

CALIFORNIA 540NR

Forms & Instructions

2024

Nonresident or Part-Year Resident Booklet

Members of the Franchise Tax Board

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STATE OF CALIFORNIA
Franchise Tax Board

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Advance Draft
as of 11/20/24

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, 2025*	Last day to file and pay the 2024 amount you owe to avoid penalties and interest.* See form FTB 3519, Payment for Automatic Extension for Individuals, for more information. See "Interest and Penalties" section for information regarding a one-time timeliness penalty abatement. *If you are living or traveling outside the United States on April 15, 2025, the dates for filing your tax return and paying your tax are different. See form FTB 3519 for more information.
October 15, 2025	Last day to file or e-file your 2024 tax return to avoid a late filing penalty and interest computed from the original due date of April 15, 2025.
April 15, 2025 June 16, 2025 September 15, 2025 January 15, 2026	The dates for 2025 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 of estimated tax penalty. For more information, call 800.338.0505, select personal income tax, then select frequently asked questions, and enter code 208.

\$\$\$ for You

- **Federal Earned Income Credit (EIC)** – 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 **eic 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 \$31,951. You do not need a child to qualify. For more information, go to ftb.ca.gov and search for **eic** or get form FTB 3514, California Earned Income 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 California EITC or you would otherwise have been allowed the California EITC but you have earned income of zero dollars or less, 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 540NR, California Nonresident or Part-Year Resident Income Tax Return, line 86 and get form FTB 3514, or go to ftb.ca.gov and search for **yctc**.
- **Foster Youth Tax Credit (FYTC)** – FYTC 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 California EITC, age 18 to 25, were in foster care while 13 years of age or older and placed through the California foster care system. For more information, see the instructions for Form 540NR, line 87, and get form FTB 3514, or go to ftb.ca.gov and search for **fytc**.

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 exemption credits.

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 2023 tax return you requested to be applied to your 2024 estimated tax.

Claiming standard deduction or itemized deductions:

- See Form 540NR, 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 Form 540NR, line 81. Confirm only California income tax withheld is claimed.
- Verify real estate or other withholding amount from Form 592-B, Resident and Nonresident Withholding Tax Statement, and Form 593, Real Estate Withholding Statement. See instructions for Form 540NR, line 83.

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 540NR, line 125, and include any adjustment by the 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

If you are a nonresident of California and received income in 2024 with sources in California, go to Step 1. For more details, see [How Nonresidents and Part-Year Residents are Taxed](#) section.

Step 1: Is your gross income (gross income is computed under California law and consists of 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 (adjusted gross income is computed under California law and consists of your 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.

Active duty military personnel, get FTB Pub. 1032, Tax Information for Military Personnel.

On 12/31/24, my filing status was:	and on 12/31/24, my age was: (If your 65th birthday is on January 1, 2025, you are considered to be age 65 on December 31, 2024)	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 65 or older	22,273	37,640	49,165	17,818	33,185	44,710
		29,723	41,248	50,468	25,268	36,793	46,013
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) 65 or older (one spouse/RDP) 65 or older (both spouses/RDPs)	44,550	59,917	71,442	35,642	51,009	62,534
		52,000	63,525	72,745	43,092	54,617	63,837
		59,450	70,975	80,195	50,542	62,067	71,287
Qualifying surviving spouse/RDP	Under 65 65 or older		37,640	49,165		33,185	44,710
			41,248	50,468		36,793	46,013
Dependent of another person – Any filing status	Any age	More than your standard deduction (Use the California Standard Deduction Worksheet for Dependents on page 13 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 a child under age 19 or a full-time student under age 24 on the parent’s tax return. For each child under age 19 and full-time student under age 24 who received more than \$2,600 of investment income in 2024, complete Form 540NR and form FTB 3800, Tax Computation for Certain Children with Unearned Income, to figure the tax on a separate Form 540NR for your child.

If you qualify, you may elect to report your child’s income of more than \$1,300 but less than \$13,000 on your 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 2024 or owe any of the following taxes for 2024, you must file Form 540NR.

- 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 full-time students under age 24 who have investment income greater than \$2,600 (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 an 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, 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 2024.
- A nonresident for the entire year and had no income from California sources during 2024.

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 you would have used to file a federal income tax return.

Single

You are single if **any** of the following is true on December 31, 2024:

- You were never 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, 2024, and did not remarry or enter into another registered domestic partnership in 2024.

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, 2024, even if you did not live with your spouse/RDP at the end of 2024.
- Your spouse/RDP died in 2024 and you did not remarry or enter into another registered domestic partnership in 2024.
- Your spouse/RDP died in 2025 before you filed a 2024 tax return.

A married couple or RDPs may file a joint return even if only one had income or if they did not live together all year. However, both must sign the tax return.

Married/RDP Filing Separately

- Community property rules apply to the division of income if you use the married/RDP filing separately filing 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. 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 2024.

Head of Household

For the specific requirements that must be met to qualify for head of household (HOH) filing status, get FTB Pub. 1540, Tax Information for 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, 2024.
- You paid more than one-half the cost of keeping up your home for the year in 2024.
- 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 Surviving Spouse/RDP

Check the box on Form 540NR, line 5 and use the joint tax return tax rates for 2024 if **all** five of the following apply:

- Your spouse/RDP died in 2022 or 2023 and you did not remarry or enter into another registered domestic partnership in 2024.
- 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 2024:
 - The child had gross income of \$5,050 or more;
 - The child filed a joint return; or
 - You could be claimed as a dependent on someone else’s return.If the child is not claimed as your dependent, enter the child’s name in the entry space under the “Qualifying surviving spouse/RDP” filing status.
- This child lived in your home for all of 2024. 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.

Which Form To Use

Use Form 540NR if either you or your spouse/RDP were a nonresident or part-year resident in tax year 2024.

If you and your spouse/RDP were California residents during the entire tax year 2024, use Form 540, California Resident Income Tax Return, or 540 2EZ, California Resident Income Tax Return. To download or order the 540 Personal Income Tax Booklet or the 540 2EZ Personal Income Tax Booklet, go to ftb.ca.gov/forms or see “Where to Get Income Tax Forms and Publications.”

What’s New and Other Important Information for 2024

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 (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.

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

2024 Tax Law Changes/What’s New

Reporting Requirements – Taxpayers may need to file form FTB 4197, Information on Tax Expenditure Items, with the tax return to report tax expenditure items as part of the FTB’s annual reporting requirements under R&TC Section 41. To determine if you have an R&TC Section 41 reporting requirement, see the R&TC Section 41 Reporting Requirements section or get form FTB 4197.

Net Operating Loss Suspension – For taxable years beginning on or after January 1, 2024, and before January 1, 2027, 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, 2024.
- Two years for losses incurred in taxable years beginning on or after January 1, 2024, and before January 1, 2025.
- One year for losses incurred in taxable years beginning on or after January 1, 2025, and before January 1, 2026.

For more information, see R&TC Section 17276.24, and get form FTB 3805V, Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations – Individuals, Estates, and Trusts.

Business Credit Limitation – For taxable years beginning on or after January 1, 2024, and before January 1, 2027, there is a \$5,000,000 limitation on the application of business credits. The total of all business credits including the carryover of any credit for the taxable year may not reduce the “net tax” by more than \$5,000,000. This limitation does not apply to the Low-Income Housing Credit. The credit for prior year Alternative Minimum Tax is not subject to the credit limitation. Business credits should be applied against “net tax” before other credits.

For each taxable year of the limitation, taxpayers may make an irrevocable election to receive an annual refundable credit amount, in future tax years, for business credits disallowed due to the \$5,000,000 limitation. The election must be made annually by completing form FTB 3870, Election for Refundable Credit, and attaching it to an original, timely filed return.

If a taxpayer does **not** choose to make the election outlined above, 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, refer to R&TC Sections 17039.4 and 17039.5 and get form FTB 3870.

Intangible Drilling and Development Costs – California law does not allow the IRC Section 263(c) deduction for intangible drilling and development costs in the case of oil and gas wells paid or incurred on or after January 1, 2024. For more information, see R&TC Section 17260 and get Schedule P (540NR), Alternative Minimum Tax and Credit Limitations – Nonresidents or Part-Year Residents, form FTB 3885A, Depreciation and Amortization Adjustments, and FTB Pub. 1001.

Percentage Depletion – For taxable years beginning on or after January 1, 2024, California law does not allow the calculation of depletion as a percentage of gross income from the property for specified natural resources, including coal, oil shale, oil and gas wells. R&TC Sections 17681.3 and 17681.6 allowing state nonconformity to federal rules for percentage depletion of certain refiner exclusions as well as the temporary suspension of taxable income limit for marginal production have also been repealed. For more information, see R&TC Section 17681 and get Schedule P (540NR), form FTB 3885A, and FTB Pub. 1001.

Enhanced Oil Recovery Credit Repeal – For taxable years beginning on or after January 1, 2024, the Enhanced Oil Recovery Credit has been repealed. Taxpayers may now only claim available carryovers. For more information, get form FTB 3540, Credit Carryover and Recapture Summary.

Postponement of Certain Tax-Related Deadlines – Beginning on or after June 27, 2024, the Director of Finance shall determine when IRC Section 7508A, related to postponement of certain federal tax-related deadlines, applies for California purposes to a taxpayer affected by a state of emergency declared by the Governor or a federally declared disaster. Impacted taxpayers can request an additional relief period if the state postponement period expires before the federal postponement period by filing form FTB 3872, California Disaster Relief Request for Postponement of Tax Deadlines. For more information, get form FTB 3872 and see R&TC Section 18572.

Special Rules for Certain Distributions from Qualified IRC Section 529

Tuition Plans – The federal Consolidated Appropriations Act (CAA), 2023, allows qualified IRC Section 529 tuition plans that have been maintained for 15 years to rollover to a Roth IRA without a tax or penalty. Under the federal law, rollover distributions from an IRC Section 529 plan to a Roth IRA after December 31, 2023, will be treated in the same manner as the earnings and contributions of a Roth IRA. California law does not conform to this federal provision. Rollover distribution from an IRC Section 529 plan to a Roth IRA is includable in California taxable income and subject to an additional tax of 2½%. For more information, see Schedule CA (540NR) instructions and get form FTB 3805P, Additional Taxes on Qualified Plans (including IRAs) and Other Tax-Favored Accounts.

Catch-Up Contributions for Certain Individuals – For taxable years beginning on or after January 1, 2024, the federal CAA, 2023, provides for the indexing for the \$1,000 catch-up contribution to an IRA for individuals age 50 or older. The CAA, 2023, also increases certain contribution amounts, including catch-up contributions for individuals age 50 or over as defined in IRC Section 414(v). California law does not conform to these federal provisions. Any amount contributed that exceeds the contribution amount allowed for California may need to be included in income for California purposes. Any distribution from contributions in excess of the California limit may become taxable when distributed. For more information, see Schedule CA (540NR) instructions and get FTB Pub. 1005, Pension and Annuity Guidelines.

Wildfire Mitigation Payment – For taxable years beginning on or after January 1, 2024, and before January 1, 2029, California law allows a qualified taxpayer an exclusion from gross income for any amount received as a California qualified wildfire loss mitigation payment through the California Wildfire Mitigation Financial Assistance Program. For more information, see Schedule CA (540NR) instructions and R&TC Section 17138.8.

Voluntary Contribution – You may contribute to the following new funds:

- Prevention of Animal Homelessness and Cruelty Voluntary Tax Contribution Fund
- California ALS Research Network Voluntary Tax Contribution Fund

State Disability Insurance – For taxable years beginning on or after January 1, 2024, California removes the taxable wage limit and maximum withholdings for each employee subject to State Disability Insurance (SDI) contributions. All wages are taxable for the purpose of computing SDI worker contributions. As a result, the excess SDI (or VPD) withheld line has been removed from the personal income tax return by updating the line as “reserved for future use.” For more information, go to the Employment Development Department (EDD) website at edd.ca.gov.

R&TC Section 41 Reporting Requirements

Taxpayers should file form FTB 4197 with the tax return to report tax expenditure items as part of the FTB’s annual reporting requirements under R&TC Section 41. “Tax expenditure” means a credit, deduction, exclusion, exemption, or any other tax benefit provided for by the state. The FTB uses information from form FTB 4197 for reports required by the California Legislature. Taxpayers that have a reporting requirement for any of the following should file form FTB 4197:

- For taxable years beginning on or after January 1, 2024, and before January 1, 2029, qualified taxpayers who benefited from the exclusion from gross income for any amount received as a California qualified wildfire loss mitigation payment through the California Wildfire Mitigation Financial Assistance Program.
- For taxable years beginning on or after January 1, 2020, and before January 1, 2028, qualified taxpayers who benefited from the exclusion from gross income for any qualified amount received in a settlement from Pacific Gas and Electric (PG&E) Company or its subsidiary relating to the 2019 Kincadee Fire.
- For taxable years beginning on or after January 1, 2020, and before January 1, 2028, qualified taxpayers who benefited from the exclusion from gross income for any qualified amount received in a settlement from PG&E Company or its subsidiary relating to the 2020 Zogg Fire.
- For taxable years beginning on or after January 1, 2020, and before January 1, 2028, taxpayers who benefited from the exclusion from gross income for certain emergency financial aid grants received by a postsecondary education student.
- For taxable years beginning on or after January 1, 2021, and before January 1, 2026, taxpayers who benefited from the exclusion from gross income for the amount of student loans discharged under the ARPA for the following: loans provided expressly for post-secondary educational expenses if the loans were made,

insured, or guaranteed by a federal, state or local government entity, or an eligible educational institution; private education loans; loans made by certain educational institutions/organizations by tax-exempt organizations to refinance a loan.

- For taxable years beginning before January 1, 2027, qualified taxpayers who benefited from the exclusion from gross income for any amount received in a settlement from Southern California Edison for claims relating to the 2017 Thomas Fire or the 2018 Woolsey Fire.
- For taxable years beginning on January 1, 2022, and before January 1, 2027, taxpayers who benefited from the exclusion of gross income for any amount received as a rebate, voucher, or other financial incentive issued by a public water system, as defined, local government, or state agency for participation in a turf replacement water conservation program.
- For taxable years beginning on or after January 1, 2021, taxpayers who benefited from the exclusion from gross income for the Paycheck Protection Program (PPP) loans forgiveness, other loan forgiveness, the Economic Injury Disaster Loan (EIDL) advance grant, restaurant revitalization grant, or shuttered venue operator grant, and related eligible expense deductions.
- For taxable years beginning on or after January 1, 2020, and before January 1, 2030, a taxpayer operating a commercial cannabis activity that is licensed under California Medicinal and Adult-Use Cannabis Regulation and Safety Act (CA MAUCRSA).

For more information, get form FTB 4197.

Other Important Information

Use Tax – For taxable years beginning on or after January 1, 2023, and before January 1, 2029, you may not report business purchases subject to use tax on your income tax return if you make more than \$10,000 in purchases subject to use tax (excluding vehicles, vessels, and aircraft) per calendar year and have not paid use tax on those purchases to a retailer engaged in business in California or to a retailer authorized by the California Department of Tax and Fee Administration to collect the tax. For other use tax requirements, see Additional Information section in this booklet, specific line instructions for Form 540, line 91, and R&TC Section 6225.

Federal Veterans Auto and Education Improvement Act (VAEIA) of 2022 – The VAEIA was enacted on January 5, 2023, and made amendments to the federal Servicemembers Civil Relief Act (SCRA). California conforms to the following VAEIA provisions:

- A spouse of a servicemember shall neither lose nor acquire a residence or domicile for purposes of taxation with respect to the person, personal property, or income of the spouse by reason of being absent or present in any tax jurisdiction of the United States solely to be with the servicemember in compliance with the servicemember's military orders.
- For any taxable year of the marriage, a servicemember and the spouse of such servicemember may elect to use for purposes of taxation, regardless of the date on which the marriage of the servicemember and the spouse occurred, any of the following:
 - The residence or domicile of the servicemember.
 - The residence or domicile of the spouse.
 - The permanent duty station of the servicemember.

For more information, get FTB Pub. 1032.

Federal CAA, 2023 – The CAA, 2023, was enacted on December 29, 2022, and it includes the federal Setting Every Community Up for Retirement Enhancement (SECURE) 2.0 Act of 2022. In general, the R&TC conforms to the changes to the retirement provisions under the SECURE 2.0 Act. For more general information, refer to the federal act and the California R&TC.

No-cost or Low-cost Health Care Coverage Information – For taxable years beginning on or after January 1, 2023, we added a new health care coverage information question on the tax return. If you are interested in no-cost or low-cost health care coverage information, check the "Yes" box on Form 540NR, Side 5. See specific line instructions for Form 540NR, Health Care Coverage Information section.

Timeliness Penalty Abatement – For taxable years beginning on or after January 1, 2022, an individual taxpayer may elect to request a one-time abatement of a failure-to-file or failure-to-pay timeliness penalty either orally or in writing, if certain conditions are met. For more information, see specific line instructions for Form 540NR, Interest and Penalties section, and R&TC Section 19132.5.

Young Child Tax Credit Expansion – For taxable years beginning on or after January 1, 2022, California expanded the YCTC eligibility to include an eligible individual with a qualifying child who would otherwise have been allowed the California EITC but the individual has earned income of zero dollars or less, does not have net losses in excess of \$34,602 in the current taxable year, and does not have wages, salaries, tips, and other employee compensation in excess of \$34,602 in the current taxable year. For more information, get form FTB 3514, or go to ftb.ca.gov and search for **yctc**.

Foster Youth Tax Credit – For taxable years beginning on or after January 1, 2022, the refundable FYTC is available to an individual and/or spouse/RDP age 18 to 25, who is allowed the California EITC for the taxable year, was in foster care while 13 years of age or older and placed through the California foster care system. For the current taxable year, the maximum amount of credit allowable for each eligible taxpayer is \$1,154 and the credit amount phases out as earned income exceeds the threshold amount of \$26,626 and completely phases out at \$31,951. For more information, see specific line instructions for Form 540NR, line 87, and get form FTB 3514, see R&TC Section 17052.2, or go to ftb.ca.gov and search for **fytc**.

Voter Registration Information – For taxable years beginning on or after January 1, 2022, we added a Voter Registration Information checkbox on the tax return. For more information, see specific line instructions for Form 540NR, Voter Information section.

Federal Acts – In general, the R&TC does not conform to the changes under the following 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 following acts, see Schedule CA (540NR) instructions.

- American Rescue Plan Act (ARPA) of 2021 (enacted on March 11, 2021)
- Consolidated Appropriations Act (CAA), 2021 (enacted on December 27, 2020)
- Coronavirus Aid, Relief, and Economic Security (CARES) Act (enacted on March 27, 2020)
- Setting Every Community Up for Retirement Enhancement (SECURE) Act (enacted on December 20, 2019)

Gross Income Exclusion for Bruce's Beach – Effective September 30, 2021, California law allows an exclusion from gross income for the first time sale in the taxable year in which the land within Manhattan State Beach, known as "Peck's Manhattan Beach Tract Block 5" and commonly referred to as "Bruce's Beach" is sold, transferred, or encumbered. A recipient's gross income does not include the following:

- Any sale, transfer, or encumbrance of Bruce's Beach;
- Any gain, income, or proceeds received that is directly derived from the sale, transfer, or encumbrance of Bruce's Beach.

For more information, get Schedule D (540NR), California Capital Gain or Loss Adjustment.

Moving Expense Deduction – For taxable years beginning on or after January 1, 2021, taxpayers should file California form FTB 3913, Moving Expense Deduction, to claim moving expense deductions. Attach the completed form FTB 3913 to Form 540NR. For more information, see Schedule CA (540NR) instructions and get form FTB 3913.

Elective Tax for Pass-Through Entities (PTE) and Credit for Owners – For taxable years beginning on or after January 1, 2021, and before January 1, 2026, California law allows an entity taxed as a partnership or an "S" corporation to annually elect to pay an elective tax at a rate of 9.3% based on its qualified net income. The election shall be made on an original, timely filed return and is irrevocable for the taxable year.

The law allows a credit against the personal income tax to a taxpayer, other than a partnership, that is a partner, shareholder, or member of a qualified entity that elects to pay the elective tax, in an amount equal to 9.3% of the partner's, shareholder's, or member's pro rata share or distributive share and guaranteed payments of qualified net income subject to the election made by the qualified entity. Generally, a disregarded business entity and its partners or members cannot receive the credit, except for a disregarded single member limited liability company (SMLLC) that is owned by an individual, fiduciary, estate, or trust subject to personal income tax. For more information, go to ftb.ca.gov and search for **pte elective tax** and get the following PTE elective tax forms and instructions:

- Form FTB 3893, Pass-Through Entity Elective Tax Payment Voucher
- Form FTB 3804, Pass-Through Entity Elective Tax Calculation
- Form FTB 3804-CR, Pass-Through Entity Elective Tax Credit

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 FTB to identify the dependent. For more information, get form FTB 3568, Alternative Identifying Information for the Dependent Exemption Credit.

Taxpayers may amend their tax return beginning with taxable year 2018 to claim the dependent exemption credit. If claiming a refund, taxpayers must amend their returns within the statute of limitations. For more information on how to amend your tax returns, see “Instructions for Filing a 2024 Amended Return.”

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. Proposition 22 was operative as of December 16, 2020, and may affect a taxpayer's worker classification. For more information, see Schedule CA (540NR) instructions.

Minimum Essential Coverage Individual Mandate – For taxable years beginning on or after January 1, 2020, California law requires residents and their dependents to obtain and maintain minimum essential coverage, also referred to as qualifying health care coverage. Individuals who fail to maintain qualifying health care coverage for any month during the taxable year will be subject to a penalty unless they qualify for an exemption. For more information, see specific line instructions for Form 540NR, line 91, or get the following health care forms, instructions, and publications:

- Form FTB 3853, Health Coverage Exemptions and Individual Shared Responsibility Penalty
- Form FTB 3895, California Health Insurance Marketplace Statement
- FTB Pub. 3895B, California Instructions for Filing Federal Forms 1094-B and 1095-B
- FTB Pub. 3895C, California Instructions for Filing Federal Forms 1094-C and 1095-C

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 a certain amount. For the current taxable year, the threshold amount is \$30 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.

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 (540NR) and form FTB 3504, Enrolled Tribal Member Certification.

Schedule X, California Explanation of Amended Return Changes – 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 2024 Amended Return.”

Improper Withholding on Severance Paid to Veterans – The federal 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.

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 law generally conforms to the federal income tax treatment of ABLE accounts. Additional information can be found in the instructions for form FTB 3805P, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts.

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 Form 540.

Mandatory Electronic Payments – You are required to remit all your payments electronically once you make an estimated tax 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 who 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 the FTB's website, EFW as part of the e-file tax 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 (RDPs) – 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. Go to scholarshare529.com for instructions.

Group Nonresident Returns (also known as Composite Returns) – For taxable years beginning on or after January 1, 2009:

- Group nonresident returns may include less than two nonresident individuals.
- Nonresident individuals with more than \$1,000,000 of California taxable income are eligible to be included in group nonresident returns. An additional 1% tax will be assessed on their entire California taxable income if they elect to be part of the group return.

See FTB Pub. 1067, Guidelines for Filing a Group Form 540NR, for more information.

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**.

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How Nonresidents and Part-Year Residents Are Taxed

General Information

Nonresidents of California who received California sourced income in 2024, or moved into or out of California in 2024, file Form 540NR. California taxes all income received while you resided in California and the income you received from California sources while a nonresident.

If you file Form 540NR, use Schedule CA (540NR), column A through column D to compute your total adjusted gross income as if you were a resident of California for the entire year. Use column E to compute all items of total adjusted gross income you received while a resident of California and those you received from California sources while a nonresident. You determine your California tax by multiplying your California taxable income by an effective tax rate. The effective tax rate is the tax on total taxable income, taken from the tax table, divided by total taxable income. You may also qualify for California tax credits, which reduces the amount of California tax you owe.

If you were a resident of California for all of 2024, get a California Resident Personal Income Tax Booklet and file Form 540 or Form 540 2EZ.

For more information on the taxation of nonresidents and part-year residents, get FTB Pub. 1100, Taxation of Nonresidents and Individuals Who Change Residency. Go to ftb.ca.gov/forms or see "Where To Get Income Tax Forms and Publications."

Pension Income of Retirees Who Move to Another State

Nonresidents of California Receiving a California Pension

California does not impose tax on retirement income attributable to services performed in California received by a nonresident after December 31, 1995.

California Residents Receiving an Out-of-State Pension

In general, California residents are taxed on all income, including income from sources outside California. Therefore, a pension attributable to services performed outside California but received after you become a California resident is taxable.

For more information about pensions, go to ftb.ca.gov/forms and get FTB Pub. 1005, Pension and Annuity Guidelines.

Temporary and Transitory Absences from California

If you are domiciled in California and you worked outside of California for an uninterrupted period of at least 546 consecutive days under an employment contract, you are considered a nonresident. This provision also applies to the spouse/RDP who accompanies the employed

individual during those 546 consecutive days. However, you will not qualify under this provision if you are present in California for a total of more than 45 days during any taxable year covered by the contract, or if you have income from stocks, bonds, notes, or other intangible property in excess of \$200,000 for any taxable year covered by the contract. For more information, go to ftb.ca.gov/forms and get FTB Pub. 1031.

Group Nonresident Return

Nonresident partners, nonresident members, and nonresident shareholders of a partnership, limited liability company, or S corporation that does business in California or has income from California sources may elect to file a group nonresident return on Form 540NR. For more information, go to ftb.ca.gov/forms and get FTB Pub. 1067. This publication includes form FTB 1067A, Nonresident Group Return Schedule, which must be attached to the group Form 540NR.

Nonresident Alien – For taxable years beginning on or after January 1, 2021, and before January 1, 2026, a nonresident group return can be filed on behalf of electing nonresident aliens receiving California source income from a taxpayer. A nonresident alien, who is not eligible for or has not been issued a federal SSN or ITIN, could be included in the group return or file an individual return without obtaining an SSN or ITIN. For more information, go to ftb.ca.gov/forms and get FTB Pub. 1067.

Military Servicemembers

Active duty military servicemembers go to ftb.ca.gov/forms and get FTB Pub. 1032.

Servicemembers domiciled outside of California, and their spouses/RDPs, exclude the member'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 in 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.

The VAEIA was enacted on January 5, 2023, and made amendments to the SCRA. See Other Important Information section for more information.

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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.

If you were a resident of California for at least six months in 2024 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.**

1. Were you a resident of California for at least six full months of the tax year in 2024? Military personnel: If you are not a legal resident of California, you do not qualify for this credit. Your spouse/RDP may claim up to a maximum of \$60 if he or she was a resident during 2024, and is otherwise qualified. YES. Go to question 2. NO. Stop here. You do not qualify for this credit.
2. Is your adjusted gross income from all sources on your Form 540NR, line 17: • \$52,421 or less if single or married/RDP filing separately; or • \$104,842 or less if married/RDP filing jointly, head of household, or qualifying surviving spouse/RDP? YES. Go to question 3. NO. Stop here. You do not qualify for this credit.
3. Did you pay rent, for at least half of 2024, 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.
4. Can you be claimed as a dependent by a parent, foster parent, legal guardian, or any other person in 2024? NO. Go to question 6. YES. Go to question 5.
5. For more than half the year in 2024, 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.
6. Was the property you rented exempt from property tax in 2024? 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.
7. Did you claim the homeowner's property tax exemption anytime during 2024? 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.
8. Were you single in 2024? YES. Go to question 11. NO. Go to question 9.
9. Did your spouse/RDP claim the homeowner's property tax exemption anytime during 2024? 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.
10. Did you and your spouse/RDP maintain separate residences for the entire year in 2024? YES. Go to question 11. NO. Stop here. You do not qualify for this credit.

(continued on next page)

Nonrefundable Renter's Credit Qualification Record – Continued

11. Use the following chart to find the amount of your credit based on the number of full months you were a resident of and rented property in California in 2024.

Enter the amount on the line below. If married/RDP filing jointly where one spouse/RDP claimed the homeowner's property tax exemption and both spouses/RDPs lived apart for the entire year, enter half of the amount listed on the chart for married/RDP filing jointly on the line below. Follow the instructions next to the chart.

Filing status	Number of months						
	6	7	8	9	10	11	12
Single or married/RDP filing separately	\$30	\$35	\$40	\$45	\$50	\$55	\$60
Married/RDP filing jointly, head of household or qualifying surviving spouse/RDP	\$60	\$70	\$80	\$90	\$100	\$110	File Form 540

\$ _____

If this credit is the only special credit you are claiming, enter the amount on your Form 540NR, line 61.

If you are a Form 540NR filer and are claiming additional special credits in addition to this credit, see the Special Credits and Nonrefundable Credits section in Form 540NR instructions.

Fill in the street address(es) and landlord information below for the residence(s) you rented in California during 2024, which qualified you for this credit.

Street Address _____ **City, State, and ZIP Code** _____ **Dates Rented in 2024 (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 _____

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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, 2025, and claim the Senior Exemption Credit, you may make a combined total contribution of up to \$298 or \$149 per spouse/RDP. Contributions made to this fund will be distributed to the Area Agency on Aging Councils of California (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 Voluntary Tax Contribution 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 fund programs designed to prevent and eliminate cat and dog homelessness, including spay and neuter programs.

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 rehabilitation of injured, sick, or orphaned native wildlife and for wildlife conservation education.

Code 445, Mental Health Crisis Prevention Voluntary Tax Contribution Fund – Contributions will be used to fund the Crisis Intervention Team program that trains peace officers to assist and engage safely with persons living with mental illness.

Code 447, California ALS Research Network Voluntary Tax Contribution Fund – Contributions will be used to support the collaboration of clinicians, scientists, and academic and industry research organizations relating to the cure, screening, and treatment of amyotrophic lateral sclerosis (ALS).

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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
California Motion Picture and Television Production – FTB 3541	223	For taxable years beginning on or after January 1, 2011, the original 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
Cannabis Equity Tax – FTB 3821	247	The credit is available to a qualified taxpayer that is an equity licensee that has received approval, including approval contingent upon the availability of funds, for the fee waiver and deferral program administered by the Department of Cannabis Control (DCC).
Child Adoption Costs – See worksheet in the Special Credits and Nonrefundable Credits section	197	50% of qualified costs in the year an adoption is ordered
Child and Dependent Care Expenses – FTB 3506 See instructions in the Special Credits and Nonrefundable Credits section	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 instructions in the Special Credits and Nonrefundable Credits section	173	Must use married/RDP filing separately status and have a dependent parent
Disabled Access for Eligible Small Businesses – 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.
Foster Youth Tax – FTB 3514	None	This refundable credit is available to taxpayers who also qualify for the California Earned Income Tax Credit (EITC), age 18 to 25, were in foster care while 13 years of age or older and placed through the California foster care system.
High-Road Cannabis Tax – FTB 3820	246	The credit is available to a qualified taxpayer that is a commercial cannabis business that possesses a Type-10 (retailer), or a Type-12 (micro-business) license issued by the DCC. A qualified taxpayer must request a tentative credit reservation from the FTB.
Homeless Hiring Tax – FTB 3831	244	The credit is available to qualified taxpayers that hire eligible individuals. Employers must obtain a certification of individual's homeless status from an organization that works with the homeless and must receive a tentative credit reservation for that employee from the FTB.
Joint Custody Head of Household – See worksheet in the Special Credits and Nonrefundable Credits section	170	30% of tax up to \$592 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.
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 qualified taxpayers that hire a qualified full-time employee, pay or incur qualified wages, and receive a tentative credit reservation for a qualified full-time employee.

(continued on next page)

Credit Chart – Continued

Credit Name	Code	Description
Nonrefundable Renter's – See Nonrefundable Renter's Credit Qualification Record in this booklet	None	For California residents who paid rent for their principal residence for at least 6 months in 2024 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
Pass-Through Entity Elective Tax – FTB 3804-CR	242	For taxable years beginning on or after January 1, 2021, and before January 1, 2026, California allows a credit against the personal income tax to a taxpayer, other than a partnership, that is a partner, shareholder, or member of a qualified entity that elects to pay the elective tax.
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 2024
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 program 3.0 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 – See worksheet in the Special Credits and Nonrefundable Credits section	163	2% of taxable income up to \$1,806 for seniors who qualified for head of household in 2022 or 2023 and whose qualifying individual died during 2022 or 2023
Soundstage Filming Tax – FTB 3541	245	For taxable years beginning on or after January 1, 2022, the Soundstage Filming 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 is produced in California at a certified studio construction project and by a qualified taxpayer that provides a diversity workplan that is approved by the California Film Commission. Website: film.ca.gov
State Historic Rehabilitation Tax – FTB 3835	243	The credit, which is allocated by the California Tax Credit Allocation Committee, is for the rehabilitation of certified historic structures and for individual taxpayers, a qualified residence. Website: ohp.parks.ca.gov
Young Child Tax – FTB 3514	None	This refundable credit is available to taxpayers who also qualify for the California EITC or who would otherwise have been allowed the California EITC but they have earned income of zero dollars or less, and who have at least one qualifying child who is younger than six years old as of the last day of the taxable year.

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 (540NR), get form FTB 3540 to figure your credit carryover to future years. For Enterprise Zone (EZ), Local Agency Military Base Recovery Area (LAMBRA), Manufacturing Enhancement Area (MEA), or Targeted Tax Area (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	Enterprise Zone Sales or Use Tax	176	Recycling Equipment	174
Commercial Solar Electric System	196	Environmental Tax	218	Residential Rental & Farm Sales	186
Commercial Solar Energy	181	Farmworker Housing	207	Ridesharing	171
Donated Fresh Fruits or Vegetables	224	Local Agency Military Base Recovery Area Hiring	198	Salmon & Steelhead Trout Habitat Restoration	200
Employee Ridesharing	194	Local Agency Military Base Recovery Area Sales or Use Tax	198	Solar Energy	180
Employer Childcare Contribution	190	Low-Emission Vehicles	160	Solar Pump	179
Employer Childcare Program	189	Main Street Small Business Tax	240	Targeted Tax Area Hiring	210
Employer Ridesharing: Large employer	191	Main Street Small Business Tax II	241	Targeted Tax Area Sales or Use Tax	210
Small employer	192	Manufacturing Enhancement Area Hiring	211	Water Conservation	178
Transit passes	193	Orphan Drug	185	Young Infant	161
Energy Conservation	182	Political Contributions	184		
Enhanced Oil Recovery	203				
Enterprise Zone Hiring	176				

Frequently Asked Questions

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

1. What if I can't file by April 15, 2025, and I think I owe tax?

You must pay 100% of the amount you owe by April 15, 2025, 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. Mail it to the FTB with your payment by April 15, 2025, or pay online at ftb.ca.gov/pay. Then, when you receive all your federal Forms W-2, complete and mail your tax return by October 15, 2025 (you must use Form 540NR). Also, see "Interest and Penalties" section for information regarding a one-time timeliness penalty abatement.

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



If not all your federal Forms W-2 were received by January 31, 2025, contact your employer. Only an employer issues or corrects a federal 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 W-2, complete form FTB 3525. Go to ftb.ca.gov/forms or see "Where To Get Income Tax Forms and Publications." For online wage and withholding 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 2024 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 accrued and an underpayment penalty may be charged on the tax not paid by April 15, 2025, 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 540NR, Side 5, line 126 and line 127. 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 "Automated Phone Service" at the end of this booklet for more information.

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



908

If you discover an error on your California income tax return after you filed it (paper or e-file), file an amended Form 540NR and attach Schedule X 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 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 540NR 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 94267-0001

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 any questions **relating to the IRS audit adjustments**, 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. Go to ftb.ca.gov/forms or see "Order Forms and Publications."

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

(continued on next page)

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.

9. How long should I keep my tax information?

Requests for information from you 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 may apply for California or federal tax returns that are related to 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, capital losses, passive losses, casualty losses, etc.) 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.

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Additional Information

California Sales and Use Tax

In general, the purchase of goods outside California that are brought into the state for storage, use, or other consumption may be subject to use tax. The use tax rate is the same as the sales tax rate in effect where the goods will be stored, used, or consumed; usually your residence address. The tax is based on the purchase price of the goods.

- **If you purchased goods from an out-of-state retailer** (such as a mail order firm) and sales tax would have been charged if you purchased the goods in California, you may owe the use tax on your purchase if the out-of-state retailer did not collect the California tax.
- **If you traveled to a foreign country and brought goods home with you, the use tax** will be based on the purchase price of the goods you listed on your U.S. Customs Declaration after deduction of the \$800 per individual exemption allowable by law within any 30-day period. This deduction does not apply to goods sent or shipped to California by common carrier.

You should report and pay your use tax directly to the California Department of Tax and Fee Administration by going to their website at cdtfa.ca.gov.

If you file a federal Schedule C (Form 1040), Profit or Loss From Business, with your federal income tax return and are in the business of selling tangible personal property, you may be required to obtain a seller's permit with the California Department of Tax and Fee Administration. If you do not sell tangible personal property, but make more than \$10,000 in purchases subject to use tax (excluding vehicles, vessels, and aircraft) per calendar year and have not paid use tax on those purchases to a retailer engaged in business in California or to a retailer authorized by the California Department of Tax and Fee Administration to collect the tax, you may be required to register with the California Department of Tax and Fee Administration to report use tax.

If you have any questions concerning the taxability of a purchase, or want information about obtaining a seller's permit, or registering to report use tax, go to the California Department of Tax and Fee Administration's website at cdtfa.ca.gov or call their Customer Service Center at 1.800.400.7115 (TTY:711) (for hearing and speech disabilities). Income tax information is not available at these numbers.

Collection Fees

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

Deceased Taxpayers

A final tax return must be filed for a person who died in 2024 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 entered into another registered domestic partnership during 2024. 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, and 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 through Friday from 8 a.m. until 5 p.m., except holidays.

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 obtain 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 if 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, get federal Pub. 17, Your Federal Income Tax – For Individuals, Chapter 11.

Vehicle License Fees for Federal Schedule A

On your federal Schedule A (Form 1040), Itemized Deductions, 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

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 tax 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 that your account and routing information is correct. Your tax return can be transmitted to the FTB by your preparer or e-file service only after you sign form FTB 8453 or FTB 8879. The preparer or e-file service must provide you with:

- A copy of form FTB 8453 or FTB 8879.
- Any original California 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 have accepted the original. You can correct an error by filing an amended Form 540NR and Schedule X to correct your previously filed tax return.

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as of 11/20/24

Instructions for Filing a 2024 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.

Military Compensation – If you are filing an amended return to exclude military compensation as a result of the federal Servicemembers Civil Relief Act (P.L. 108-189), check box k for “Military HR 100” on Schedule X, Part II, line 1. In addition, attach a copy of your military Form W-2, Wage and Tax Statement, revised Schedule CA (540NR), and any other affected forms or schedules to your amended Form 540NR. If you are amending a taxable year for which the normal statute of limitations (SOL) has expired, attach a statement explaining why the SOL is still open. If the SOL is open because of military service in a combat zone or outside the United States, attach copies of any documents that show when you served in a combat zone or overseas. Beginning in 2009, the federal Military Spouses Residency Relief Act may affect the California income tax filing requirements for spouses of military personnel. For additional information, get FTB Pub. 1032.

The VAEIA was enacted on January 5, 2023, and made amendments to the SCRA. See Other Important Information section for more information.

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 to us. See “Contacting the Franchise Tax Board” for more information.

Amount You Want Applied To Your 2025 Estimated Tax – Enter zero on amended Form 540NR, line 102 and get the instructions for Schedule X for the actual amount you want applied to your 2025 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 540NR through line 125. Next, complete Schedule X. The amount from Schedule X, line 11 is your additional refund amount. This amount will be carried over to your amended Form 540NR and will be entered on line 126 and line 127. The total of the amended Form 540NR, line 126 and line 127 must equal the total amount of your refund on Schedule X, line 11. If the total of the amended Form 540NR, line 126 and line 127 does 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 540NR. 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 beginning with taxable year 2018 to claim the dependent exemption credit, complete an amended Form 540NR, 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 2024 tax return, you

may amend the 2024 tax return following the same procedures used to amend your previous year amended tax returns beginning with taxable year 2018. If claiming a refund, taxpayers must amend their returns within the statute of limitations. For more information, get FTB Notice 2021-01.

Purpose

Use Form 540NR to amend your original or previously filed California nonresident or part-year 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 540NR indicating AMENDED return and follow the instructions. Submit the completed amended Form 540NR 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 I 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 540NR 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 at the end of this booklet.

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 an 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 in an RDP on the last day of the taxable year.

To amend from separate tax returns to a joint tax return, follow Form 540NR 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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2024 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 540NR, line 19 is more than \$100,000. If \$100,000 or less, use the Tax Table.

If the amount on Form 540NR, line 19 is over –		but not over –	Enter on Form 540NR, line 31	of the amount over –
\$ 0	\$ 10,756	\$ 0.00	+ 1.00%	\$ 0
10,756	25,499	107.56	+ 2.00%	10,756
25,499	40,245	402.42	+ 4.00%	25,499
40,245	55,866	992.26	+ 6.00%	40,245
55,866	70,606	1,929.52	+ 8.00%	55,866
70,606	360,659	3,108.72	+ 9.30%	70,606
360,659	432,787	30,083.65	+ 10.30%	360,659
432,787	721,314	37,512.83	+ 11.30%	432,787
721,314	AND OVER	70,116.38	+ 12.30%	721,314

Schedule X –
Use if your filing status is
Single or Married/RDP Filing Separately

Schedule Y –
Use if your filing status is
**Married/RDP Filing Jointly or Qualifying
Surviving Spouse/RDP**

Schedule Z –
Use if your filing status is
Head of Household

If the amount on Form 540NR, line 19 is over –		but not over –	Enter on Form 540NR, line 31	of the amount over –
\$ 0	\$ 21,512	\$ 0.00	+ 1.00%	\$ 0
21,512	50,998	215.12	+ 2.00%	21,512
50,998	80,490	804.84	+ 4.00%	50,998
80,490	111,732	1,984.52	+ 6.00%	80,490
111,732	141,212	3,859.04	+ 8.00%	111,732
141,212	721,318	6,217.44	+ 9.30%	141,212
721,318	865,574	60,167.30	+ 10.30%	721,318
865,574	1,442,628	75,025.67	+ 11.30%	865,574
1,442,628	AND OVER	140,232.77	+ 12.30%	1,442,628

If the amount on Form 540NR, line 19 is over –		but not over –	Enter on Form 540NR, line 31	of the amount over –
\$ 0	\$ 21,527	\$ 0.00	+ 1.00%	\$ 0
21,527	51,000	215.27	+ 2.00%	21,527
51,000	65,744	804.73	+ 4.00%	51,000
65,744	81,364	1,394.49	+ 6.00%	65,744
81,364	96,107	2,331.69	+ 8.00%	81,364
96,107	490,493	3,511.13	+ 9.30%	96,107
490,493	588,593	40,189.03	+ 10.30%	490,493
588,593	980,987	50,293.33	+ 11.30%	588,593
980,987	AND OVER	94,633.85	+ 12.30%	980,987

How to Figure Tax Using the 2024 California Tax Rate Schedules

Example: Chris and Pat Smith are filing a joint tax return using Form 540NR. Their taxable income on Form 540NR, 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.	\$ 125,000 – 111,732 \$ 13,268	\$ _____ – _____ \$ _____
Step 3: They multiply the result from Step 2 by the percentage for their range.	\$ 13,268 x .08 \$ 1,061.44	\$ _____ x _____ \$ _____
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 \$4,920 on Form 540NR, line 31.	\$3,859.04 + 1,061.44 \$4,920.48	\$ _____ + _____ \$ _____

Paying Your Taxes

General Information

You must file and pay 100% of the amount you owe by April 15, 2025, to avoid interest and penalties. See “Interest and Penalties” section for information regarding a one-time timeliness penalty abatement. There are several ways to pay your tax:

- Electronic funds withdrawal
 - Web Pay
 - Credit card
 - Check or money order (Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.)
 - Pre-approved monthly payments
-

Electronic Funds Withdrawal

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

Enjoy the convenience of online bill payment with **Web Pay**. Pay the amount you owe using our secure online payment service. Go to ftb.ca.gov/pay for more information. With Web Pay, you can schedule it, and forget it!

Credit Card

To make a payment using your Discover, MasterCard, Visa, or American Express card, go to the ACI Payments, Inc. (formerly Official Payments) website or call:

- officialpayments.com and select Payment Center.
- **800.2PAY.TAX** or **800.272.9829** and follow the recorded instructions.

ACI Payments, Inc. charges a convenience fee for this service. This fee is based on the amount of your tax payment. ACI Payments, Inc. will tell you the convenience fee before you complete your transaction. You can decide whether to complete the transaction at that time.

Fee:	2.30% of tax amount charged (round to nearest cent)	Example:	Tax Payment = \$753.56
	Minimum fee: \$1		2.30% Fee = \$17.33

For persons with hearing or speaking limitations, call California Relay Service at 800.735.2929. For all other special assistance, call 800.487.4567, Monday through Friday, 6 a.m. to 4 p.m. PST.

Frequently Asked Questions

When will my payment be effective?

- **Web Pay:** Your payment is effective on the payment date you select.
- **Credit Card:** Your payment is effective on the date you charge it.

What if I change my mind?

- **Web Pay:** Contact our e-Programs Customer Service at 916.845.0353 at least two business days before your scheduled payment date to cancel your payment.
- **Credit Card:** Contact your card issuer for information about canceling or reversing the charge.

If you change your mind and you still owe money, be sure to make your payment another way. We may charge penalties, interest, and other fees for nonpayment or late payment of taxes.

How do I know if you received my payment?

- Your account statement is your proof of payment.
 - To verify the payment, go to ftb.ca.gov and login or register for MyFTB.
-

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 for additional information. **Do not** attach correspondence to your tax return unless the correspondence relates to an item on the tax 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 your state tax system. For more information, get FTB 4058, California Taxpayers' Bill of Rights – Information for Taxpayers. 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 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 FTB'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)

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

(Keep This Booklet For Future Use)

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 federal 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 estimated tax 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 (includes Form 540)
965 California Resident Income Tax Booklet (includes Form 540 2EZ)
903 Schedule CA (540), California Adjustments – Residents; FTB 3885A, Depreciation and Amortization Adjustments; and Schedule D, California Capital Gain or Loss Adjustment
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 or Part-Year Resident Booklet (includes Form 540NR)
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
946 FTB 1131 EN-SP, Franchise Tax Board Privacy Notice on Collection – Aviso de Privacidad del Franchise Tax Board sobre la Recaudación
932 FTB 3506, Child and Dependent Care Expenses Credit
938 FTB 3514, California Earned Income Tax Credit Booklet (includes form FTB 3514)
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, or Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
923 FTB 3526, Investment Interest Expense Deduction
939 FTB 3532, Head of Household Filing Status Schedule

Code California Tax Forms and Publications

- 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 – Information for Taxpayers
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, Tax Information for 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 8 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

California Relay

Service: 711 or 800.735.2929 for persons with hearing or speaking limitations

Asistencia En Español

Asistencia telefónica está disponible durante todo el año desde las 8 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

Servicio de Retransmisión

de California: 711 o 800.735.2929 para personas con limitaciones auditivas o del habla

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fth.ca.gov