

2025 Instructions for Form 592-F

Foreign Partner or Member Annual Withholding Return

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

General Information

At the end of the taxable year, partnerships and limited liability companies (LLCs) complete Form 592-F, Foreign Partner or Member Annual Withholding Return, to report the total withholding for the year and to allocate the income and related withholding to the foreign partners or members.

For California nonwage withholding purposes:

- Nonresident includes all of the following:
 - Individuals who are not residents of California.
 - Corporations not qualified through the California Secretary of State (CA SOS) to do business in California or having no permanent place of business in California.
 - Partnerships or LLCs with no permanent place of business in California.
 - Any trust without a resident grantor, beneficiary, or trustee, or estates where the decedent was not a California resident.
- Foreign refers to non-U.S.

Withholding on foreign partners or members is remitted to the Franchise Tax Board (FTB) using Form 592-A, Payment Voucher for Foreign Partner or Member Withholding. For more information on the withholding requirements or to remit withholding payments during the year, get Form 592-A.

A foreign partner may request to reduce or eliminate withholding of California tax on Effectively Connected Taxable Income from California sources allocable to a foreign partner (Treas. Reg. Section 1.1446-6). The foreign partner must first file federal Form 8804-C, Certificate of Partner-Level Items to Reduce Section 1446 Withholding, with the partnership. Then the foreign partner must sign and send Form 589, Nonresident Reduced Withholding Request, to the FTB along with a signed copy of federal Form 8804-C. The FTB will review the request within 21 business days. If the request is approved, the partnership remits the reduced withholding amount to the FTB along with Form 592-A.

Group Return Reporting – Beginning on January 1, 2022, if your payees are going to participate on a group return and you have not previously filed Form 592, Resident and Nonresident Withholding Statement; Form 592-F; or Form 592-PTE, Pass-Through Entity Annual Withholding Return, to allocate withholding to those individuals, you may include all group return individuals as one payee on the Schedule of Payees instead of listing each individually. See Schedule of Payees Instructions for more information.

Form 592-B, Resident and Nonresident Withholding Tax Statement – The withholding agent must provide Form 592-B, to each partner or member which shows the total

amount withheld and reported for the taxable year. The withholding agent does not submit Form 592-B to the FTB. For more information, get Form 592-B.

Backup Withholding – With certain limited exceptions, payers that are required to withhold and remit backup withholding to the Internal Revenue Service are also required to withhold and remit to the FTB on income sourced to California. The California backup withholding rate is 7% of the payment. For California purposes, dividends, interests, and any financial institutions release of loan funds made in the normal course of business are exempt from backup withholding. For more information, go to ftb.ca.gov and search for **backup withholding**.

If a payee has backup withholding, the payee must contact the FTB to provide a valid Taxpayer Identification Number (TIN) before filing a tax return. The following are acceptable TINs: social security number (SSN); individual taxpayer identification number (ITIN); federal employer identification number (FEIN); California corporation number (CA Corp no.); or CA SOS file number. Failure to provide a valid TIN will result in the denial of the backup withholding credit.

Supplemental Payment – If you have a final withholding payment due with Form 592-F and you are paying by check or money order, use the Supplemental Payment Voucher from Form 592-A and remit with Form 592-F.

A Purpose

Use Form 592-F to report the total withholding for the year on foreign partners or members under California Revenue and Taxation Code Section 18666. Form 592-F is also used by pass-through entities to pass through withholding credit to their foreign partners or members.

Do not use Form 592-F if any of the following apply:

- No payment, distribution or withholding occurred.
- You are reporting withholding on domestic nonresident partners or members. Use Form 592-PTE.
- You are reporting real estate withholding as the buyer or real estate escrow person withholding on the sale of real estate. Use Form 593, Real Estate Withholding Statement.

B When and Where to File

For withholding on foreign partners or members, file Form 592-F, on or before the 15th day of the 3rd month following the close of the partnership's or LLC's taxable year.

If all the partners or members are foreign, Form 592-F must be filed on or before the

15th day of the 6th month after the close of the partnership's or LLC's taxable year.

Paper Filing – Mail Form 592-F, the Supplemental Payment Voucher from Form 592-A, and payment to:

WITHHOLDING SERVICES AND
COMPLIANCE MS F182
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

Important: If you filed Form 592-F electronically via FTB's Secure Web Internet File Transfer (SWIFT), then mail your payment due only with Form 592-A. Do not mail Form 592-F. If Form 592-F is filed through MyFTB for Withholding Agents, the supplemental payment may also be made online via MyFTB for Withholding Agents or mailed along with Form 592-A.

Note: For a payment to be submitted online, Form 592-F must also be submitted online via MyFTB. A withholding agent is not required to pay online if Form 592-F is filed through MyFTB for Withholding Agents. See Section C, Electronic Filing, for more information.

Record Keeping – The withholding agent retains this form for a minimum of five years and must provide it to the FTB upon request.

10-Day Notification – California follows federal law, which requires that withholding agents notify foreign payees within 10 days of any tax withheld. For California withholding purposes, withholding agents should make a similar notification to nonresident payees. No particular form is required for this notification, and it is commonly done on the statement accompanying the distribution or payment. However, the withholding agent may choose to report the tax withheld to the payee on a Form 592-B.

C Electronic Filing

SWIFT – When the number of payees listed on Form 592-F, Schedule of Payees, exceeds 250, Form 592-F must be filed with the FTB electronically using the FTB's SWIFT instead of paper. However, withholding agents must provide payees with copies of Form 592-B.

For electronic filing, submit your file using the SWIFT process as outlined in FTB Pub. 923, SWIFT Guide for Resident, Nonresident, and Real Estate Withholding.

For the required file format and record layout for electronic filing, get FTB Pub. 1023S, Resident and Nonresident Withholding Electronic Submission Requirements.

If you are the preparer for more than one withholding agent, provide a separate electronic file for each withholding agent.

Electronic signatures shall be considered as valid as the originals.

MyFTB for Withholding Agents – When a withholding agent does not meet the requirements to file through SWIFT they can register for a MyFTB account. Once the withholding agent completes the authentication process and has a valid account, they can file Form 592-F through MyFTB for Withholding Agents.

D Amending Form 592-F

If an error is discovered after the withholding agent files Form 592-F, including filing with an incorrect taxable year form, then the withholding agent must file an amended Form 592-F to correct any errors. Only withholding agents file amended forms.

If you previously filed Form 592-F with an incorrect taxable year, then follow the steps below:

1. Complete a new Form 592-F with the correct taxable year.
 - Enter all the withholding and payee information.
 - Leave the “Amended” box unchecked at the top left corner of the form.
2. Complete a second Form 592-F with the same taxable year as originally filed.
 - Enter all the withholding and payee information.
 - Check the “Amended” box at the top left corner of the form.
 - Enter \$0.00 for the balance due on Side 1, Part III, Tax Withheld.
 - Enter \$0.00 for the amount of tax withheld for each payee on Side 2, Schedule of Payees.
3. Mail both forms to the address shown under General Information B, When and Where to File.

If you previously filed Form 592-F with a correct taxable year, but reported information incorrectly, follow the steps below:

1. Complete a new Form 592-F with the same taxable year as originally filed.
 - Check the “Amended” box at the top left corner of the form.
 - Enter all the correct withholding and payee information. Do not enter negative numbers.
 - Attach a letter to the **back** of the form to explain the reason(s) for the corrections.
 - Keep the original Form 592-F for your records.
2. Mail the amended form and the attached letter to the address shown under General Information B, When and Where to File.

Important: For assistance to prepare and file an amended Form 592-F, contact the FTB.

E Federal Extension

Check the “Federal Extension” box at the top of the form if you filed for an extension to file federal Form 8804, Annual Return for Partnership Withholding Tax (Section 1446).

Caution: An extension to file is **not an extension to pay**. The final withholding payment is due on or before the original due date for Form 592-F regardless of an extension to file.

F Interest and Penalties

Interest on late payments is computed from the due date of the withholding to the date paid. Failure to withhold may result in the withholding agent being personally liable for the amount of tax that was required to be withheld, plus interest and penalties, unless the failure was due to reasonable cause.

A penalty will be assessed for failure to file complete, correct, and timely information returns (Form 592-F Schedule of Payees) with the FTB. The penalty is calculated per payee:

- \$50 if filed 1 to 30 days after the due date.
- \$110 if filed 31 days to 6 months after the due date.
- \$270 if filed more than 6 months after the due date.

For more information, get FTB 1150, Withhold at Source Penalty Information.

Specific Instructions

If completing Form 592-F by hand, enter all information requested using black or blue ink.

If all the partners and members are foreign, check box “All members and partners foreign” at the top of this form.

Enter the **total** number of foreign partners or members included on the Schedule of Payees.

Taxable Year

- Enter the beginning and ending dates for the partnership’s or LLC’s taxable year.
- Make sure the year at the top left corner of the form matches the ending date of the taxable year.

Private Mail Box (PMB) – Include the PMB in the address field. Write “PMB” first, then the box number. Example: 111 Main Street PMB 123.

Foreign Address – Follow the country’s practice for entering the city, county, province, state, country, and postal code, as applicable, in the appropriate boxes. Do not abbreviate the country name.

Part I Withholding Agent Information

Enter only withholding agent information, check the appropriate box and enter the TIN.

If your entity was withheld upon by another entity because you are a foreign (non-U.S.) partner or member of that entity and you are passing through the withholding credit to your foreign (non-U.S.) partners, members or beneficiaries, enter your entity’s name, TIN, and address in the business name area. **Do not** enter the name or TIN of the entity which originally withheld payments from you.

Part II Pass-through Entity Information

This is the withholding agent information for the pass-through entity (PTE) which withheld on behalf of the current Form 592-F filer. Enter only business information including the contact person’s name, telephone number, and email address. Check the appropriate box and enter the TIN.

If you were withheld upon by multiple PTEs for the taxable year, continue listing the information for each PTE on Side 3, Schedule of Pass-Through Entities, of Form 592-F.

Part III Tax Withheld

Line 1 – Enter the total withholding, excluding backup withholding, from the Schedule of Payees on Side 2 and from any additional pages of the Schedule of Payees.

Line 2 – Enter the total backup withholding from the Schedule of Payees on Side 2 and any additional pages of the Schedule of Payees.

Line 4 – Enter the amount withheld by another entity and being allocated to your foreign partners or members. If any of the amount withheld by the other entity is to be used against the tax owed by your entity, do not include that amount in line 4. Attach a note to Form 592-F explaining how much of the credit will be used to offset your tax due. All additional amounts withheld by another entity must be allocated to your partners or members and may not be refunded on Form 592-F.

Complete Part II, Pass-Through Entity Information.

Line 5 – Enter prior payments for the taxable year shown above from Forms 592-A.

Line 6 – Enter the amount of foreign partner or member credit carried over from the prior withholding year.

Line 8 – If line 3 is more than line 7, subtract line 7 from line 3. Remit the withholding payment using the Supplemental Payment Voucher from Form 592-A, along with Form 592-F.

Schedule of Payees Instructions

Enter all the applicable information for each payee you report as having nonresident or backup withholding to ensure each payee’s withholding payment is applied timely and properly.

Do not include payees who have zero withholding unless you are amending Form 592-F to exclude a payee originally reported in error.

Do not leave the payee box blank unless you are at the end of the Schedule of Payees.

You must use the Schedule of Payees on Side 2 of Form 592-F to report all payees.

If you withheld tax on multiple payees for the taxable year, complete and include additional copies of the Schedule of Payees from

Side 2 of Form 592-F, as necessary. Enter the withholding agent's name and TIN at the top of each additional page.

Do not attach your own schedules to this form. We only accept and process additional payees reported on the Schedule of Payees from Side 2 of Form 592-F.

Business or Individual Payee Name, TIN, and Address

Enter only business or individual information for each payee, not both, check the appropriate box and enter the TIN. **Do not** enter the withholding agent's business name or your entity's business name as a payee on Side 2.

If the payee is a **grantor trust**, enter the individual name and TIN of the grantor that is required to file a tax return and report the income. **Do not enter the name of the trust or trustee information.** (For tax purposes, grantor trusts are transparent. The grantor must report the income and claim the withholding on the grantor's California tax returns.)

If the payee is a **nongrantor trust**, enter the name of the trust and the trust's FEIN. **Do not enter trustee information.** If the nongrantor trust has applied for a FEIN and it has not yet been received or it has not applied for a FEIN, leave the identification number field blank. After the FEIN is received, contact the FTB.

If the payee is a **group return** and you have not allocated to the individuals for a previous quarter, enter the group return as one payee. **Do not** enter individual payee information. Enter the name, address, and FEIN of the group return. Enter the name of the group return in the **Business Name** field as follows:

- "PTSP" if a partnership or LLC, followed by the business name. Example: PTSP ABC LLC.
- "SGNF" if a corporation, followed by the business name. Example: SGNF DEF Corp.

Total Income – Enter the total income subject to withholding.

Backup Withholding – If the payee is subject to backup withholding, check this box.

Amount of Tax Withheld – Enter the amount of tax withheld. Determine the California source taxable income allocable for the partner or member, then multiply by the applicable tax rate: Income amount X Maximum tax rate for the partner or member.

Tax Rates

12.30%	Non-corporate maximum tax rate
8.84%	Corporate maximum tax rate
10.84%	Bank and financial institution maximum tax rate

Schedule of Pass-Through Entities Instructions (continued from Part II)

Enter all applicable information for each additional PTE you were withheld upon for the taxable year. If you were withheld upon by multiple PTEs for the taxable year,

complete and include additional copies of the Schedule of Pass-Through Entities from Side 3 of Form 592-F, as necessary. Enter the withholding agent's name and TIN at the top of each additional page. For more information, refer to Part II, Pass-Through Entity Information.

Additional Information

Website: For more information, go to **ftb.ca.gov** and search for **nonwage**.

MyFTB offers secure online tax account information and services. For more information go to **ftb.ca.gov** and login or register for MyFTB.

Telephone: **888.792.4900** or **916.845.4900**, Withholding Services and Compliance phone service

Fax: 916.845.9512

Mail: WITHHOLDING SERVICES AND COMPLIANCE MS F182
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

For questions unrelated to withholding, or to download, view, and print California tax forms and publications, or to access the California Relay Service, see the information on this page.

Internet and Telephone Assistance

Website: **ftb.ca.gov**

Telephone: 800.852.5711 from within the United States
916.845.6500 from outside the United States

California Relay Service:

711 or 800.735.2929 for persons with hearing or speaking limitations.

Asistencia Por Internet y Teléfono

Sitio web: **ftb.ca.gov**

Teléfono: 800.852.5711 dentro de los Estados Unidos
916.845.6500 fuera de los Estados Unidos

Servicio de Retransmisión de California:

711 o 800.735.2929 para personas con limitaciones auditivas o del habla.