Before You Begin
Complete your federal income tax return Form 1040, U.S. Individual Income Tax Return, before you begin your Form 540, California Resident Income Tax Return. Use information from your federal income tax return to complete your Form 540. Complete and mail Form 540 by April 15, 2019. If unable to mail your tax return by this date, see page 2.

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

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

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

If you need to amend your California resident income tax return, complete an amended Form 540 and check the box at the top of Form 540 indicating AMENDED return. Attach Schedule X, California Explanation of Amended Return Changes, to the amended Form 540. For specific instructions, see “Instructions for Filing a 2018 Amended Return” on page 29.

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

Name(s) and Address
Print your first name, middle initial, last name, and street address in the spaces provided at the top of the form.

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

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

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

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

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

Prior Name
If you or your spouse/RDP filed your 2017 tax return under a different last name, write the last name only from the 2017 tax return.

Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN)
Enter your SSN in the spaces provided. If filing a joint tax return, enter the SSNs in the same order as the names.
Line 8 – Blind Exemptions
The first year you claim this exemption credit, attach a doctor’s statement to the back of Form 540 indicating you or your spouse/RDP are visually impaired. If you e-file, attach any requested forms, schedules and documents according to your software’s instructions. Visually impaired means not capable of seeing better than 20/200 while wearing glasses or contact lenses, or if your field of vision is not more than 20 degrees.
Do not claim this credit if someone else can claim you as a dependent on their tax return.

Line 9 – Senior Exemptions
If you were 65 years of age or older by December 31, 2018,* you should claim an additional exemption credit on line 9. If you are married/or an RDP, each spouse/RDP 65 years of age or older should claim an additional credit. You may contribute all or part of this credit to the California Seniors Special Fund. See “Voluntary Contribution Fund Descriptions” for more information.
*If your 65th birthday is on January 1, 2019, you are considered to be age 65 on December 31, 2018.
Do not claim this credit if someone else can claim you as a dependent on their tax return.

Line 10 – Dependent Exemptions
To claim an exemption credit for each of your dependents, you must write each dependent’s first and last name, SSN and relationship to you in the space provided. If you are claiming more than three dependents, attach a statement with the required dependent information to your tax return. Count the number of dependents listed and enter the total in the box on line 10. Multiply the number you entered by the pre-printed dollar amount and enter the result.
If your dependent child was born and died in 2018 and you do not have an SSN for the child, enter “Died” in the space provided for the SSN and include a copy of the child’s birth certificate, death certificate, or hospital records. The document must show the child was born alive. If you e-file, attach any requested forms, schedules and documents according to your software’s instructions.

Line 11 – Exemption Amount
Add line 7 through line 10 and enter the total dollar amount of all exemptions for personal, blind, senior, and dependent.

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

Line 12 – State Wages
Enter the total amount of your state wages from all states from each of your Form(s) W-2, Wage and Tax Statement. This amount appears on Form W-2, box 16. If you received wages and do not have a Form W-2, see “Attachments to your tax return.”

Line 13 – Federal Adjusted Gross Income (AGI) from Form 1040, line 7
RDPs who file a California tax return as married/RDP filing jointly and have no RDP adjustments between federal and California, combine their individual AGIs from their federal tax returns filed with the IRS. Enter the combined AGI on line 13.
RDP adjustments include but are not limited to the following:
- Transfer of property between spouses/RDPs
- Capital loss
- Transactions between spouses/RDPs
- Sale of residence
- Dependent care assistance
- Investment interest
- Qualified residence interest acquisition loan & equity loan
- Expense depreciation property limits
- Individual Retirement Account
- Interest education loan
- Rental real estate passive loss
- Rollover of publicly traded securities gain into specialized small business investment companies
RDPs filing as married/RDP filing separately, former RDPs filing separately, and RDPs with RDP adjustments will use the California RDP Adjustments Worksheet in FTB Pub. 737, Tax Information for Registered Domestic Partners, or complete a federal pro forma Form 1040. Transfer the amount from the California RDP Adjustments Worksheet, line 37, column D, or federal pro forma Form 1040, line 7, to Form 540, line 13.

Line 14 – California Adjustments – Subtractions
(from Schedule CA (540), line 37, column B)
If there are no differences between your federal and California income or deductions, do not file a Schedule CA (540), California Adjustments — Residents.
If there are differences between your federal and California income, i.e. social security, complete Schedule CA (540). Follow the instructions for Schedule CA (540). Enter on line 14 the amount from Schedule CA (540), line 37, column B. If a negative amount, see Schedule CA (540), line 37 instructions.

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

Line 16 – California Adjustments – Additions
(from Schedule CA (540), line 37, column C)
If there are differences between your federal and California deductions, complete Schedule CA (540). Follow the instructions for Schedule CA (540). Enter on line 16 the amount from Schedule CA (540), line 37, column C. If a negative amount, see Schedule CA (540), line 37 instructions.

Line 18 – California Itemized Deductions or California Standard Deduction
Decide whether to itemize your charitable contributions, medical expenses, mortgage interest paid, taxes, etc., or take the standard deduction. Your California income tax will be less if you take the larger of:
- Your California itemized deductions.
- Your California standard deduction.
California itemized deductions may be limited based on federal AGI. To compute limitations, use Schedule CA (540). RDPs use your recalculated federal AGI to figure your itemized deductions.
On federal tax returns, individual taxpayers who claim the standard deduction are allowed an additional deduction for net disaster losses. For California, deductions for disaster losses are only allowed for those individual taxpayers who itemized their deductions.
If married/or an RDP and filing separate tax returns, you and your spouse/RDP must either both itemize your deductions (even if the itemized deductions of one spouse/RDP are less than the standard deduction) or both take the standard deduction.
If someone else can claim you as a dependent, you may claim the greater of the standard deduction or your itemized deductions. To figure your standard deduction, use the Form 540 – California Standard Deduction Worksheet for Dependents.

Itemized deductions. Figure your California itemized deductions by completing Schedule CA (540), Part II, lines 1 through 30. Enter the result on Form 540, line 18.
e-file is fast, easy, and secure!

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

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

California Standard Deduction Worksheet for Dependents

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

Use whole dollars only.

1. Enter your earned income from: line 2 of the “Standard Deduction Worksheet for Dependents” in the instructions for federal Form 1040. 1
2. Minimum standard deduction ........................... $1,050.00
3. Enter the larger of line 1 or line 3 here. 3
4. Enter the amount shown for your filing status
   • Single or married/RDP filing separately, enter $4,401.
   • Married/RDP filing jointly, head of household, or qualifying widow(er), enter $8,802.
5. Standard deduction. Enter the smaller of line 3 or line 4 here and on Form 540, line 18. 5

Line 19 – Taxable Income

Capital Construction Fund (CCF). If you claim a deduction on your federal Form 1040, line 10 for the contribution made to a capital construction fund set up under the Merchant Marine Act of 1936, reduce the amount you would otherwise enter on line 19 by the amount of the deduction. Next to line 19, enter “CCF” and the amount of the deduction. For details, see federal Publication 595, Capital Construction Fund for Commercial Fishermen.

Tax

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

Line 31 – Tax

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

• Tax Table. If your taxable income on line 19 is $100,000 or less, use the tax table beginning on page 87. Use the correct filing status column in the tax table.
• Tax Rate Schedules. If your taxable income on line 19 is over $100,000, use the tax rate schedule for your filing status on page 93.

California Standard Deduction Chart for Most People

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

Your Filing Status Enter On Line 18
1 – Single .................................................. $4,401
2 – Married/RDP filing jointly, ....................... $8,802
3 – Married/RDP filing separately ................ $4,401
4 – Head of household ............................... $8,802
5 – Qualifying widow(er) ....................... $8,802

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

FTB 3800. Generally, use form FTB 3800, Tax Computation for Certain Children with Unearned Income, to figure the tax on a separate Form 540 for your child who was 18 and under or a student under age 24 on January 1, 2019, and who had more than $2,100 of investment income. Attach form FTB 3800 to the child’s Form 540.

FTB 3803. If, as a parent, you elect to report your child’s interest and dividend income of $10,500 or less (but not less than $1,050) on your tax return, complete form FTB 3803. Parents’ Election to Report Child’s Interest and Dividends. File a separate form FTB 3803 for each child whose income you elect to include on your Form 540. Add the amount of tax, if any, from each form FTB 3803, line 9, to the amount of your tax from the tax table or tax rate schedules and enter the result on Form 540, line 31. Attach form(s) FTB 3803 to your tax return.

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

Line 32 – Exemption Credits

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

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

If your filing status is: 

Single or married/RDP filing separately $194,504
Married/RDP filing jointly or qualifying widow(er) $389,013
Head of household $291,760

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

AGI Limitation Worksheet

Use whole dollars only.

a Enter the amount from line 13. .................. a
b Enter the amount for your filing status on line b:
   • Single or married/RDP filing separately . $194,504
   • Married/RDP filing jointly or qualifying widow(er) . $389,013
   • Head of household . $291,760

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

e Multiply line d by $50 . .................. e
f Add the numbers from the boxes on:
   lines 7, 8, and 9 (not the dollar amounts) . f
g Multiply line e by line f. .................. g

h Add the total dollar amount from lines 7, 8, and 9 . h
i Subtract line g from line h. If zero or less, enter -0- . i
j Enter the number from the box on line 10 (not the dollar amount) . j
k Multiply line e by line j. .................. k
l Enter the dollar amount from line 10 . l

m Subtract line k from line l. If zero or less, enter -0- . m
n Add line i and line m. Enter the result here and on line 32. n
Line 34 – Tax from Schedule G-1 and Form FTB 5870A

If you received a qualified lump-sum distribution in 2018 and you were born before January 2, 1936, get California Schedule G-1, Tax on Lump-Sum Distributions, to figure your tax by special methods that may result in less tax. Attach Schedule G-1 to your tax return.

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

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

Special Credits and Nonrefundable Credits

A variety of California tax credits are available to reduce your tax if you qualify. To figure and claim most special credits, you must complete a separate form or schedule and attach it to your Form 540. The Credit Chart on page 25 describes the credits and provides the name, credit code, and number of the required form or schedule. Many credits are limited to a certain percentage or a certain dollar amount. In addition, the total amount you may claim for all credits is limited by tentative minimum tax (TMT); go to Box A to see if your credits are limited.

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

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

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

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

No Go to Box B.

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

- Investment interest expense 226
- Income from incentive stock options in excess of the amount reported on your tax return 225
- Income from installment sales of certain property

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

No Go to Box C.

Box C – If your filing status is:

Is Form 540, line 17 more than:

- Single or head of household 268,237
- Married/RDP filing jointly or qualifying widow(er) 357,650
- Married/RDP filing separately 178,822

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

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

Line 40 – Nonrefundable Child and Dependent Care Expenses Credit

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

Line 43 through Line 45 – Additional Special Credits

A code identifies each credit. To claim only one or two credits, enter the credit name, code, and amount of the credit on line 43 and line 44. To claim more than two credits, use Schedule P (540), Part III. See Schedule P (540) instructions, “How to Claim Your Credits.”

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

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

Credit for Joint Custody Head of Household — Code 170

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

Claim the credit if unmarried and not an RDP at the end of 2018 (or if married/or an RDP, you lived apart from your spouse/RDP for all of 2018 and you used the married/RDP filing separately filing status); and if you furnished more than one-half the household expenses for your home that also served as the main home of your child, step-child, or grandchild for at least 146 days but not more than 219 days of the taxable year. If the child is married/or an RDP, you must be entitled to claim a dependent exemption credit for the child.

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

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

1. Enter the amount from Form 540, line 35
2. Credit percentage — 30%
3. Credit amount. Multiply line 1 by line 2.

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

Credit for Dependent Parent — Code 173

You may not claim the Credit for Dependent Parent if you used the single, head of household, qualifying widow(er), or married/RDP filing jointly filing status.

Claim this credit only if all of the following apply:

- You were married/or an RDP at the end of 2018 and you used the married/RDP filing separately filing status.
- Your spouse/RDP was not a member of your household during the last six months of the year.
- You furnished over one-half the household expenses for your dependent mother’s or father’s home, whether or not she or he lived in your home.
To figure the amount of this credit, use the worksheet for the Credit for Joint Custody Head of Household. If you qualify for the Credit for Joint Custody Head of Household and the Credit for Dependent Parent, claim only one. Select the credit that will allow the maximum benefit.

Credit for Senior Head of Household — Code 163
You may claim this credit if you:
- Were 65 years of age or older on December 31, 2018.*
- Qualified as a head of household in 2016 or 2017 by providing a household for a qualifying individual who died during 2016 or 2017.
- Did not have AGI over $76,082 for 2018.

*A citizen or legal resident of the United States.

Any deduction for the expenses used to claim this credit must be reduced by the amount of the child adoption costs credit claimed.

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

1. Enter the amount from Form 540, line 19 ......... 1
2. Credit percentage — 2% ......................... 2 x .02
3. Credit amount. Multiply line 1 by line 2. Enter the result or $1,434, whichever is less ........ 3

Credit for Adoption Costs — Code 197
For the year in which an adoption decree or an order of adoption is entered (e.g., adoption is final), claim a credit for 50% of the cost of adopting a child who was both:
- A citizen or legal resident of the United States.
- In the custody of a California public agency or a California political subdivision.

Treat a prior unsuccessful attempt to adopt a child (even when the costs were incurred in a prior year) and a later successful adoption of a different child as one effort when computing the cost of adopting the child. Include the following costs if directly related to the adoption process:
- Fees for Department of Social Services or a licensed adoption agency.
- Medical expenses not reimbursed by insurance.
- Travel expenses for the adoptive family.

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

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

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

Your allowable credit is limited to $2,500 for 2018. Carry over the excess credit to future years until the credit is used.

Line 46 – Nonrefundable Renter’s Credit
If you paid rent for at least six months in 2018 on your principal residence located in California you may qualify to claim the nonrefundable renter’s credit which may reduce your tax. Complete the qualification record on page 22.

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

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

Line 61 – Alternative Minimum Tax (AMT)
If you claim certain types of deductions, exclusions, and credits, you may owe AMT if your total income is more than:
- $95,373 married/RDP filing jointly or qualifying widow(er)
- $71,531 single or head of household
- $47,685 married/RDP filing separately

A child under age 19 or a student under age 24 may owe AMT if the sum of the amount on line 19 (taxable income) and any preference items listed on Schedule P (540) and included on the return is more than the sum of $7,600 and the child’s earned income.

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

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

Line 62 – Mental Health Services Tax
If your taxable income is more than $1,000,000, compute the Mental Health Services Tax using whole dollars only:

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

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

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

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

If required to report additional tax, you may include the additional tax on your federal tax return, you may use form FTB 3805P, Additional Taxes on Qualified Plans (including IRAs) and Other Tax-Favored Accounts. If required to report additional tax, report it on line 63 and write “NQDC” on the dotted line to the left of the amount.

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

If you used form(s):
- FTB 3540, Credit Carryover and Recapture Summary
- FTB 3554, New Employment Credit
- FTB 3805Z, Enterprise Zone Deduction and Credit Summary
- FTB 3807, Local Agency Military Base Recovery Area Deduction and Credit Summary

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

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

Line 71 – California Income Tax Withheld
Enter the total California income tax withheld from your:
- Form(s) W-2, Wage and Tax Statement, box 17
- Form(s) W-2G, Certain Gambling Winnings, box 15
- Form(s) 1099-DIV, Dividends and Distributions, box 15
- Form(s) 1099-INT, Interest Income, box 17
- Form(s) 1099-MISC, Miscellaneous Income, box 16
- Form(s) 1099-OID, Original Issue Discount, box 14
- Form(s) 1099-R, Distributions from Pensions, Annuities, Retirement, or Profit Sharing Plans, IRAs, Insurance Contracts, etc., box 12

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

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

Line 72 – 2018 CA Estimated Tax and Other Payments
Enter the total of any:
- California estimated tax payments you made using 2018 Form 540-ES, electronic funds withdrawal, Web Pay, or credit card.
- Overpayment from your 2017 California income tax return that you applied to your 2018 estimated tax.
- Payment you sent with form FTB 3519, Payment for Automatic Extension for Individuals.
- California estimated tax payments made on your behalf by an estate, trust, or S corporation on Schedule K-1 (541) or Schedule CA (540), Part II, line 16 under the Claim of Right.

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

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

Send statements to:
JOIN A ESTIMATED CREDIT ALLOCATION MS F283
TAXPAYER SERVICES CENTER
FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-0040

If you or your spouse/RDP paid joint estimated taxes, but are now filing a joint income tax return, you must figure the amount of excess SDI (or VPDI) separately for each spouse/RDP.

Excess SDI (or VPDI) Worksheet

<table>
<thead>
<tr>
<th>You</th>
<th>Your Spouse/ RDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Add amounts of SDI (or VPDI) withheld shown on your Forms W-2. Enter the total here .......................... 1</td>
<td>$1,149.67</td>
</tr>
<tr>
<td>2. 2018 SDI (or VPDI) limit .......................... 2 $1,149.67</td>
<td>$1,149.67</td>
</tr>
<tr>
<td>3. Excess SDI (or VPDI) withheld. Subtract line 2 from line 1. Enter the results here. Combine the amounts on line 3 and enter the total, in whole dollars only on line 74 .......................... 3</td>
<td></td>
</tr>
</tbody>
</table>

If zero or less, enter -0- on line 74.

Line 73 – Withholding (Form 592-B and/or 593)
Enter the total of California withholding from Form 592-B and Form 593. Attach a copy of Form(s) 592-B and 593 to the lower front of Form 540, Side 1.

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

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

Line 74 – Excess California SDI (or VPDI) Withheld
You may claim a credit for excess State Disability Insurance (SDI) or Voluntary Plan Disability Insurance (VPDI) if you meet all of the following conditions:
- You had two or more California employers during 2018.
- You received more than $114,967 in gross wages from California sources.
- The amounts of SDI (or VPDI) withheld appear on your Form(s) W-2. Be sure to attach your Form(s) W-2 to the lower front of your Form 540.

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

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

Line 75 – Earned Income Tax Credit (EITC)
Enter your Earned Income Tax Credit from form FTB 3514, California Earned Income Tax Credit.

Line 76
For the Claim of Right credit, follow the reporting instructions in Schedule CA (540), Part II, line 16 under the Claim of Right.

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

Line 91 – Use Tax.

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

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

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

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

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

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

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

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

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

See page 27 for a general explanation of California use tax.

Use Tax Worksheet

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

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

Use Tax Worksheet (See Instructions Below)

Use whole dollars only

1. Enter purchases from out-of-state sellers made without payment of California sales/use tax. If you choose to estimate the use tax due on individual non-business items purchased for less than $1,000 each, only enter purchases of items with a purchase price of $1,000 or more plus items purchased for use in a trade or business not registered with the California Department of Tax and Fee Administration. $____.00

2. Enter the applicable sales and use tax rate

3. Multiply Line 1 by the tax rate on Line 2. Enter result here _______________ $$00

4. If you choose to estimate the use tax due on individual, non-business items purchased for less than $1,000 each, enter the use tax amount due from the Estimated Use Tax Lookup Table. If all of your purchases are included in Line 1, enter -0-$$00

5. Add Lines 3 and 4. This is your total use tax

6. Enter any sales or use tax you paid to another state for purchases included on Line 1. See worksheet instructions below

7. Subtract Line 6 from Line 5. This is the total use tax due. Enter the amount due on Line 91. If the amount is less than zero, enter -0-$$00

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

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

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

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

Department of Tax and Fee Administration. However, they may report certain personal purchases subject to use tax directly to the California Department of Tax and Fee Administration.
Worksheet, Line 1, Purchases Subject to Use Tax
Report purchases of items that would have been subject to sales tax if purchased from a California retailer unless your receipt shows that California tax was paid directly to the retailer. For example, generally, you would include purchases of clothing, but not exempt purchases of food products or prescription medicine. For more information on nontaxable and exempt purchases, you may visit the California Department of Tax and Fee Administration’s website at cdtfa.ca.gov.

- Include handling charges.
- Do not include any other state’s sales or use tax paid on the purchases.
- Enter only purchases made during the year that corresponds with the tax return you are filing.
- If you traveled to a foreign country and hand-carried items back to California, generally use tax is due on the purchase price of the goods you listed on your U.S. Customs Declaration less an $800 per person exemption. For the hand carried items, you should report the amount of purchases in excess of the $800 per-person exemption. This $800 exemption does not apply to goods sent or shipped to California by mail or other common carrier. For goods sent or shipped, you should report the entire amount of the purchases.
- If your filing status is “married/RDP filing separately,” you may elect to report one-half of the use tax due or the entire amount on your income tax return. If you elect to report one-half, your spouse/RDP may report the remaining half on his or her income tax return or on the individual use tax return available from the California Department of Tax and Fee Administration.

Note: You cannot report the following types of purchases on your income tax return.
- Vehicles, vessels, and trailers that must be registered with the Department of Motor Vehicles.
- Mobile homes or commercial coaches that must be registered annually as required by the Health and Safety Code.
- Vessels documented with the U.S. Coast Guard.
- Aircraft.
- Rental receipts from leasing machinery, equipment, vehicles, and other tangible personal property to your customers.
- Cigarettes and tobacco products when the purchaser is registered with the California Department of Tax and Fee Administration as a cigarette and/or tobacco products consumer.

Worksheet, Line 2, Sales and Use Tax Rate
Enter the sales and use tax rate applicable to the place in California where the property was used, stored, consumed, or given away. To find your sales and use tax rate, please go to the California Department of Tax and Fee Administration’s website at cdtfa.ca.gov and type “City and County Sales and Use Tax Rates” in the search bar. You may also call their Customer Service Center at 800.400.7115 or (TTY) 711 (for hearing and speech disabilities).

Worksheet, Line 6, Credit for Tax Paid to Another State
This is a credit for tax paid to other states on purchases reported on Line 1. You cannot claim a credit for more than the amount of use tax that is imposed on your use of property in this state. For example, if you paid $8.00 sales tax to another state for a purchase, and would have paid $6.00 in California, you can claim a credit of only $6.00 for that purchase.

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

Adjusted Gross Income (AGI) Range Use Tax Liability
Less Than $10,000 $2
$10,000 to $19,999 $7
$20,000 to $29,999 $11
$30,000 to $39,999 $16
$40,000 to $49,999 $21
$50,000 to $59,999 $25
$60,000 to $69,999 $30
$70,000 to $79,999 $34
$80,000 to $89,999 $39
$90,000 to $99,999 $44
$100,000 to $124,999 $52
$125,000 to $149,999 $63
$150,000 to $174,999 $75
$175,000 to $199,999 $86

More than $199,999 – Multiply AGI by 0.046% (x0.00046)

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

Overpaid Tax or Tax Due
To avoid delay in processing of your tax return, enter the correct amounts on line 94 through line 97. If you received a refund for 2017, you may receive a federal Form 1099-G. The refund amount reported on your federal Form 1099-G will be different from the amount shown on your tax return if you claimed the refundable California Earned Income Tax Credit. This is because the credit is not part of the refund from withholding or estimated tax payments.

Line 94 – Overpaid Tax
If the amount on line 92 is more than the amount on line 64, your payments and credits are more than your tax. Subtract the amount on line 64 from the amount on line 92. Enter the result on line 94.

Line 95 – Amount You Want Applied to Your 2019 Estimated Tax
Apply all or part of the amount on line 94 to your estimated tax for 2019. Enter on line 95 the amount of line 94 that you want applied to your 2019 estimated tax.

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

Line 96 – Overpaid Tax Available This Year
If you entered an amount on line 95, subtract it from the amount on line 94. Enter the result on line 96. Choose to have this entire amount refunded to you or make voluntary contributions from this amount. See “Voluntary Contribution Fund Descriptions” for more information.

Line 97 – Tax Due
If the amount on line 92 is less than the amount on line 64, subtract the amount on line 92 from the amount on line 64. Enter the result on line 97. Your tax is more than your payments and credits.
There is a penalty for not paying enough tax during the year. You may
have to pay a penalty if:
- The tax due on line 97 is $500 or more ($250 or more if married/RDP
  filing separately).
- The amount of state income tax withheld on line 71 is less than 90% of
  the amount of your total tax on line 64.

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

Increasing your withholding could eliminate the need to make a large
payment with your tax return. To increase your withholding, complete
EDD Form DE 4, Employee’s Withholding Allowance Certificate, and give
it to your employer’s appropriate payroll staff. Get this form from your
employer or by calling EDD at 888.745.3866. Download the DE 4 at
edd.ca.gov or to use the online calculator, go to ftb.ca.gov and search
for de 4.

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

Contributions
You can make voluntary contributions to the funds listed on Side 3
and Side 4. See “Voluntary Contributions Fund Descriptions” for more
information.

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

Amount You Owe
Add or subtract correctly to figure the amount you owe.

Line 111 – Amount You Owe
If you do not have an amount on line 96, add the amount on line 93,
line 97, and line 110, if any. Enter the result on line 111.

If you have an amount on line 96 and the amount on line 110 is more
than line 96, subtract line 96 from line 110 and enter the difference on
line 111.

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

Mandatory Electronic Payments. You are required to remit all your
payments electronically once you make an estimate or extension payment
exceeding $20,000 or you file an original return with a total
income tax liability over $80,000. Once you meet this threshold, all subsequent
payments regardless of amount, tax type, or taxable year must be
remitted electronically. The first payment that would trigger the
mandatory e-pay requirement does not have to be made electronically.
Individuals that do not send the payment electronically will be subject to
a 1% noncompliance penalty.

You can request a waiver from mandatory e-pay if one or more of the
following is true:
- You have not made an estimated tax or extension payment in excess
  of $20,000 during the current or previous taxable year;
- Your total tax liability reported for the previous taxable year did not
  exceed $80,000;
- The amount you paid is not representative of your total tax liability.

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

Payment Options
- Electronic Funds Withdrawal – Instead of paying by check or money
  order, use this convenient option if you e-file. Simply provide your
  bank information, amount you want to pay, and the date you want the
  balance due to be withdrawn from your account. Your tax preparation
  software will offer this option.
- Web Pay – Pay the amount you owe using our secure online
  payment service. Go to ftb.ca.gov/pay for more information.
- Credit Card – Use your Discover, MasterCard, Visa, or American
  Express card to pay your tax. If you pay by credit card, do not
  mail form FTB 3519 to us. Call 800.272.9829 or go to the Official
  Payments Corp. website at officialpayments.com, and use
  the jurisdiction code 1555. Official Payments Corp. charges a
  convenience fee for using this service.
- Check or Money Order – Using black or blue ink, make your check
  or money order payable to the “Franchise Tax Board.” Do not send
cash or other items of value (such as stamps, lottery tickets,
foreign currency, and gift cards). Write your SSN or ITIN and “2018
Form 540” as applicable on the check or money order. Enclose, but
do not staple, your payment with your tax return.

Make all checks or money orders payable in U.S. dollars and drawn
against a U.S. financial institution. Do not combine your 2018 tax
payment and any 2019 estimated tax payment in the same check.
Prepare two separate checks and mail each in a separate envelope.

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

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

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

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

Example:
Tax Payment = $753.56 Convenience Fee = $17.33

When will my payments be effective?
Your payment is effective on the date you charge it.

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

How do I use my credit card to pay my income tax bill?
Once you have determined the type of payment and how much you owe,
have the following ready:
- Your Discover, MasterCard, Visa, or American Express card
- Credit card number
- Expiration date
- Amount you are paying
- Your and your spouse’s/RDP’s SSN or ITIN
- First 4 letters of your and your spouse’s/RDP’s last name
- Taxable year
- Home phone number (including area code)
- ZIP Code for address where your monthly credit card bill is sent
- FTB Jurisdiction Code: 1555
Interest and Penalties

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

Do not reduce the amount on line 94 or increase the amount on line 97 by any penalty or interest amounts. Enter on Form 540, line 112 the amount of interest and penalties.

**Line 112 – Interest and Penalties**

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

Late Filing of Tax Return. If you do not file your tax return by October 15, 2019, you will incur a late filing penalty plus interest from the original due date of the tax return. The maximum total penalty is 25% of the tax not paid if the tax return is filed after October 15, 2019. The minimum penalty for filing a tax return more than 60 days late is $135 or 100% of the balance due, whichever is less.

Late Payment of Tax. If you fail to pay your total tax liability by April 15, 2019, you will incur a late payment penalty plus interest. The penalty is 5% of the tax not paid when due plus 1/2% for each month, or part of a month, the tax remains unpaid. We may waive the late payment penalty based on reasonable cause. Reasonable cause is presumed when 90% of the tax shown on the return is paid by the original due date of the return. However, the imposition of interest is mandatory. If, after April 15, 2019, you find that your estimate of tax due was too low, pay the additional tax as soon as possible to avoid or minimize further accumulation of penalties and interest.

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

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

**Line 113 – Underpayment of Estimated Tax**

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

- Your withholding and credits are less than 90% of your current tax year liability.
- Your withholding and credits are less than 100% of your prior year tax liability (110% if AGI is more than $150,000 or $75,000 if married/RDP filing separately).
- You did not pay enough through withholding to keep the amount you owe with your tax return under $500 ($250 if married/RDP filing separately).
- You did not make the required estimate payments, if you pay an installment after the date it is due, or if you underpay any installment, a penalty may be assessed on the portion of estimated tax that was underpaid from the due date of the installment to the date of payment or the due date of your return, whichever is earlier. Get the 2018 form FTB 5805 for more information.

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

Is line 97 less than $500 ($250 if married/RDP filing separately)?

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

No. Continue. You may be subject to an estimated payment penalty.

Is line 97 less than 10% of the amount on line 48? Form 540 filers: this excludes the tax on lump-sum distributions on Form 540, line 34.

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

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

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

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

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

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

**Line 114 – Total Amount Due**

Is there an amount on line 111?

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

No. Go to line 115.

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

**Refund or No Amount Due**

**Line 115 – Refund or No Amount Due**

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

No. Enter the amount from line 96 on line 115. This is your refund amount. If it is less than $1, attach a written statement to your Form 540 requesting the refund.

Yes. Combine the amounts from line 110, line 112, and line 113.

If the result is:

- Less than line 96, subtract the sum of line 110, line 112, and line 113 from line 96 and enter on line 115. This is your refund amount.
- More than line 96, subtract line 96 from the sum of line 110, line 112, and line 113 and enter the result on line 114. This is your total amount due. For payment options, see line 111 instructions.
**Direct Deposit (Refund Only)**

**Line 116 and Line 117 – Direct Deposit of Refund**

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

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

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

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

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

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

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

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

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**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.

Fill in the routing number, account type and account number. To obtain the nine-digit routing number go to [scholarshare.com](http://scholarshare.com) or call 800.544.5249. Check “Checking” as type of account. Enter your complete account number that includes (1) the “CA” prefix, (2) your four-digit investment portfolio number, and (3) your ScholarShare account number (for account numbers less than 11 digits, add leading zeros).

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**Sign Your Tax Return**

You must sign your tax return in the space provided on Form 540, Side 5. If you file a joint tax return, your spouse/RDP must also sign it. Include your preferred phone number and email address in case the FTB needs to contact you regarding your tax return. By providing this information the FTB will be able provide you better customer service.

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

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

**Third Party Designee.** If you want to allow your preparer, a friend, family member, or any other person you choose to discuss your 2018 tax return with the FTB, check the “Yes” box in the signature area of your tax return. Also print the designee’s name and telephone number. If you check the “Yes” box you, and your spouse/RDP, if filing a joint tax return, are authorizing the FTB to call the designee to answer any questions that may arise during the processing of your tax return. You also authorize the designee to:

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

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

The authorization will automatically end no later than the due date (without regard to extensions) for filing your 2019 tax return. This is April 15, 2020, for most people. If you wish to revoke the authorization of a preparer or a designee before it ends, notify us by telephone at 800.852.5711 or by writing to Franchise Tax Board, PO Box 942840, Sacramento, CA 94240-0040, Include your name, SSN, and the designee’s name.

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

For more information, go to [ftb.ca.gov/poa](http://ftb.ca.gov/poa).
Filing Your Tax Return

Attachments to your tax return.

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

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

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

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

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

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

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

If you do not receive your Form(s) W-2 by January 31, 2019, contact your employer or go to ftb.ca.gov and login or register for MyFTB. Only your employer can issue or correct a Form W-2. If you cannot get a copy of your Form W-2, you must complete form FTB 3525, Substitute for Form W-2, Wage and Tax Statement, or Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit Sharing Plans, IRAs, Insurance Contracts, etc. See “Order Forms and Publications” or go to ftb.ca.gov/forms.

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

Assembling Your Tax Return

Assemble your tax return in the order shown below.

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

Mailing Your Tax Return

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

FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0001

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

FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-0001
2018 California Resident Income Tax Return

Your first name Initial Last name Suffix Your SSN or ITIN

If joint tax return, spouse’s/RDP’s first name Initial Last name Suffix Spouse’s/RDP’s SSN or ITIN

Additional information (see instructions) PBA code

Street address (number and street) or PO box Apt. no/ste. no. PMB/private mailbox

City (If you have a foreign address, see instructions) State ZIP code

Foreign country name Foreign province/state/county Foreign postal code

Your DOB (mm/dd/yyyy) Spouse’s/RDP’s DOB (mm/dd/yyyy)

Your prior name (see instructions) Spouse’s/RDP’s prior name (see instructions)

If your California filing status is different from your federal filing status, check the box here .

Single Head of household (with qualifying person). See instructions.

Married/RDP filing jointly. See inst. Qualifying widow(er). Enter year spouse/RDP died

Married/RDP filing separately. Enter spouse’s/RDP’s SSN or ITIN above and full name here

If someone can claim you (or your spouse/RDP) as a dependent, check the box here. See inst .

For line 7, line 8, line 9, and line 10: Multiply the amount you enter in the box by the pre-printed dollar amount for that line. Whole dollars only

Personal: If you checked box 1, 3, or 4 above, enter 1 in the box. If you checked box 2 or 5, enter 2, in the box. If you checked the box on line 6, see instructions .

Blind: If you (or your spouse/RDP) are visually impaired, enter 1; if both are visually impaired, enter 2 .

Senior: If you (or your spouse/RDP) are 65 or older, enter 1; if both are 65 or older, enter 2 .

Dependents: Do not include yourself or your spouse/RDP.

Exemptions

First Name

Last Name

SSN

Dependent’s relationship to you

Total dependent exemptions

Exemption amount: Add line 7 through line 10. Transfer this amount to line 32 .
<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>State wages from Form(s) W-2, box 16</td>
<td>$12,000</td>
</tr>
<tr>
<td>13</td>
<td>Enter federal adjusted gross income from Form 1040, line 7</td>
<td>$13,000</td>
</tr>
<tr>
<td>14</td>
<td>California adjustments – subtractions. Enter the amount from Schedule CA (540), line 37, column B</td>
<td>$14,000</td>
</tr>
<tr>
<td>15</td>
<td>Subtract line 14 from line 13. If less than zero, enter the result in parentheses. See instructions</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>California adjustments – additions. Enter the amount from Schedule CA (540), line 37, column C</td>
<td>$16,000</td>
</tr>
<tr>
<td>17</td>
<td>California adjusted gross income. Combine line 15 and line 16</td>
<td>$17,000</td>
</tr>
<tr>
<td>18</td>
<td>Enter the larger of Your California itemized deductions from Schedule CA (540), Part II, line 30; OR Your California standard deduction shown below for your filing status: • Single or Married/RDP filing separately: $4,401 • Married/RDP filing jointly, Head of household, or Qualifying widow(er): $8,802 If Married/RDP filing separately or the box on line 6 is checked, STOP. See instructions</td>
<td>$18,000</td>
</tr>
<tr>
<td>19</td>
<td>Subtract line 18 from line 17. This is your taxable income. If less than zero, enter -0-</td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>Tax. Check the box if from:</td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>Exemption credits. Enter the amount from line 11. If your federal AGI is more than $194,504, see instructions</td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>Subtract line 32 from line 31. If less than zero, enter -0-</td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>Tax. See instructions. Check the box if from:</td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>Add line 33 and line 34</td>
<td></td>
</tr>
<tr>
<td>40</td>
<td>Nonrefundable Child and Dependent Care Expenses Credit. See instructions</td>
<td></td>
</tr>
<tr>
<td>43</td>
<td>Enter credit name code and amount</td>
<td></td>
</tr>
<tr>
<td>44</td>
<td>Enter credit name code and amount</td>
<td></td>
</tr>
<tr>
<td>45</td>
<td>To claim more than two credits, see instructions. Attach Schedule P (540).</td>
<td></td>
</tr>
<tr>
<td>46</td>
<td>Nonrefundable renter's credit. See instructions</td>
<td></td>
</tr>
<tr>
<td>47</td>
<td>Add line 40 through line 46. These are your total credits</td>
<td></td>
</tr>
<tr>
<td>48</td>
<td>Subtract line 47 from line 35. If less than zero, enter -0-</td>
<td></td>
</tr>
<tr>
<td>61</td>
<td>Alternative minimum tax. Attach Schedule P (540)</td>
<td></td>
</tr>
<tr>
<td>62</td>
<td>Mental Health Services Tax. See instructions</td>
<td></td>
</tr>
<tr>
<td>63</td>
<td>Other taxes and credit recapture. See instructions</td>
<td></td>
</tr>
<tr>
<td>64</td>
<td>Add line 48, line 61, line 62, and line 63. This is your total tax</td>
<td></td>
</tr>
</tbody>
</table>
### Payments

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>71</td>
<td>California income tax withheld. See instructions</td>
<td></td>
</tr>
<tr>
<td>72</td>
<td>2018 CA estimated tax and other payments. See instructions</td>
<td></td>
</tr>
<tr>
<td>73</td>
<td>Withholding (Form 592-B and/or 593). See instructions</td>
<td></td>
</tr>
<tr>
<td>74</td>
<td>Excess SDI (or VPDI) withheld. See instructions</td>
<td></td>
</tr>
<tr>
<td>75</td>
<td>Earned Income Tax Credit (EITC)</td>
<td></td>
</tr>
<tr>
<td>76</td>
<td>Add lines 71 through 75. These are your total payments. See instructions</td>
<td></td>
</tr>
</tbody>
</table>

### Use Tax

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>91</td>
<td>Use Tax. Do not leave blank. See instructions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>If line 91 is zero, check if:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No use tax is owed.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>You paid your use tax obligation directly to CDTFA.</td>
<td></td>
</tr>
</tbody>
</table>

### Overpaid Tax/Tax Due

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>92</td>
<td>Payments balance. If line 76 is more than line 91, subtract line 91 from line 76</td>
<td></td>
</tr>
<tr>
<td>93</td>
<td>Use Tax balance. If line 91 is more than line 76, subtract line 76 from line 91</td>
<td></td>
</tr>
<tr>
<td>94</td>
<td>Overpaid tax. If line 92 is more than line 64, subtract line 64 from line 92</td>
<td></td>
</tr>
<tr>
<td>95</td>
<td>Amount of line 94 you want applied to your 2019 estimated tax</td>
<td></td>
</tr>
<tr>
<td>96</td>
<td>Overpaid tax available this year. Subtract line 95 from line 94</td>
<td></td>
</tr>
<tr>
<td>97</td>
<td>Tax due. If line 92 is less than line 64, subtract line 92 from line 64</td>
<td></td>
</tr>
</tbody>
</table>

### Contributions

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>400</td>
<td>California Seniors Special Fund. See instructions</td>
<td></td>
</tr>
<tr>
<td>401</td>
<td>Alzheimer's Disease and Related Dementia Voluntary Tax Contribution Fund</td>
<td></td>
</tr>
<tr>
<td>403</td>
<td>Rare and Endangered Species Preservation Voluntary Tax Contribution Program</td>
<td></td>
</tr>
<tr>
<td>Code</td>
<td>Contribution</td>
<td>Amount</td>
</tr>
<tr>
<td>------</td>
<td>---------------------------------------------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>405</td>
<td>California Breast Cancer Research Voluntary Tax Contribution Fund</td>
<td>00</td>
</tr>
<tr>
<td>406</td>
<td>California Firefighters’ Memorial Fund</td>
<td>00</td>
</tr>
<tr>
<td>407</td>
<td>Emergency Food for Families Voluntary Tax Contribution Fund</td>
<td>00</td>
</tr>
<tr>
<td>408</td>
<td>California Peace Officer Memorial Foundation Fund</td>
<td>00</td>
</tr>
<tr>
<td>410</td>
<td>California Sea Otter Fund</td>
<td>00</td>
</tr>
<tr>
<td>413</td>
<td>California Cancer Research Voluntary Tax Contribution Fund.</td>
<td>00</td>
</tr>
<tr>
<td>422</td>
<td>School Supplies for Homeless Children Fund</td>
<td>00</td>
</tr>
<tr>
<td>423</td>
<td>State Parks Protection Fund/Parks Pass Purchase.</td>
<td>00</td>
</tr>
<tr>
<td>424</td>
<td>Protect Our Coast and Oceans Voluntary Tax Contribution Fund</td>
<td>00</td>
</tr>
<tr>
<td>425</td>
<td>Keep Arts in Schools Voluntary Tax Contribution Fund</td>
<td>00</td>
</tr>
<tr>
<td>430</td>
<td>State Children’s Trust Fund for the Prevention of Child Abuse</td>
<td>00</td>
</tr>
<tr>
<td>431</td>
<td>Prevention of Animal Homelessness and Cruelty Fund</td>
<td>00</td>
</tr>
<tr>
<td>432</td>
<td>Revive the Salton Sea Fund</td>
<td>00</td>
</tr>
<tr>
<td>433</td>
<td>California Domestic Violence Victims Fund</td>
<td>00</td>
</tr>
<tr>
<td>434</td>
<td>Special Olympics Fund</td>
<td>00</td>
</tr>
<tr>
<td>435</td>
<td>Type 1 Diabetes Research Fund</td>
<td>00</td>
</tr>
<tr>
<td>436</td>
<td>California YMCA Youth and Government Voluntary Tax Contribution Fund</td>
<td>00</td>
</tr>
<tr>
<td>437</td>
<td>Habitat for Humanity Voluntary Tax Contribution Fund</td>
<td>00</td>
</tr>
<tr>
<td>438</td>
<td>California Senior Citizen Advocacy Voluntary Tax Contribution Fund</td>
<td>00</td>
</tr>
<tr>
<td>439</td>
<td>Native California Wildlife Rehabilitation Voluntary Tax Contribution Fund</td>
<td>00</td>
</tr>
<tr>
<td>440</td>
<td>Rape Backlog Kit Voluntary Tax Contribution Fund</td>
<td>00</td>
</tr>
<tr>
<td>441</td>
<td>Organ and Tissue Donor Registry Voluntary Tax Contribution Fund</td>
<td>00</td>
</tr>
<tr>
<td>442</td>
<td>National Alliance on Mental Illness California Voluntary Tax Contribution Fund</td>
<td>00</td>
</tr>
<tr>
<td>443</td>
<td>Schools Not Prisons Voluntary Tax Contribution Fund</td>
<td>00</td>
</tr>
</tbody>
</table>

110  Add code 400 through code 443. This is your total contribution     00
Your name: ____________________________  Your SSN or ITIN: ____________________________

111 AMOUNT YOU OWE. If you do not have an amount on line 96, add line 93, line 97, and line 110. See instructions. Do not send cash.

Mail to:  FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0001

Pay online — Go to ftb.ca.gov/pay for more information.

112 Interest, late return penalties, and late payment penalties .................................................. 112

113 Underpayment of estimated tax. Check the box:  • FTB 5805 attached  • FTB 5805F attached  • 113

114 Total amount due. See instructions. Enclose, but do not staple, any payment. .......................... 114

115 REFUND OR NO AMOUNT DUE. Subtract the sum of line 110, line 112 and line 113 from line 96. See instructions.

Mail to:  FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-0001

Fill in the information to authorize direct deposit of your refund into one or two accounts. Do not attach a voided check or a deposit slip. See instructions.

Have you verified the routing and account numbers? Use whole dollars only.

All or the following amount of my refund (line 115) is authorized for direct deposit into the account shown below:

• Routing number  Checking  • Account number  • 116 Direct deposit amount

The remaining amount of my refund (line 115) is authorized for direct deposit into the account shown below:

• Routing number  Checking  • Account number  • 117 Direct deposit amount

IMPORTANT: See the instructions to find out if you should attach a copy of your complete federal tax return.

To learn about your privacy rights, how we may use your information, and the consequences for not providing the requested information, go to ftb.ca.gov/forms and search for 1131. To request this notice by mail, call 800.852.5711. Under penalties of perjury, I declare that I have examined this tax return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Your signature  Date  Spouse’s/RDP’s signature (if a joint tax return, both must sign)  

Sign Here

It is unlawful to forge a spouse’s/RDP’s signature.

Paid preparer’s signature (declaration of preparer is based on all information of which preparer has any knowledge)

Firm’s name (or yours, if self-employed)  • PTIN

Firm’s address  • Firm’s FEIN

Do you want to allow another person to discuss this tax return with us? See instructions...

• Yes  • No

Print Third Party Designee’s Name

Telephone Number ( )