



TOP 10 Business Entity Errors That Delay Return Processing – 2009

CATEGORY	ERROR	SOLUTION
■ Forms	Incorrect math calculations, or incomplete or missing documents (Rank 2/10)	Verify all math calculations when completing forms, schedules, or worksheets. Attach appropriate documents. Calculation errors and/or missing documents can delay tax return processing.
	Return accounting periods overlap (Rank 3/10)	Always use the same accounting period. The Franchise Tax Board, or the Internal Revenue Service, must directly approve period changes in most cases.
	Multiple tax returns filed for the same accounting period (Rank 4/10)	Check business records before sending duplicates of the original return. File only one original return for each accounting period. Allow three to six months to process original returns. If filing an amended return, use Form 100X to amend Form 100, 100W, or 100S, or mark the Amended Return box in the upper right corner on Form 565 or 568.
	Incorrect business start date used (Rank 6/10)	Do not use a business start date that is prior to the Secretary of State formation date, for a domestic California entity.
	Amended returns not clearly identified as amended (Rank 7/10)	Use Form 100X to amend Form 100, 100W, or 100S, or mark the Amended Return box in the upper right corner on Form 565 or 568.
	Incorrect form used for the tax year accounting period indicated on the return (Rank 8/10)	Use the correct tax year form for the tax year filed. Fiscal filers: Use the form for the year the fiscal period began (e.g., use the 2009 form if the fiscal year began in 2009).
	Amended return filed before the original return (Rank 9/10)	Always file an original return before the amended return, to avoid tax return processing delays.
■ Identification	Incomplete entity name used (Rank 1/10)	Use the exact legal entity name used to incorporate, qualify, or register with the Secretary of State (SOS). If not registered with SOS, use the full legal entity name on all documents and also include <i>Doing Business As (DBA)</i> , if applicable. Use exact entity name as listed on documents previously sent to the Franchise Tax Board. Include all periods, commas, spacing, etc., in name.
	Omitted or incorrect entity identification numbers used (Rank 5/10)	Corporations: Use either the 7-digit California Corporation Number or the 7-digit Franchise Tax Board (FTB) assigned number and 9-digit Federal Employer Identification Number (FEIN). Partnerships: Use the FEIN. Limited Liability Companies: Use either the 12-digit CA Secretary of State File Number or the 9-digit FTB assigned number and FEIN.
■ Payments	One lump sum payment sent for multiple entities, or multiple payments sent in the same package/envelope (Rank 10/10)	Mail all payments individually for separate entities and accounting periods. Ensure all payments include the correct entity identification number, exact legal entity name, and accounting period for the payment.