



➤ **TOP 10**
➤ ➤ **Personal Income Tax Errors**
That Delay Return Processing – 2009

CATEGORY	ERROR	SOLUTION
■ Income	Incorrect adjusted gross income amount (Rank 5/10)	Check adjusted gross income amount on Line 16 of Form 540 2EZ, Line 17 of Form 540A, 540, or 540NR to ensure correct amount is used or computed correctly.
	■ Deductions	Incorrect standard or itemized deduction amount used based on filing status (Rank 2/10)
■ Tax	Incorrect total tax amount computed which can affect computation on any applicable schedule (Rank 3/10)	Check total tax amount on Line 21 of Form 540 2EZ, Line 64 of Form 540A or 540, or Line 74 of Form 540NR to ensure amount is computed correctly. Check any affected schedule to ensure amount is correctly transferred over.
	Incorrect total tax amount computed because of an error in calculating total tax or total credits (Rank 4/10)	1) Check total tax amount on Line 21 of Form 540 2EZ, Line 64 of Form 540A or 540, or Line 74 of Form 540NR to ensure amount is computed correctly. 2) Check total credits on Line 20 of Form 540 2EZ, Line 47 of Form 540A or 540, or Line 62 of Form 540NR (long form) to ensure amount is computed correctly.
■ Payments and Credits	Estimated tax payment amount claimed is different from total amount received (Rank 1/10)	Check personal tax records for estimated tax payments made to the Franchise Tax Board (FTB) . Also, check Line 46 on last year's 2008 Form 540A or 540, or Line 53 of Form 540NR (long form) to verify amount requested to be applied to this year's estimated tax is correct. Corrections made to last year's state tax return can affect total amount paid for this year. Refer to any FTB notice received that shows these adjustments. Go to ftb.ca.gov under My FTB Account to verify estimated tax payments.
	Incorrect total tax amount used based on incorrect total exemption amount transferred, incorrect exemption number or amount computed, or incorrect total exemption amount claimed based on adjusted gross income (Rank 6/10)	1) Check exemption credit amount on Line 32 of Form 540A or 540 to ensure correct amount is transferred from Line 11 of same form. Form 540NR: Check prorated exemption credit amount on Line 39 to ensure amount is computed correctly by using exemption amount on Line 11 and exemption credit percentage on Line 38 of Form 540NR. 2) Check exemptions to ensure correct number is used and check amount on Line 11 of Form 540A, 540, or 540NR to ensure amount is computed correctly. 3) If federal AGI amount on Line 13 of Form 540A, 540, or 540NR (long form) is greater than \$160,739, see instructions for Line 32 of Form 540A or 540, or Line 39 of Form 540NR (long form) to claim correct amount.
	Incorrect total tax amount computed based on filing status, dependents, or adjusted gross income (Rank 7/10)	1) Confirm correct filing status is used. 2) Check dependents claimed on Line 10 of Form 540A, 540, or 540NR to ensure correct number of dependents is used, all names are listed, and amount is computed correctly. 3) Check CA adjusted gross income Line 17 of Form 540A, 540, or 540NR to ensure amount is computed correctly.
	Withholding amount claimed is different than total amount shown on Form W-2 or other wage document attached to return (Rank 9/10)	See instructions for Line 22 of Form 540 2EZ, Line 71 of Form 540A or 540, or Line 81 of Form 540NR. Confirm only California income tax withheld is claimed and that the amount is computed correctly. Attach appropriate documents to support amount claimed. Go to ftb.ca.gov under My FTB Account to verify withholding amount.
	Excess State Disability Insurance or Voluntary Plan Disability Insurance amount claimed is not supported based on Form W-2 or other wage document attached to return (Rank 10/10)	See instructions for Line 74 of Form 540A or 540, or Line 84 of Form 540NR (long form). Determine if excess State Disability Insurance or Voluntary Plan Disability Insurance applies. If yes, attach appropriate documents to support amount claimed.
■ Nonresident Return	Incorrect California taxable income amount used based on incorrect amount computed or transferred, incorrect deduction percentage computed, or percentage incorrectly applied to the deduction (Rank 8/10)	Check California taxable income on Line 35 of Form 540NR (long form) to ensure correct amount is computed and transferred from Line 49, Part IV of Schedule CA (540NR). Or, check Line 35 of Form 540NR (short form) to ensure Line 33 deduction percentage and Line 34 prorated deduction amount on 540NR (short form) are computed correctly.