TAXABLE YEAR

2019 College Access Tax Credit

CALIFORNIA FORM

3592

Attach to your California tax return.

Name(s) as shown on your California tax return	☐ SSN or ITIN ☐ CA Corporation no. ☐ FEIN
	California Secretary of State file number
Name of Credit Owner	☐ CA Corporation no. ☐ FEIN
	California Secretary of State file number

Available Credit

1 a	Credit amount issued by California Educational Facilities Authority (CEFA). See instructions	1a	00
b	Credit certificate number ____________________		
2	Pass-through College Access Tax Credit from Schedule K-1 (100S, 541, 565, or 568). See instructions	2	00
3	**Total current year credit.** Add line 1 and line 2	3	00
4	Credit carryover from prior year(s). See instructions	4	00
5	Total available College Access Tax Credit. Add line 3 and line 4	5	00
6 a	**Credit claimed.** Enter the amount of the credit claimed on the current year tax return. See instructions. (**Do not** include any assigned credit claimed on form FTB 3544, Part B.)	6a	00
b	Total credit assigned. Enter the total amount from form FTB 3544, Part A, column (g). If you are not a corporation, enter -0-. See instructions	6b	00
7	Credit carryover available for future years. Add line 6a and line 6b, subtract the result from line 5	7	00

General Information

A Purpose

Use form FTB 3592, College Access Tax Credit, to report the credit amount earned and claimed for the current year and the amount to carryover to future years. Also use this form to claim pass-through credits, received from S corporations, estates, trusts, partnerships, or limited liability companies (LLCs) classified as partnerships.

S corporations, estates, trusts, partnerships, and LLCs classified as partnerships should complete form FTB 3592 to figure the amount of credit to pass through to shareholders, beneficiaries, partners, or members. Attach this form to Form 100S, California S Corporation Franchise or Income Tax Return; Form 541, California Fiduciary Income Tax Return; Form 565, Partnership Return of Income; or Form 568, Limited Liability Company Return of Income. Show the pass-through credit for each shareholder, beneficiary, partner, or member on Schedule K-1 (100S, 541, 565, or 568), Share of Income, Deductions, Credits, etc.

B Description

For taxable years beginning on and after January 1, 2017, and before January 1, 2023, the College Access Tax Credit (CATC) is available to entities awarded the credit from the California Educational Facilities Authority (CEFA). The credit is 50% of the amount contributed by the taxpayer for the taxable year to the College Access Tax Credit Fund. The total amount that the CEFA can allocate for the CATC each year is $500 million. The amount of the credit is allocated and certified by the CEFA. For more information, go to the CEFA website at **treasurer.ca.gov** and search for **catc**.

C Qualifications

Any business can apply for the College Access Tax Credit. The credit application is available statewide to all industries. To claim the CATC, you must have made a contribution to the CATC Fund administered by the CEFA. You must have received a certificate from the CEFA documenting the amount of the contribution and the credit amount in order to claim the credit. The credit is allocated by taxable year as set forth in the credit agreement. The credit agreement specifies the terms and conditions which must be met in order to claim a credit for the taxable year.

D Limitations

S corporations may claim only 1/3 of the credit against the 1.5% entity-level tax (3.5% for financial S corporations). The remaining 2/3 must be disregarded and may not be used as carryover. In addition, S corporations may pass through 100% of the credit to their shareholders.

If a taxpayer owns an interest in a disregarded business entity [a single member limited liability company (SMLLC) not recognized by California, and for tax purposes is treated as a sole proprietorship owned by an individual or a branch owned by a corporation] the credit amount a taxpayer receives from the disregarded entity that can be utilized is limited to the difference between the taxpayer's regular tax figured with the income of the disregarded entity, and the taxpayer's regular tax figured without the income of the disregarded entity.

For more information on SMLLC, get Form 568, Limited Liability Company Tax Booklet.

This credit cannot reduce the minimum franchise tax (corporations and S corporations), the annual tax (limited partnerships, limited liability partnerships, and LLCs), the alternative minimum tax (corporations, exempt organizations, individuals, and fiduciaries), the built-in gains tax (S corporations), or the excess net passive income tax (S corporations).

If a C corporation had unused credit carryovers when it elected S corporation status, the carryovers were reduced to 1/3 and transferred to the S corporation. The remaining 2/3 were disregarded. The allowable carryovers may be used to offset the 1.5% tax on net income in accordance with the respective carryover rules. These C corporation carryovers may not be passed through to shareholders. For more information, get Schedule C (100S), S Corporation Tax Credits.

This credit can reduce regular tax below the tentative minimum tax (TMT). Get Schedule P (100, 100W, 540, 540NR, or 541), Alternative Minimum Tax and Credit Limitations, for more information.

This credit is not refundable.

E Assignment of Credits

Credit earned by members of a combined reporting group may be assigned to an affiliated corporation that is an eligible member of the same combined reporting group. A credit assigned may only be claimed by the affiliated corporation against its tax liabilities. For more information, get form FTB 3544, Assignment of Credit, or go to **ftb.ca.gov** and search for **credit assignment**.

F Carryover

If the available credit exceeds the current year tax liability, the unused credit may be carried over for up to six years or until the credit is exhausted, whichever occurs first. In no event can the credit be carried back and applied against a prior year's tax. If you have a carryover, retain all records that document this credit and carryover used in prior years. The Franchise Tax Board may require access to these records.

Specific Line Instructions

Name of credit owner – Enter the name of the credit owner or the name of the entity that generated the tax credit. Also, enter the CA Corporation no., FEIN, or the California Secretary of State file number of the credit owner in the space provided. If the name shown on the California return is the same name as the credit owner, enter "same".

Available Credit

Skip line 1a and line 1b, if you are only claiming a credit that was allocated to you from a pass-through entity (S corporation, estate, trust, partnership, or LLC).

Line 1a– Credit amount from the College Access Tax Credit Allocation Agreement

This is the credit amount for the current year as allocated by CEFA. In order to take the credit the taxpayer must have met the terms and conditions under the "Credit Allocation" and "Reporting Requirements" sections of the credit agreement, as applicable.

S corporation, estate, trust, partnership, or LLC (classified as a partnership) allocate the line 1a credit to each shareholders, beneficiaries, partners, or members in the same way that income and loss are divided.

Line 2 – Pass-through College Access Tax Credit

If you received more than one pass-through credit from S corporations, estates, trusts, partnerships, or LLCs, add the amounts and enter the total on line 2. Attach a schedule listing the entity name, entity identification number, and credit amount for all credits passed through to you.

Line 4 – Credit carryover from prior years

Enter the amount of credit carryover from prior years on line 4.

Line 6a – Credit claimed

Do not include assigned credits claimed on form FTB 3544, Part B, List of Assigned Credit Received and/or Claimed by Assignee.

This amount may be less than the amount on line 5 if your credit is limited by your tax liability. For more information, see General Information D, Limitations, and refer to the credit instructions in your tax booklet. Use credit code **235** when you claim this credit.

Line 6b – Total credit assigned

Corporations that assign credit to other corporations within the same combined reporting group must complete form FTB 3544, Part A, Election to Assign Credit Within Combined Reporting Group. Enter the total amount of credit assigned from form FTB 3544, Part A, column (g) on this line.