

Payment Voucher for Foreign Partner or Member Withholding

2010

592-A

To be filed by the Withholding Agent.

Taxable year: Beginning month _____ day _____ year _____, and ending month _____ day _____ year _____.

Installment 1 Due by the 15th day of 4th month of taxable year; for weekend or holiday, see instructions.

Business name _____ SSN or ITIN FEIN CA Corp no.

First name _____ Initial _____ Last name _____ Contact telephone no. _____

Address (number and street, suite, Apt., PO Box, or PMB no.) _____

City _____ State _____ ZIP Code _____

Make check or money order payable to: "Franchise Tax Board." Write the tax ID no. and "2010 Form 592-A" on the check or money order. Mail Form 592-A and check or money order to FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0651. Amount of payment _____

For Privacy Notice, get form FTB 1131. 7091103 Form 592-A 2009

✂ DETACH HERE _____ IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM _____ DETACH HERE ✂

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592-A

To be filed by the Withholding Agent.

Taxable year: Beginning month _____ day _____ year _____, and ending month _____ day _____ year _____.

Installment 2 Due by the 15th day of 6th month of taxable year; for weekend or holiday, see instructions.

Business name _____ SSN or ITIN FEIN CA Corp no.

First name _____ Initial _____ Last name _____ Contact telephone no. _____

Address (number and street, suite, Apt., PO Box, or PMB no.) _____

City _____ State _____ ZIP Code _____

Make check or money order payable to: "Franchise Tax Board." Write the tax ID no. and "2010 Form 592-A" on the check or money order. Mail Form 592-A and check or money order to FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0651. Amount of payment _____

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Taxable year: Beginning month _____ day _____ year _____, and ending month _____ day _____ year _____.

Installment 3 Due by the 15th day of 9th month of taxable year; for weekend or holiday, see instructions.

Business name _____ SSN or ITIN FEIN CA Corp no.

First name _____ Initial _____ Last name _____ Contact telephone no. _____

Address (number and street, suite, Apt., PO Box, or PMB no.) _____

City _____ State _____ ZIP Code _____

Make check or money order payable to: "Franchise Tax Board." Write the tax ID no. and "2010 Form 592-A" on the check or money order. Mail Form 592-A and check or money order to FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0651. Amount of payment _____

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Form at bottom of page.

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TAXABLE YEAR 2010 Payment Voucher for Foreign Partner or Member Withholding CALIFORNIA FORM 592-A

To be filed by the Withholding Agent.

Taxable year: Beginning month day year, and ending month day year.

Installment 4 Due by the 15th day of 12th month of taxable year; for weekend or holiday, see instructions.

Business name, First name, Initial, Last name, Contact telephone no., Address, City, State, ZIP Code, SSN or ITIN, FEIN, CA Corp no.

Make check or money order payable to: "Franchise Tax Board." Write the tax ID no. and "2010 Form 592-A" on the check or money order. Mail Form 592-A and check or money order to FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0651. Amount of payment .00

For Privacy Notice, get form FTB 1131. 7091103 Form 592-A 2009

DETACH HERE IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM DETACH HERE

TAXABLE YEAR 2010 Payment Voucher for Foreign Partner or Member Withholding CALIFORNIA FORM 592-A

Check the box to indicate how Form 592-F was submitted (check one box only) Electronic Paper

Taxable year: Beginning month day year, and ending month day year.

Supplemental Payment Voucher Use this voucher only if you have a final withholding payment to remit with Form 592-F. The due date of the Supplemental Payment Voucher is the same as your original due date for Form 592-F, regardless of extension.

Business name, First name, Initial, Last name, Contact telephone no., Address, City, State, ZIP Code, SSN or ITIN, FEIN, CA Corp no.

Make check or money order payable to: "Franchise Tax Board." Write the tax ID no. and "2010 Form 592-A" on the check or money order. Mail Form 592-A and check or money order to FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0651. Amount of payment .00

For Privacy Notice, get form FTB 1131. 7091103 Form 592-A 2009

Instructions for Form 592-A

Payment Voucher for Foreign Partner or Member Withholding

References in these instructions are to the Internal Revenue Code (IRC) as of **January 1, 2005**, and to the California Revenue and Taxation Code (R&TC).

What's New

Title Change – For taxable years beginning January 1, 2010, the title of Form 592-A changed from Foreign Partner or Member Quarterly Withholding Remittance Statement, to Payment Voucher for Foreign Partner or Member Withholding. In addition, a fifth voucher “Supplemental Payment Voucher” was added to the form. For taxable years beginning January 1, 2010, if there is a balance due on Form 592-F, Foreign Partner or Member Annual Return, submit Form 592-A Supplemental Payment Voucher and Form 592-F with the payment at the same time.

Backup Withholding – For taxable years beginning on or after January 1, 2010, with certain limited exceptions, payers that are required to withhold and remit backup withholding to the Internal Revenue Service (IRS) are also required to withhold and remit to the Franchise Tax Board (FTB). The California backup withholding rate is 7% of the payment. For California purposes, dividends, interests, and any financial institutions release of loan funds made in the normal course of business are exempt from backup withholding. For additional information on California backup withholding, go to ftb.ca.gov and search for **backup withholding**.

General Information

Partnership or limited liability company (LLC) withholding on foreign partners or members is remitted to the FTB with Form 592-A, Payment Voucher for Foreign Partner or Member Withholding. At the close of the taxable year, the partnership or LLC completes Form 592-F, Foreign Partner or Member Annual Return, to report the total withholding for the year and allocate the income or gain and related withholding to the foreign partners or members. A completed Form(s) 592-B, Resident and Nonresident Withholding Tax Statement, must be provided to the payees.

Round Cents To Dollars – Round cents to the nearest whole dollar. For example, round \$50.50 up to \$51 or round \$25.49 down to \$25.

A Purpose

Use Form 592-A to remit withholding payments to the FTB made during the year, or to remit the balance due on partnership or LLC income or gain allocable under Internal Revenue Code (IRC) Section 704 to foreign (non-U.S.) partners or members.

Use Form 592-A to remit withholding payments under California Revenue and Tax Code (R&TC) 18664. There are no reductions or waivers for backup withholding. Backup withholding supersedes all types of withholding. For more information on backup withholding, go to ftb.ca.gov and search **backup withholding**.

B Withholding Rates

Increase in Rates – For taxable years beginning on or after January 1, 2009, the maximum personal income tax rate increased to 9.55%. In addition, non-California partnerships are subject to withholding requirements on a sale of California real property at a rate of 3 1/3% of sales price or 9.55% of gain. The alternative withholding rates for the sale of California real property by S corporations increased to 11.05% and 13.05% for financial S corporations.

R&TC Section 18662 requires withholding on payments made to nonresidents for income received from California sources. For foreign partners or members, the withholding rate is the maximum California tax rate applicable to the partner or member (currently, 8.84% for corporations, 10.84% for banks and financial institutions, and 9.55% for all others).

C Waivers

There is no provision in the law to allow waivers or reduced withholding to foreign partners or members.

If the distribution from a partnership or LLC is determined to be a return of capital or does not represent taxable income for the current or prior years, no withholding is required. Although a waiver is not required in these situations, the partnership or LLC may be subject to the penalty for failing to withhold if, at audit, the FTB determines that the distribution represented taxable income.

D Interest and Penalties

The law provides for interest and penalties on late payments of withholding. Interest is computed from the due date of the withholding to the date paid.

- Failure to timely withhold may result in the withholding agent being personally liable for the amount of tax that should have been withheld and for interest and penalties.
- Failure to provide Forms 592-B to the payees may result in penalties up to \$100 per Form 592-B.

How to Complete Form 592-A

Form 592-A has five payment vouchers. The first 4 installment vouchers are submitted with each of the 4 withholding payments throughout the year. The fifth voucher is a supplemental payment voucher. The supplemental payment voucher is only submitted when Form 592-F has a balance due.

To complete the payment vouchers, enter all the information requested, using blue or black ink. If you are submitting the supplemental payment voucher, check the appropriate box for **Electronic** or **Paper** to reflect how Form 592-F is being submitted.

Enter the beginning and ending dates of the partnership's or LLC's taxable year. The year at the top of the form should be the same as the ending taxable year.

To ensure timely and proper application of the withholding payment to the withholding agent's account, enter the business or individual withholding agent's name, and social security number (SSN) or individual taxpayer identification number (ITIN), or federal employer identification number (FEIN), or CA Corp no. of the partnership or LLC in the spaces provided.

Private Mail Box – Include the Private Mail Box (PMB) in the address field. Write “PMB” first, then the box number. Example: 111 Main Street PMB 123.

Foreign Address – Enter the information in the following order: City, Country, Province/Region, and Postal Code. Follow the country's practice for entering the postal code. **Do not** abbreviate the country's name.

Enter the payment amount that represents withholding on partnership or LLC income or gain allocable under IRC Section 704 to foreign (non-U.S.) partners or members. If you have withholding for domestic and foreign partners or members, you can use the Installment Payment Worksheet that follows these instructions to figure the required installment payment amounts of withholding for foreign partners or members. For more information about withholding on foreign partners or members, get FTB Pub.1017, Resident and Nonresident Withholding Guidelines.

Do not use Form 592-A to report tax withheld on domestic nonresident partners or members. For more information regarding reporting tax withheld on domestic nonresident partners or members, get Form 592, Resident and Nonresident Withholding Statement.

When and Where to File

Payments with Form 592-A are due to the FTB on the 15th day of the 4th, 6th, 9th, and 12th month of the partnership's or LLC's taxable year. If there is a balance due on Form 592-F, line 6, remit payment with the Supplemental Payment Voucher provided. The Supplemental Payment Voucher and payment are due by the original due date of Form 592-F, regardless of extension. Using blue or black ink, make your check or money order payable to: “Franchise Tax Board.” Write your SSN or ITIN, FEIN, or CA Corp no. and “2010 Form 592-A” on it. Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

If you are remitting payment only, detach the appropriate installment voucher from Form 592-A and enclose, but **do not** staple the payment with the voucher and mail to:

FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

If you are submitting Form 592-F with a payment, you must enclose the following three items (**Do Not** staple) and mail to the address below:

- Form 592-F, Foreign Partner or Member Annual Return
- Supplemental Payment Voucher from Form 592-A
- Payment

Additional Information

For additional information or to speak to a representative regarding this form, call the Withholding Services and Compliance's automated telephone service at: **888.792.4900** or **916.845.4900**.

OR write to:

WITHHOLDING SERVICES AND COMPLIANCE
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

To get forms by mail write to:

TAX FORMS REQUEST UNIT
FRANCHISE TAX BOARD
PO BOX 307
RANCHO CORDOVA CA 95741-0307

For all other questions unrelated to withholding or to access the TTY/TDD number, see the information below.

Internet and Telephone Assistance

Website: ftb.ca.gov
Telephone: 800.852.5711 from within the United States
916.845.6500 from outside the United States

TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

Asistencia Por Internet y Teléfono

Sitio web: ftb.ca.gov
Teléfono: 800.852.5711 dentro de los Estados Unidos
916.845.6500 fuera de los Estados Unidos

TTY/TDD 800.822.6268 personas con discapacidades auditivas y del habla

Installment Payment Worksheet for Foreign Partner or Member Withholding

(Keep for your records. Do not send to the Franchise Tax Board.)

Complete only if the partnership or limited liability company (LLC) has foreign (non-U.S.) partners or members.

Complete column (a) before going to the next column.		(a) 1st Installment	(b) 2nd Installment	(c) 3rd Installment	(d) 4th Installment
1 Enter the partnership's or LLC's California source taxable income for each period	1		First 3 months	First 6 months	First 9 months
2 Annualization amounts.	2		4	2	1.33333
3 Multiply line 1 by line 2	3				
4 Enter the partnership's or LLC's California source taxable income for each period	4		First 3 months	First 5 months	First 8 months
5 Annualization amounts.	5	4	2.4	1.5	1.09091
6 Multiply line 4 by line 5	6				
7 Annualized California source taxable income. In column (a), enter the amount from line 6, column (a). In columns (b), (c), and (d), enter the smaller of the amounts from line 3 or line 6 in each column	7				
8 Foreign partner's or member's share of line 7 (annualized California source taxable income)	8				
9 Multiply line 8 by maximum tax rate	9				
10 Applicable percentage	10	23.75%	47.5%	71.25%	95%
11 Multiply line 9 by the percentage on line 10	11				
12 (a)	12(a)	zero			
(b) Enter the amount from line 13, column (a)	12(b)				
(c) Enter the sum of line 13, column (a) and line 13, column (b)	12(c)				
(d) Enter the sum of line 13, column (a); line 13, column (b); and line 13, column (c)	12(d)				
13 Installment payments of withholding tax due for foreign partners or members. Subtract line 12 from line 11. If less than zero, enter -0-	13				

Using this installment payment worksheet and timely paying the calculated amounts protects you from penalties for underpayment. However, if there's a balance due on Form 592-F at the end of the year, submit the final payment using the Supplemental Payment Voucher on Form 592-A, and the completed Form 592-F. If you know exactly what the foreign partner's or member's share of California source partnership or LLC income is, you can calculate the payment by

multiplying the partner's or member's allocable share of California source taxable income by the maximum tax rate (currently, 8.84% for corporations, 10.84% for banks and financial institutions, and 9.55% for all others) instead of using this worksheet.