	46,550	1,611	834	834	53,451	53,550	2,171	1,114	1,114	60,451	60,550	2,731	1,394	1,512
46,551	46,650	1,619	838	838	53,551	53,650	2,179	1,118	1,118	60,551	60,650	2,739	1,398	1,518
46,651	46,750	1,627	842	842	53,651	53,750	2,187	1,122	1,122	60,651	60,750	2,747	1,402	1,524
46,751	46,850	1,635	846	846	53,751	53,850	2,195	1,126	1,126	60,751	60,850	2,755	1,406	1,530
46,851	46,950	1,643	850	850	53,851	53,950	2,203	1,130	1,130	60,851	60,950	2,763	1,410	1,536
46,951	47,050	1,651	854	854	53,951	54,050	2,211	1,134	1,134	60,951	61,050	2,771	1,414	1,542
47,051	47,150	1,659	858	858	54,051	54,150	2,219	1,138	1,138	61,051	61,150	2,779	1,418	1,548
47,151	47,250	1,667	862	862	54,151	54,250	2,227	1,142	1,142	61,151	61,250	2,787	1,422	1,554
47,251	47,350	1,675	866	866	54,251	54,350	2,235	1,146	1,146	61,251	61,350	2,795	1,426	1,560
47,351	47,450	1,683	870	870	54,351	54,450	2,243	1,150	1,150	61,351	61,450	2,803	1,430	1,566

Continued on next page.

2020 California Tax Table – Continued

Filing status: 1 or 3 (Single; Married/RDP Filing Separately)		2 or 5 (Married/RDP Filing Jointly; Qualifying Widow(er))					4 (Head of Household)							
If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status		
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is
61,451	61,550	2,848	1,434	1,572	68,451	68,550	3,499	1,748	2,011	75,451	75,550	4,150	2,168	2,571
61,551	61,650	2,857	1,438	1,578	68,551	68,650	3,508	1,754	2,019	75,551	75,650	4,159	2,174	2,579
61,651	61,750	2,867	1,442	1,584	68,651	68,750	3,518	1,760	2,027	75,651	75,750	4,169	2,180	2,587
61,751	61,850	2,876	1,446	1,590	68,751	68,850	3,527	1,766	2,035	75,751	75,850	4,178	2,186	2,595
61,851	61,950	2,885	1,450	1,596	68,851	68,950	3,536	1,772	2,043	75,851	75,950	4,187	2,192	2,603
61,951	62,050	2,895	1,454	1,602	68,951	69,050	3,546	1,778	2,051	75,951	76,050	4,197	2,198	2,611
62,051	62,150	2,904	1,458	1,608	69,051	69,150	3,555	1,784	2,059	76,051	76,150	4,206	2,204	2,619
62,151	62,250	2,913	1,462	1,614	69,151	69,250	3,564	1,790	2,067	76,151	76,250	4,215	2,210	2,627
62,251	62,350	2,923	1,466	1,620	69,251	69,350	3,574	1,796	2,075	76,251	76,350	4,225	2,216	2,635
62,351	62,450	2,932	1,470	1,626	69,351	69,450	3,583	1,802	2,083	76,351	76,450	4,234	2,222	2,643
62,451	62,550	2,941	1,474	1,632	69,451	69,550	3,592	1,808	2,091	76,451	76,550	4,243	2,228	2,651
62,551	62,650	2,950	1,478	1,638	69,551	69,650	3,601	1,814	2,099	76,551	76,650	4,252	2,234	2,659
62,651	62,750	2,960	1,482	1,644	69,651	69,750	3,611	1,820	2,107	76,651	76,750	4,262	2,240	2,667
62,751	62,850	2,969	1,486	1,650	69,751	69,850	3,620	1,826	2,115	76,751	76,850	4,271	2,246	2,675
62,851	62,950	2,978	1,490	1,656	69,851	69,950	3,629	1,832	2,123	76,851	76,950	4,280	2,252	2,683
62,951	63,050	2,988	1,494	1,662	69,951	70,050	3,639	1,838	2,131	76,951	77,050	4,290	2,258	2,691
63,051	63,150	2,997	1,498	1,668	70,051	70,150	3,648	1,844	2,139	77,051	77,150	4,299	2,264	2,699
63,151	63,250	3,006	1,502	1,674	70,151	70,250	3,657	1,850	2,147	77,151	77,250	4,308	2,270	2,707
63,251	63,350	3,016	1,506	1,680	70,251	70,350	3,667	1,856	2,155	77,251	77,350	4,318	2,276	2,715
63,351	63,450	3,025	1,510	1,686	70,351	70,450	3,676	1,862	2,163	77,351	77,450	4,327	2,282	2,723
63,451	63,550	3,034	1,514	1,692	70,451	70,550	3,685	1,868	2,171	77,451	77,550	4,336	2,288	2,731
63,551	63,650	3,043	1,518	1,698	70,551	70,650	3,694	1,874	2,179	77,551	77,650	4,345	2,294	2,739
63,651	63,750	3,053	1,522	1,704	70,651	70,750	3,704	1,880	2,187	77,651	77,750	4,355	2,300	2,747
63,751	63,850	3,062	1,526	1,710	70,751	70,850	3,713	1,886	2,195	77,751	77,850	4,364	2,306	2,755
63,851	63,950	3,071	1,530	1,716	70,851	70,950	3,722	1,892	2,203	77,851	77,950	4,373	2,312	2,763
63,951	64,050	3,081	1,534	1,722	70,951	71,050	3,732	1,898	2,211	77,951	78,050	4,383	2,318	2,771
64,051	64,150	3,090	1,538	1,728	71,051	71,150	3,741	1,904	2,219	78,051	78,150	4,392	2,324	2,779
64,151	64,250	3,099	1,542	1,734	71,151	71,250	3,750	1,910	2,227	78,151	78,250	4,401	2,330	2,787
64,251	64,350	3,109	1,546	1,740	71,251	71,350	3,760	1,916	2,235	78,251	78,350	4,411	2,336	2,795
64,351	64,450	3,118	1,550	1,746	71,351	71,450	3,769	1,922	2,243	78,351	78,450	4,420	2,342	2,803
64,451	64,550	3,127	1,554	1,752	71,451	71,550	3,778	1,928	2,251	78,451	78,550	4,429	2,348	2,811
64,551	64,650	3,136	1,558	1,758	71,551	71,650	3,787	1,934	2,259	78,551	78,650	4,438	2,354	2,819
64,651	64,750	3,146	1,562	1,764	71,651	71,750	3,797	1,940	2,267	78,651	78,750	4,448	2,360	2,827
64,751	64,850	3,155	1,566	1,770	71,751	71,850	3,806	1,946	2,275	78,751	78,850	4,457	2,366	2,835
64,851	64,950	3,164	1,570	1,776	71,851	71,950	3,815	1,952	2,283	78,851	78,950	4,466	2,372	2,843
64,951	65,050	3,174	1,574	1,782	71,951	72,050	3,825	1,958	2,291	78,951	79,050	4,476	2,378	2,851
65,051	65,150	3,183	1,578	1,788	72,051	72,150	3,834	1,964	2,299	79,051	79,150	4,485	2,384	2,859
65,151	65,250	3,192	1,582	1,794	72,151	72,250	3,843	1,970	2,307	79,151	79,250	4,494	2,390	2,867
65,251	65,350	3,202	1,586	1,800	72,251	72,350	3,853	1,976	2,315	79,251	79,350	4,504	2,396	2,875
65,351	65,450	3,211	1,590	1,806	72,351	72,450	3,862	1,982	2,323	79,351	79,450	4,513	2,402	2,883
65,451	65,550	3,220	1,594	1,812	72,451	72,550	3,871	1,988	2,331	79,451	79,550	4,522	2,408	2,891
65,551	65,650	3,229	1,598	1,818	72,551	72,650	3,880	1,994	2,339	79,551	79,650	4,531	2,414	2,899
65,651	65,750	3,239	1,602	1,824	72,651	72,750	3,890	2,000	2,347	79,651	79,750	4,541	2,420	2,907
65,751	65,850	3,248	1,606	1,830	72,751	72,850	3,899	2,006	2,355	79,751	79,850	4,550	2,426	2,915
65,851	65,950	3,257	1,610	1,836	72,851	72,950	3,908	2,012	2,363	79,851	79,950	4,559	2,432	2,923
65,951	66,050	3,267	1,614	1,842	72,951	73,050	3,918	2,018	2,371	79,951	80,050	4,569	2,438	2,931
66,051	66,150	3,276	1,618	1,848	73,051	73,150	3,927	2,024	2,379	80,051	80,150	4,578	2,444	2,939
66,151	66,250	3,285	1,622	1,854	73,151	73,250	3,936	2,030	2,387	80,151	80,250	4,587	2,450	2,952
66,251	66,350	3,295	1,626	1,860	73,251	73,350	3,946	2,036	2,395	80,251	80,350	4,597	2,456	2,961
66,351	66,450	3,304	1,630	1,866	73,351	73,450	3,955	2,042	2,403	80,351	80,450	4,606	2,462	2,971
66,451	66,550	3,313	1,634	1,872	73,451	73,550	3,964	2,048	2,411	80,451	80,550	4,615	2,468	2,980
66,551	66,650	3,322	1,638	1,878	73,551	73,650	3,973	2,054	2,419	80,551	80,650	4,624	2,474	2,989
66,651	66,750	3,332	1,642	1,884	73,651	73,750	3,983	2,060	2,427	80,651	80,750	4,634	2,480	2,998
66,751	66,850	3,341	1,646	1,890	73,751	73,850	3,992	2,066	2,435	80,751	80,850	4,643	2,486	3,008
66,851	66,950	3,350	1,652	1,896	73,851	73,950	4,001	2,072	2,443	80,851	80,950	4,652	2,492	3,017
66,951	67,050	3,360	1,658	1,902	73,951	74,050	4,011	2,078	2,451	80,951	81,050	4,662	2,498	3,026
67,051	67,150	3,369	1,664	1,908	74,051	74,150	4,020	2,084	2,459	81,051	81,150	4,671	2,504	3,036
67,151	67,250	3,378	1,670	1,914	74,151	74,250	4,029	2,090	2,467	81,151	81,250	4,680	2,510	3,045
67,251	67,350	3,388	1,676	1,920	74,251	74,350	4,039	2,096	2,475	81,251	81,350	4,690	2,516	3,054
67,351	67,450	3,397	1,682	1,926	74,351	74,450	4,048	2,102	2,483	81,351	81,450	4,699	2,522	3,064
67,451	67,550	3,406	1,688	1,932	74,451	74,550	4,057	2,108	2,491	81,451	81,550	4,708	2,528	3,073
67,551	67,650	3,415	1,694	1,939	74,551	74,650	4,066	2,114	2,499	81,551	81,650	4,717	2,534	3,082
67,651	67,750	3,425	1,700	1,947	74,651	74,750	4,076	2,120	2,507	81,651	81,750	4,727	2,540	3,091
67,751	67,850	3,434	1,706	1,955	74,751	74,850	4,085	2,126	2,515	81,751	81,850	4,736	2,546	3,101
67,851	67,950	3,443	1,712	1,963	74,851	74,950	4,094	2,132	2,523	81,851	81,950	4,745	2,552	3,110
67,951	68,050	3,453	1,718	1,971	74,951	75,050	4,104	2,138	2,531	81,951	82,050	4,755	2,558	3,119
68,051	68,150	3,462	1,724	1,979	75,051	75,150	4,113	2,144	2,539	82,051	82,150	4,764	2,564	3,129
68,151	68,250	3,471	1,730	1,987	75,151	75,250	4,122	2,150	2,547	82,151	82,250	4,773	2,570	3,138
68,251	68,350	3,481	1,736	1,995	75,251	75,350	4,132	2,156	2,555	82,251	82,350	4,783	2,576	3,147
68,351	68,450	3,490	1,742	2,003	75,351	75,450	4,141	2,162	2,563	82,351	82,450	4,792	2,582	3,157

Continued on next page.

2020 California Tax Table – Continued

Filing status: 1 or 3 (Single; Married/RDP Filing Separately)		2 or 5 (Married/RDP Filing Jointly; Qualifying Widow(er))					4 (Head of Household)							
If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status			If Your Taxable Income Is ...		The Tax For Filing Status		
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is
82,451	82,550	4,801	2,588	3,166	88,951	89,050	5,406	2,978	3,770	95,451	95,550	6,010	3,422	4,375
82,551	82,650	4,810	2,594	3,175	89,051	89,150	5,415	2,984	3,780	95,551	95,650	6,019	3,430	4,384
82,651	82,750	4,820	2,600	3,184	89,151	89,250	5,424	2,990	3,789	95,651	95,750	6,029	3,438	4,393
82,751	82,850	4,829	2,606	3,194	89,251	89,350	5,434	2,996	3,798	95,751	95,850	6,038	3,446	4,403
82,851	82,950	4,838	2,612	3,203	89,351	89,450	5,443	3,002	3,808	95,851	95,950	6,047	3,454	4,412
82,951	83,050	4,848	2,618	3,212	89,451	89,550	5,452	3,008	3,817	95,951	96,050	6,057	3,462	4,421
83,051	83,150	4,857	2,624	3,222	89,551	89,650	5,461	3,014	3,826	96,051	96,150	6,066	3,470	4,431
83,151	83,250	4,866	2,630	3,231	89,651	89,750	5,471	3,020	3,835	96,151	96,250	6,075	3,478	4,440
83,251	83,350	4,876	2,636	3,240	89,751	89,850	5,480	3,026	3,845	96,251	96,350	6,085	3,486	4,449
83,351	83,450	4,885	2,642	3,250	89,851	89,950	5,489	3,032	3,854	96,351	96,450	6,094	3,494	4,459
83,451	83,550	4,894	2,648	3,259	89,951	90,050	5,499	3,038	3,863	96,451	96,550	6,103	3,502	4,468
83,551	83,650	4,903	2,654	3,268	90,051	90,150	5,508	3,044	3,873	96,551	96,650	6,112	3,510	4,477
83,651	83,750	4,913	2,660	3,277	90,151	90,250	5,517	3,050	3,882	96,651	96,750	6,122	3,518	4,486
83,751	83,850	4,922	2,666	3,287	90,251	90,350	5,527	3,056	3,891	96,751	96,850	6,131	3,526	4,496
83,851	83,950	4,931	2,672	3,296	90,351	90,450	5,536	3,062	3,901	96,851	96,950	6,140	3,534	4,505
83,951	84,050	4,941	2,678	3,305	90,451	90,550	5,545	3,068	3,910	96,951	97,050	6,150	3,542	4,514
84,051	84,150	4,950	2,684	3,315	90,551	90,650	5,554	3,074	3,919	97,051	97,150	6,159	3,550	4,524
84,151	84,250	4,959	2,690	3,324	90,651	90,750	5,564	3,080	3,928	97,151	97,250	6,168	3,558	4,533
84,251	84,350	4,969	2,696	3,333	90,751	90,850	5,573	3,086	3,938	97,251	97,350	6,178	3,566	4,542
84,351	84,450	4,978	2,702	3,343	90,851	90,950	5,582	3,092	3,947	97,351	97,450	6,187	3,574	4,552
84,451	84,550	4,987	2,708	3,352	90,951	91,050	5,592	3,098	3,956	97,451	97,550	6,196	3,582	4,561
84,551	84,650	4,996	2,714	3,361	91,051	91,150	5,601	3,104	3,966	97,551	97,650	6,205	3,590	4,570
84,651	84,750	5,006	2,720	3,370	91,151	91,250	5,610	3,110	3,975	97,651	97,750	6,215	3,598	4,579
84,751	84,850	5,015	2,726	3,380	91,251	91,350	5,620	3,116	3,984	97,751	97,850	6,224	3,606	4,589
84,851	84,950	5,024	2,732	3,389	91,351	91,450	5,629	3,122	3,994	97,851	97,950	6,233	3,614	4,598
84,951	85,050	5,034	2,738	3,398	91,451	91,550	5,638	3,128	4,003	97,951	98,050	6,243	3,622	4,607
85,051	85,150	5,043	2,744	3,408	91,551	91,650	5,647	3,134	4,012	98,051	98,150	6,252	3,630	4,617
85,151	85,250	5,052	2,750	3,417	91,651	91,750	5,657	3,140	4,021	98,151	98,250	6,261	3,638	4,626
85,251	85,350	5,062	2,756	3,426	91,751	91,850	5,666	3,146	4,031	98,251	98,350	6,271	3,646	4,635
85,351	85,450	5,071	2,762	3,436	91,851	91,950	5,675	3,152	4,040	98,351	98,450	6,280	3,654	4,645
85,451	85,550	5,080	2,768	3,445	91,951	92,050	5,685	3,158	4,049	98,451	98,550	6,289	3,662	4,654
85,551	85,650	5,089	2,774	3,454	92,051	92,150	5,694	3,164	4,059	98,551	98,650	6,298	3,670	4,663
85,651	85,750	5,099	2,780	3,463	92,151	92,250	5,703	3,170	4,068	98,651	98,750	6,308	3,678	4,672
85,751	85,850	5,108	2,786	3,473	92,251	92,350	5,713	3,176	4,077	98,751	98,850	6,317	3,686	4,682
85,851	85,950	5,117	2,792	3,482	92,351	92,450	5,722	3,182	4,087	98,851	98,950	6,326	3,694	4,691
85,951	86,050	5,127	2,798	3,491	92,451	92,550	5,731	3,188	4,096	98,951	99,050	6,336	3,702	4,700
86,051	86,150	5,136	2,804	3,501	92,551	92,650	5,740	3,194	4,105	99,051	99,150	6,345	3,710	4,710
86,151	86,250	5,145	2,810	3,510	92,651	92,750	5,750	3,200	4,114	99,151	99,250	6,354	3,718	4,719
86,251	86,350	5,155	2,816	3,519	92,751	92,850	5,759	3,206	4,124	99,251	99,350	6,364	3,726	4,728
86,351	86,450	5,164	2,822	3,529	92,851	92,950	5,768	3,214	4,133	99,351	99,450	6,373	3,734	4,738
86,451	86,550	5,173	2,828	3,538	92,951	93,050	5,778	3,222	4,142	99,451	99,550	6,382	3,742	4,747
86,551	86,650	5,182	2,834	3,547	93,051	93,150	5,787	3,230	4,152	99,551	99,650	6,391	3,750	4,756
86,651	86,750	5,192	2,840	3,556	93,151	93,250	5,796	3,238	4,161	99,651	99,750	6,401	3,758	4,765
86,751	86,850	5,201	2,846	3,566	93,251	93,350	5,806	3,246	4,170	99,751	99,850	6,410	3,766	4,775
86,851	86,950	5,210	2,852	3,575	93,351	93,450	5,815	3,254	4,180	99,851	99,950	6,419	3,774	4,784
86,951	87,050	5,220	2,858	3,584	93,451	93,550	5,824	3,262	4,189	99,951	100,000	6,426	3,780	4,791
87,051	87,150	5,229	2,864	3,594	93,551	93,650	5,833	3,270	4,198	OVER \$100,000 YOU MUST COMPUTE YOUR TAX USING THE TAX RATE SCHEDULES.				
87,151	87,250	5,238	2,870	3,603	93,651	93,750	5,843	3,278	4,207					
87,251	87,350	5,248	2,876	3,612	93,751	93,850	5,852	3,286	4,217					
87,351	87,450	5,257	2,882	3,622	93,851	93,950	5,861	3,294	4,226					
87,451	87,550	5,266	2,888	3,631	93,951	94,050	5,871	3,302	4,235					
87,551	87,650	5,275	2,894	3,640	94,051	94,150	5,880	3,310	4,245					
87,651	87,750	5,285	2,900	3,649	94,151	94,250	5,889	3,318	4,254					
87,751	87,850	5,294	2,906	3,659	94,251	94,350	5,899	3,326	4,263					
87,851	87,950	5,303	2,912	3,668	94,351	94,450	5,908	3,334	4,273					
87,951	88,050	5,313	2,918	3,677	94,451	94,550	5,917	3,342	4,282					
88,051	88,150	5,322	2,924	3,687	94,551	94,650	5,926	3,350	4,291					
88,151	88,250	5,331	2,930	3,696	94,651	94,750	5,936	3,358	4,300					
88,251	88,350	5,341	2,936	3,705	94,751	94,850	5,945	3,366	4,310					
88,351	88,450	5,350	2,942	3,715	94,851	94,950	5,954	3,374	4,319					
88,451	88,550	5,359	2,948	3,724	94,951	95,050	5,964	3,382	4,328					
88,551	88,650	5,368	2,954	3,733	95,051	95,150	5,973	3,390	4,338					
88,651	88,750	5,378	2,960	3,742	95,151	95,250	5,982	3,398	4,347					
88,751	88,850	5,387	2,966	3,752	95,251	95,350	5,992	3,406	4,356					
88,851	88,950	5,396	2,972	3,761	95,351	95,450	6,001	3,414	4,366					

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Visit our website:

ftb.ca.gov

2020 California Tax Rate Schedules



To e-file and eliminate the math, go to ftb.ca.gov. To figure your tax online, go to ftb.ca.gov/tax-rates.

Use only if your taxable income on Form 540, line 19 is more than \$100,000. If \$100,000 or less, use the Tax Table.

	If the amount on Form 540, line 19 is		Enter on Form 540, line 31		of the amount over –
	over –	But not over –			
Schedule X – Use if your filing status is Single or Married/RDP Filing Separately	\$ 0	\$ 8,932	\$ 0.00	+ 1.00%	\$ 0
	8,932	21,175	89.32	+ 2.00%	8,932
	21,175	33,421	334.18	+ 4.00%	21,175
	33,421	46,394	824.02	+ 6.00%	33,421
	46,394	58,634	1,602.40	+ 8.00%	46,394
	58,634	299,508	2,581.60	+ 9.30%	58,634
	299,508	359,407	24,982.88	+ 10.30%	299,508
	359,407	599,012	31,152.48	+ 11.30%	359,407
599,012	AND OVER	58,227.85	+ 12.30%	599,012	

	If the amount on Form 540, line 19 is		Enter on Form 540, line 31		of the amount over –
	over –	But not over –			
Schedule Y – Use if your filing status is Married/RDP Filing Jointly or Qualifying Widow(er)	\$ 0	\$ 17,864	\$ 0.00	+ 1.00%	\$ 0
	17,864	42,350	178.64	+ 2.00%	17,864
	42,350	66,842	668.36	+ 4.00%	42,350
	66,842	92,788	1,648.04	+ 6.00%	66,842
	92,788	117,268	3,204.80	+ 8.00%	92,788
	117,268	599,016	5,163.20	+ 9.30%	117,268
	599,016	718,814	49,965.76	+ 10.30%	599,016
	718,814	1,198,024	62,304.95	+ 11.30%	718,814
1,198,024	AND OVER	116,455.68	+ 12.30%	1,198,024	

	If the amount on Form 540, line 19 is		Enter on Form 540, line 31		of the amount over –
	over –	But not over –			
Schedule Z – Use if your filing status is Head of Household	\$ 0	\$ 17,876	\$ 0.00	+ 1.00%	\$ 0
	17,876	42,353	178.76	+ 2.00%	17,876
	42,353	54,597	668.30	+ 4.00%	42,353
	54,597	67,569	1,158.06	+ 6.00%	54,597
	67,569	79,812	1,936.38	+ 8.00%	67,569
	79,812	407,329	2,915.82	+ 9.30%	79,812
	407,329	488,796	33,374.90	+ 10.30%	407,329
	488,796	814,658	41,766.00	+ 11.30%	488,796
814,658	AND OVER	78,588.41	+ 12.30%	814,658	

How to Figure Tax Using the 2020 California Tax Rate Schedules

Example: Chris and Pat Smith are filing a joint tax return using Form 540. Their taxable income on Form 540, line 19 is \$125,000.

Step 1: Using Schedule Y, they find the taxable income range that includes their taxable income of \$125,000.

	Example	Your Income
Step 2: They subtract the amount at the beginning of their range from their taxable income.	$\begin{array}{r} \$125,000 \\ - 117,268 \\ \hline \$ 7,732 \end{array}$	$\begin{array}{r} \$ \\ - \\ \hline \$ \end{array}$
Step 3: They multiply the result from Step 2 by the percentage for their range.	$\begin{array}{r} \$ 7,732 \\ \times .0930 \\ \hline \$ 719.08 \end{array}$	$\begin{array}{r} \$ \\ \times \\ \hline \$ \end{array}$
Step 4: They round the amount from Step 3 to two decimals (if necessary) and add it to the tax amount for their income range. After rounding the result, they will enter \$5,882 on Form 540, line 31.	$\begin{array}{r} \$5,163.20 \\ + 719.08 \\ \hline \$5,882.28 \end{array}$	$\begin{array}{r} \$ \\ + \\ \hline \$ \end{array}$

How To Get California Tax Information

Where To Get Income Tax Forms and Publications

By Internet – You can download, view, and print California income tax forms and publications at ftb.ca.gov/forms or you may have these forms and publications mailed to you. Many of our most frequently used forms may be filed electronically, printed out for submission, and saved for record keeping.

By phone – To order California tax forms and publications:

- Refer to the list on the next page and find the code number for the form you want to order.
- Call 800.338.0505.
- Follow the recorded instructions.
- Enter the three-digit form code when you are instructed.

Allow two weeks to receive your order. If you live outside California, allow three weeks to receive your order.

In person – Many post offices and libraries provide free California tax booklets during the filing season.

Employees at libraries and post offices cannot provide tax information or assistance.

By mail – Write to:

TAX FORMS REQUEST UNIT MS D120
FRANCHISE TAX BOARD
PO BOX 307
RANCHO CORDOVA CA 95741-0307

Letters

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

FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-0040

We will respond to your letter within 10 weeks. In some cases, we may call you to respond to your inquiry, or ask you for additional information. **Do not** attach correspondence to your tax return unless the correspondence relates to an item on the return.

Your Rights As A Taxpayer

The FTB's goals include making certain that your rights are protected so that you have the highest confidence in the integrity, efficiency, and fairness of our state tax system. FTB 4058, California Taxpayers' Bill of Rights, includes information on your rights as a California taxpayer, the Taxpayers' Rights Advocate Program, and how to request written advice from the FTB on whether a particular transaction is taxable. See "Where To Get Income Tax Forms and Publications."

Franchise Tax Board Privacy Notice on Collection

The privacy and security of your personal information is of the utmost importance to us. We want you to have the highest confidence in the integrity, efficiency, and fairness of our state tax system.

Your Rights and Responsibilities – You have a right to know what types of information we gather, how we use it, and to whom we may provide it. Information collected is subject to the California Information Practices Act, Civil Code section 1798-1798.78, except as provided in Revenue and Taxation Code (R&TC) Section 19570.

If you meet certain requirements, you must file a valid tax return and related documents. You must provide your social security number or other identifying number on your tax return and related documents for identification. (R&TC Sections 18501, 18621, and 18624)

Reasons for Information Requests – We may request additional information to verify and collect the correct amount of tax. (R&TC Section 19504) You must provide all requested information, unless indicated as "optional."

Consequences of Noncompliance – We charge penalties and interest if you:

- Meet income requirements but do not file a valid tax return.
- Do not provide the information we request.
- Provide false information.

We may also disallow your claimed exemptions, exclusions, credits, deductions, or adjustments. If you provide false information, you may be subject to civil penalties and criminal prosecution. Noncompliance can increase your tax liability, or delay or reduce any tax refund.

Disclosure of Information – We will not disclose your personal information, unless authorized by law. We may disclose your tax information to:

- The Internal Revenue Service.
- Other states' income tax officials.
- California government agencies and officials.
- Third parties to determine or collect your tax liabilities.
- Your authorized representative(s).

If you owe taxes, we may disclose your balance due as part of our collection process to: employers, financial institutions, county recorders, process agents, or other asset holders.

Responsibility for the Records – The director of the Processing Services Bureau maintains Franchise Tax Board's records. You may review your records and bring any inaccuracies to our attention. You can obtain information about your records by:

Phone

800.852.5711 (within the United States)
916.845.6500 (outside of the United States)
800.822.6268 (TTY/TDD)

Mail

DISCLOSURE OFFICER MS A181
FRANCHISE TAX BOARD
PO BOX 1468
SACRAMENTO CA 95812-1468

To learn more about our Privacy Policy Statement, go to ftb.ca.gov/privacy/

Automated Phone Service

Use our automated phone service to get recorded answers to many of your questions about California Taxes and to order current year Personal Income Tax Forms and Publications. You can also:

- Get current year tax refund information.
- Get balance due and payment information.

Have paper and pencil ready to take notes.

Telephone: 800.338.0505 from within the United States
916.845.6500 from outside the United States

Answers To Tax Questions

Call our automated phone service, follow the recorded instructions and enter the 3-digit code.

Code Filing Assistance

- 100 Do I need to file a tax return?
- 111 Which form should I use?
- 112 How do I file electronically and get a fast refund?
- 201 How can I get an extension to file?
- 203 What is the nonrefundable renter's credit and how do I qualify?
- 204 I never received a Form W-2. What do I do?
- 205 I have no withholding taken out. What do I do?
- 206 Do I have to attach a copy of my federal tax return?
- 209 I lived in California for part of the year. Do I have to file a tax return?
- 210 I did not live in California. Do I have to file a tax return?
- 215 Who qualifies me to use the head of household filing status?
- 222 How much can I deduct for vehicle license fees?

Penalties

- 403 What is the estimate penalty rate?

Notices And Bills

- 503 How do I file a protest against a Notice of Proposed Assessment?
- 506 How can I get information about my Form 1099-G?

Tax For Children

- 601 Can my child take a personal exemption credit when I claim her or him as a dependent on my tax return?

Miscellaneous

- 611 What address do I send my payment to?
- 619 How do I report a change of address?

Order Forms and Publications

If your current address is on file, you can order California tax forms and publications. Call our automated phone service, follow the recorded instructions and enter the 3-digit code.

Code California Tax Forms and Publications

- 900 California Resident Income Tax Booklet: Form 540, Resident Income Tax Return
- 965 Form 540 2EZ Tax Booklet
- 903 Schedule CA (540), California Adjustments – Residents, FTB 3885A, Depreciation and Amortization Adjustments, and Schedule D, California Capital Gain or Loss Adjustment

- 969 Large Print Resident Booklet
- 907 Form 540-ES, Estimated Tax for Individuals
- 908 Schedule X, California Explanation of Amended Return Changes
- 909 Schedule D-1, Sales of Business Property
- 910 Schedule G-1, Tax on Lump-Sum Distributions
- 911 Schedule P (540), Alternative Minimum Tax and Credit Limitations – Residents
- 913 Schedule S, Other State Tax Credit
- 914 California Nonresident Income Tax Booklet: Form 540NR, Nonresident or Part-Year Resident Income Tax Return
- 917 Schedule CA (540NR), California Adjustments – Nonresidents or Part-Year Residents
- 918 Schedule P (540NR), Alternative Minimum Tax and Credit Limitations – Nonresidents or Part-Year Residents
- 932 FTB 3506, Child and Dependent Care Expenses Credit
- 938 FTB 3514, California Earned Income Tax Credit
- 937 FTB 3516, Request for Copy of Personal Income or Fiduciary Tax Return
- 921 FTB 3519, Payment for Automatic Extension for Individuals
- 922 FTB 3525, Substitute for Form W-2, Wage and Tax Statement
- 923 FTB 3526, Investment Interest Expense Deduction
- 939 FTB 3532, Head of Household Filing Status Schedule
- 940 FTB 3540, Credit Carryover and Recapture Summary
- 949 FTB 3567, Installment Agreement Request
- 924 FTB 3800, Tax Computation for Certain Children with Unearned Income
- 929 FTB 3801, Passive Activity Loss Limitations
- 925 FTB 3805E, Installment Sale Income
- 928 FTB 3805P, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts
- 926 FTB 3805V, Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations — Individuals, Estates, and Trusts
- 943 FTB 4058, California Taxpayers' Bill of Rights
- 927 FTB 5805, Underpayment of Estimated Tax by Individuals and Fiduciaries
- 919 FTB Pub. 1001, Supplemental Guidelines to California Adjustments
- 920 FTB Pub. 1005, Pension and Annuity Guidelines
- 945 FTB Pub. 1006, California Tax Forms and Related Federal Forms
- 946 FTB Pub. 1008, Federal Tax Adjustments and Your Notification Responsibilities to California
- 941 FTB Pub. 1031, Guidelines for Determining Resident Status
- 942 FTB Pub. 1032, Tax Information for Military Personnel
- 934 FTB Pub. 1540, California Head of Household Filing Status

Current Year Refund Information

If you file by mail, wait at least 8 weeks after you file your tax return before you call to find out about your refund. You need your social security number, the numbers in your street address, box number, route number, or PMB number, and your ZIP code to use this service.

Balance Due and Payment Information

Wait at least 45 days from the date you mailed your payment before you call to verify receipt. You need your social security number, the numbers in your street address, box number, route number, or PMB number, and your ZIP code to use this service.

General Phone Service

Telephone assistance is available year-round from 7 a.m. until 5 p.m. Monday through Friday, except holidays. Hours are subject to change.

- Telephone: 800.852.5711 from within the United States
- 916.845.6500 from outside the United States
- 800.829.1040 for federal tax questions, call the IRS
- TTY/TDD: 800.822.6268 for persons with hearing or speech disability
- 711 or 800.735.2929 California relay service

Large-print forms and instructions – The Resident Booklet is available in large print upon request. See “Order Forms and Publications” or “Where To Get Income Tax Forms and Publications.”

Asistencia en español

Asistencia telefónica está disponible durante todo el año desde las 7 a.m. hasta las 5 p.m. de lunes a viernes, excepto días feriados. Las horas están sujetas a cambios.

- Teléfono: 800.852.5711 dentro de los Estados Unidos
- 916.845.6500 fuera de los Estados Unidos
- 800.829.1040 para preguntas sobre impuestos federales llame al IRS
- TTY/TDD: 800.822.6268 para personas con discapacidades auditivas o del habla
- 711 ó 800.735.2929 servicio de relevo de California

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