2019

Passive Activity Loss Limitations

3801

Attach to Form 540, Form 540NR, Form 541, or Form 100S (S Corporations). Name(s) as shown on tax return SSN, ITIN, FEIN, or CA corporation no. 2019 Passive Activity Loss Part I See the instructions for Worksheet 1 and Worksheet 3 for federal Form 8582 before completing Part I. Be sure to use California amounts. **Rental Real Estate Activities with Active Participation 1a** Activities with net income from Worksheet 1, column (a)..... 00 1b 00 1c Prior year unallowed losses from Worksheet 1, column (c)..... 1c 00 00 1d All Other Passive Activities 2a Activities with net income from Worksheet 2, column (a)..... 00 2b 00 00 **2c** Prior year unallowed losses from Worksheet 2, column (c)...... 2d 00 Combine line 1d and line 2d. If the result is net income or zero, see the instructions for line 3. If line 3 and line 1d are losses, go to line 4. Otherwise, enter -0- on line 9 and go to line 10. See instructions 00 Special Allowance for Rental Real Estate with Active Participation Enter all numbers in Part II as positive amounts. See instructions. Enter the **smaller** of losses from line 1d or line 3. 00 Enter \$150,000. If married/RDP filing a separate tax return, see instructions. 00 Enter federal modified adjusted gross income, but not less than zero. See instructions. If line 6 is equal to or more than line 5, skip line 7 and line 8, enter -0on line 9, and then go to line 10. Otherwise, go to line 7 . . . 00 6 7 00 Multiply line 7 by 50% (.50). **Do not** enter more than \$25,000..... 00 Enter the **smaller** of line 4 or line 8 00 Part III Total Losses Allowed Add the income, if any, from line 1a and line 2a and enter the total 10 00 10 00 See the instructions on Page 2 to find out how to report the losses on your tax return.

California Passive Activity Worksheet (See General Instructions for Step 1.)

Use this worksheet to figure California income (loss) from passive activities before application of passive activity loss (PAL) rules.

	,	, ' '			
(a) Passive Activity Enter a description of the activity	(b) Federal Schedule Enter the name of the federal form or schedule on which you reported the activity	California Schedule Enter the name of the California form or schedule, if any, used to calculate the California adjustment	(d) Federal Amount Enter your current year federal net income (loss) before application of the PAL rules	(e) California Adjustment Enter any adjustment resulting from differences in federal and California law	(f) California Amount Combine column (d) and column (e)
				7	

California Adjustment Worksheets (See General Instructions for Step 4.)

Use these worksheets to figure your California adjustments after application of the PAL rules.

(a) Activities Enter a description of the activity. Group activities by the federal schedules on which they were reported	(b) Passive or Nonpassive Enter the character of the activity as passive or nonpassive for California purposes	(c) California Amount Enter the California net income (loss) from the activity after application of the PAL rules	Federal Amount Enter the federal net income (loss) from the activity after application of the PAL rules	California Adjustment Subtract the Total amount of column (d) from the Total amount of column (c) and enter the difference in column (e) below. Individuals should transfer this amount to Schedule CA (540 or 540NR) as follows:
(a)	/h)	(0)	(4)	(a)
	(b)	(C)	(u)	(e)
Schedule C Activities	Passive or Nonpassive	California Amount	Federal Amount	(e) California Adjustment
			Federal Amount	California Adjustment If the amount below is positive , transfer the amount to Sch. CA (540), Part I or Sch. CA
			Federal Amount	California Adjustment If the amount below is positive, transfer the
			Federal Amount	California Adjustment If the amount below is positive , transfer the amount to Sch. CA (540), Part I or Sch. CA

to Sch. CA (540), Part I or Sch. CA (540NR), Part II, Section B, (as a positive amount) line 3, column B.

1(e)

2(e)

(a) Schedule E Activities	(b) Passive or Nonpassive	(c) California Amount	(d) Federal Amount	(e) California Adjustment
				If the amount below is positive , transfer the
				amount to Sch. CA (540), Part I or Sch. CA
				(540NR), Part II, Section B, line 5, column C.
				If the amount below is negative , transfer the amount
				to Sch. CA (540), Part I or Sch. CA (540NR), Part II,
-	7			Section B, (as a positive amount) line 5, column B.

2(d)**

1(d)

(a) Schedule F Activities	(b) Passive or Nonpassive	(c) California Amount	(d) Federal Amount	(e) California Adjustment
				If the amount below is positive , transfer the amount to Sch. CA (540), Part I or Sch. CA (540NR), Part II, Section B, line 6, column C.
				If the amount below is negative , transfer the amount
				to Sch. CA (540), Part I or Sch. CA (540NR), Part II, Section B, (as a positive amount) line 6, column B.
Total		3(c)	3(d)***	3(e)

^{*} This amount should be the same as the amount reported on Sch. CA (540), Part I or Sch. CA (540NR), Part II, Section B, line 3, column A.

^{**} This amount should be the same as the amount reported on Sch. CA (540), Part I or Sch. CA (540NR), Part II, Section B, line 5, column A.

^{***} This amount should be the same as the amount reported on Sch. CA (540), Part I or Sch. CA (540NR), Part II, Section B, line 6, column A.

Worksheets 1 through 6 are not required to be filed with your California tax return and may be detached before filing form FTB 3801. Keep a copy of the worksheets for your records. Refer to the instructions for federal Form 8582 for specific instructions on how to complete the worksheets.

Norksheet 1 For form FTB 3801, line	Curren		Prior year	Overall	gain or loss
	(a) Net income	(b) Net loss	(c) Unallowed los	(d)	(e) Loss
lame of activity	(line 1a)	(line 1b)	(line 1c)		
otal. Enter on form FTB 3801, line 1a, ne 1b, and line 1c					
Vorksheet 2 For form FTB 3801, line					
	Curren	•	Prior year		gain or loss
	(a) Net income	(b) Net loss	(c) Unaflowed los	s (d) S Gain	(e) Loss
lame of activity	(line 2a)	(line 2b)	(line 2c)		
otal. Enter on form FTB 3801, line 2a, ne 2b, and line 2c					
Vorksheet 3 Use this worksheet if an	amount is shown on fo	orm FTB 3801, line	9.		
	Form or schedule	(a)	(b)	(c)	(d)
ame of activity	to be reported on	Loss	Ratio	Special allowand	e Subtract column from column (a
iaine of activity					(2
A A					
otal			1.00		
Vorksheet 4 Allocation of Unallowed	Losses Form or sche	ndula .	(2)	(b)	(0)
lame of activity	to be reporte	ed on	(a) Loss	(b) Ratio	(c) Unallowed loss
V					
otal				1.00	
Worksheet 5 Allowed Losses			'		
lame of activity	Form or sche to be reporte	edule ed on	(a) Loss	(b) Unallowed loss	(c) Allowed loss
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Worksheet 6 Activities With Losses Reported on Two or More Different Forms or Schedules

Name of Activity	(a)	(b)	(c) Ratio	(d) Unallowed loss	(e) Allowed loss
Form or schedule to be reported on:					
Net loss plus prior year unallowed loss from form or schedule	>				
b Net income from form or schedule	•				
c Subtract line 1b from line 1a. If zero or less, enter -0				>	
Form or schedule o be reported on:					
Net loss plus prior year unallowed loss from form or schedule	•				
b Net income from form or schedule	•				
c Subtract line 1b from line 1a. If zero or less, enter -0	<u></u>				
Form or schedule o be reported on:		-			
Net loss plus prior year unallowed loss from form or schedule					
b Net income from form or schedule					
c Subtract line 1b from line 1a. If zero or less, enter -0					
Total			1.00		

Worksheets 1 through 6 are not required to be filed with your California tax return and may be detached before filing form FTB 3801. Keep a copy of the worksheets for your records.