

Caution: DRAFT FORM

This is an advance draft copy of a California tax form. It is subject to change and FTB approval before it is officially released.

If you have any comments on this draft form, you can submit them to us on our website at www.ftb.ca.gov/forms/drafts/index.html.

California Nonresident or Part-Year Resident Income Tax Return 2009

FORM

Long Form

540NR C1 Side 1

Fiscal year filers only: Enter month of year end: month _____ year 2010.

Your first name	Initial	Last name	Your SSN or ITIN	P AC A R RP
If joint return, spouse's/RDP's first name	Initial	Last name	Spouse's/RDP's SSN or ITIN	
Address (number and street, PO Box, or PMB no.)			Apt. no./Ste.no. PBA Code	
City (If you have a foreign address, see page 17)			State ZIP Code	

Prior Name If you filed your 2008 tax return under a different last name, write the last name only from the 2008 return.
 Taxpayer _____ Spouse/RDP _____

Filing Status

1 Single
 2 Married/RDP filing jointly. (see page 3)
 3 Married/RDP filing separately. Enter spouse's/RDP's SSN or ITIN above and full name here _____
 4 Head of household (with qualifying person). (see page 3)
 5 Qualifying widow(er) with dependent child. Enter year spouse/RDP died _____
 If your California filing status is different from your federal filing status, fill in the circle here

6 If someone can claim you (or your spouse/RDP) as a dependent, fill in the circle (see page 17). 6

► 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**

7 **Personal:** If you filled in 1, 3, or 4 above, enter 1 in the box. If you filled in 2 or 5, enter 2.
 If you filled in the circle on line 6, see page 17. 7 X \$98 = \$ _____

8 **Blind:** If you (or your spouse/RDP) are visually impaired, enter 1;
 if both are visually impaired, enter 2 8 X \$98 = \$ _____

9 **Senior:** If you (or your spouse/RDP) are 65 or older, enter 1; if both are 65 or older, enter 2 9 X \$98 = \$ _____

10 **Dependents:** Enter name and relationship. **Do not include yourself or your spouse/RDP.** _____
 Total dependent exemptions 10 X \$98 = \$ _____

11 **Exemption amount:** Add line 7 through line 10 11 \$ _____

12 Total California wages from your Form(s) W-2, box 16 <input checked="" type="radio"/> 12	00
13 Enter federal AGI from Form 1040, line 37; 1040A, line 21; 1040EZ, line 4; 1040NR, line 35; or 1040NR-EZ, line 10	13 00
14 California adjustments – subtractions. Enter the amount from Schedule CA (540NR), line 37, column B <input checked="" type="radio"/> 14	00
15 Subtract line 14 from line 13. If less than zero, enter the result in parentheses (see page 18). 15	00
16 California adjustments – additions. Enter the amount from Schedule CA (540NR), line 37, column C. <input checked="" type="radio"/> 16	00
17 Adjusted gross income from all sources. Combine line 15 and line 16 <input checked="" type="radio"/> 17	00
18 Enter the larger of: Your California itemized deductions from Schedule CA (540NR), line 43; OR Your California standard deduction (see page 18) <input checked="" type="radio"/> 18	00
19 Subtract line 18 from line 17. This is your total taxable income . If less than zero, enter -0- 19	00

31 Tax. Fill in the circle if from: <input type="radio"/> Tax Table <input type="radio"/> Tax Rate Schedule <input type="radio"/> FTB 3800 <input type="radio"/> FTB 3803. <input checked="" type="radio"/> 31	00
32 CA adjusted gross income from Schedule CA (540NR), Part IV, line 45. <input checked="" type="radio"/> 32	00
35 CA Taxable Income from Schedule CA (540NR), Part IV, line 49 <input checked="" type="radio"/> 35	00
36 CA Tax Rate. Divide line 31 by line 19 36	
37 CA Tax Before Exemption Credits. Multiply line 35 by line 36. 37	00
38 CA Exemption Credit Percentage. Divide line 35 by line 19. If more than 1, enter 1.0000 . 38	
39 CA Prorated Exemption Credits. Multiply line 11 by line 38. If the amount on line 13 is more than \$160,739 (see page 19) 39	00
40 CA Regular Tax Before Credits. Subtract line 39 from line 37. If less than zero, enter -0- 40	00
41 Tax (see page 19). Fill in the circle if from: <input type="radio"/> Schedule G-1 <input type="radio"/> FTB 5870A. <input checked="" type="radio"/> 41	00
42 Add line 40 and line 41. <input checked="" type="radio"/> 42	00

Your name: _____ Your SSN or ITIN: _____

	50	Enter the amount from Side 1, line 42	50	00	
Special Credits	51	Credit for joint custody head of household (see page 20)	● 51	00	
	52	Credit for dependent parent (see page 20)	● 52	00	
	53	Credit for senior head of household (see page 20)	● 53	00	
	54	Credit percentage. Divide line 35 by line 19. If more than 1, enter 1.0000 (see page 21)	54		
	55	Credit amount (see page 21)	● 55	00	
	56	New jobs credit, amount generated (see page XX)	● 56	00	
	57	New jobs credit, amount claimed (see page XX)	● 57	00	
	58	Enter credit name _____ code no _____ and amount.	▶ 58	00	
	59	Enter credit name _____ code no _____ and amount.	▶ 59	00	
	60	To claim more than two credits (see page 21)	● 60	00	
61	Nonrefundable renter's credit (see page 57)	● 61	00		
62	Add line 55 and line 57 through line 61. These are your total credits	62	00		
63	Subtract line 62 from line 50. If less than zero, enter -0-	63	00		
Other Taxes	71	Alternative minimum tax. Attach Schedule P (540NR)	● 71	00	
	72	Mental Health Services Tax (see page 21)	● 72	00	
	73	Other taxes and credit recapture (see page 21)	● 73	00	
	74	Add line 63, line 71, line 72, and line 73. This is your total tax.	● 74	00	
Payments	81	California income tax withheld (see page 22)	● 81	00	
	82	Real estate or other withholding (see page 22)	● 82	00	
	83	2009 CA estimated tax and other payments (see page 22)	● 83	00	
	84	Excess SDI (or VPD1) withheld. To see if you qualify (see page 22)	● 84	00	
	Child and Dependent Care Expenses Credit (see page 22). Attach form FTB 3506.				
	85	Qualifying person's social security number	● 85	- - -	
	86	Qualifying person's social security number	● 86	- - -	
	87	Enter the amount from form FTB 3506, Part III, line 8	● 87	00	
	88	Child and Dependent Care Expenses Credit from form FTB 3506, Part III, line 12	● 88	00	
	89	Add line 81, line 82, line 83, line 84, and line 88. These are your total payments.	89	00	
Overpaid Tax/Due	101	Overpaid tax. If line 89 is more than line 74, subtract line 74 from line 89	101	00	
	102	Amount of line 101 you want applied to your 2010 estimated tax	● 102	00	
	103	Overpaid tax available this year. Subtract line 102 from line 101	● 103	00	
	104	Tax due. If line 89 is less than line 74, subtract line 89 from line 74	104	00	

Your name: _____ Your SSN or ITIN: _____

	Code	Amount
California Seniors Special Fund. See instructions (see page XX)	● 400	00
Alzheimer's Disease/Related Disorders Fund	● 401	00
California Fund for Senior Citizens	● 402	00
Rare and Endangered Species Preservation Program	● 403	00
State Children's Trust Fund for the Prevention of Child Abuse	● 404	00
California Breast Cancer Research Fund	● 405	00
California Firefighters' Memorial Fund	● 406	00
Emergency Food for Families Fund	● 407	00
California Peace Officer Memorial Foundation Fund	● 408	00
California Military Family Relief Fund	● 409	00
California Sea Otter Fund	● 410	00
California Ovarian Cancer Research Fund	● 411	00
Municipal Shelter Spay-Neuter Fund	● 412	00
California Cancer Research Fund	● 413	00
ALS/Lou Gehrig's Disease Research Fund	● 414	00
105 Add code 400 through code 414. This is your total contribution	● 105	00

121 AMOUNT YOU OWE. Add line 104 and line 105 (see page 23). **Do not send cash.**
 Mail to: **FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0001** ● 121 00

122 Interest, late return penalties, and late payment penalties 122 00
123 Underpayment of estimated tax. Fill in the circle: FTB 5805 attached FTB 5805F attached ● 123 00
124 Total amount due (see page 24). Enclose, but **do not** staple, any payment. 124 00

125 REFUND OR NO AMOUNT DUE. Subtract line 105 from line 103.
 Mail to: **FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0002** ● 125 00

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 page 24). Have you verified the routing and account numbers? **Use whole dollars only.**

All or the following amount of my refund (line 125) is authorized for direct deposit into the account shown below:

Checking Savings _____ ● 126 Direct deposit amount

● Routing number ● Type ● Account number

The remaining amount of my refund (line 125) is authorized for direct deposit into the account shown below:

Checking Savings _____ ● 127 Direct deposit amount

● Routing number ● Type ● Account number

Important: Attach a copy of your complete federal income tax return.
 Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Sign Here

Your signature _____ Spouse's/RDP's signature (if a joint return, both must sign) _____ Daytime phone number (optional) () _____

X _____ X _____ Date _____

Paid preparer's signature (**declaration of preparer is based on all information of which preparer has any knowledge**) ● Paid preparer's SSN/PTIN _____

Firm's name (or yours, if self-employed) _____ Firm's address _____ ● FEIN _____

Do you want to allow another person to discuss this return with us (see page 19)? ● Yes No

Print Third Party Designee's Name _____ Telephone Number _____

Instructions for Long Form 540NR California Nonresident or Part-Year Resident Income Tax Return

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

Before You Begin

Complete your federal income tax return (Form 1040, Form 1040A, Form 1040EZ, Form 1040NR, or Form 1040NR-EZ) before you begin your Long Form 540NR, California Nonresident or Part-Year Resident Income Tax Return. Use information from your federal income tax return to complete your Long Form 540NR. Complete and mail Long Form 540NR by April 15, 2010. If unable to mail your return by the due date see page 2.

To get forms and publications referred to in these instructions, go to ftb.ca.gov or see "Where To Get Income Tax Forms and Publications" on page 62.

 **Tip** You may qualify for the federal earned income tax credit. See page 2 for more information. No comparable state credit exists.

Note: The lines on Long Form 540NR have been renumbered with gaps in the line number sequence. For example, lines 20 through 30 do not appear on Long Form 540NR. So the line number that follows line 19 on Long Form 540NR is line 31.

Filing in Your Return

- Use black or blue ballpoint pen on the copy you send to the Franchise Tax Board (FTB).
- Enter your Social Security Number(s) (SSN) or Individual Taxpayer Identification Number(s) (ITIN) at the top of Long Form 540NR, Side 1.
- Print numbers and CAPITAL LETTERS between the combed lines. Be sure to line up dollar amounts.
- Round cents to the nearest whole dollar. For example, round \$50.50 up to \$51 or round \$25.49 down to \$25.
- If you do not have an entry for a line, leave it blank unless the instructions for a line specifically tell you to enter zero. **Do not** enter a dash or the word "NONE."

Name(s) and Address

Print your first name, middle initial, last name, and address in the spaces provided at the top of Long Form 540NR.

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 name.

Principal Business Activity (PBA) Code

For Schedule C business filers, please enter the numeric principal business activity code from federal Schedule C, line B in the field labeled "PBA Code" in the address area.

Prior Name

If you filed your 2008 tax return under a different last name, write the last name **only** from the 2008 return.

Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN)

Enter your SSNs in the spaces provided. To protect your privacy, your SSN is not printed on the tax booklet cover with your name and address. If you file a joint return, enter the SSNs in the same order as the names.

If you do not have an SSN because you are a nonresident or a resident alien for federal tax purposes, and the IRS issued you an ITIN, enter the ITIN in the space provided for the SSN.

An ITIN is a tax processing number issued by the IRS to foreign nationals and others who have a federal tax filing requirement and do not qualify for an SSN. It is a nine-digit number that always starts with the number 9.

Filing Status

Fill in only one of the circles for line 1 through line 5. Enter the required additional information if you filled in the circle on line 3 or line 5.

Usually, your California filing status must be the same as the filing status you used on your federal income tax return.

If you did not file a federal return because you did not have a federal filing requirement, use the filing status you would have used had you been required to file.

Nonresident Alien – A joint return may be filed if, in the case of a nonresident alien married to a United States citizen or resident, both spouses/RDPs elect to treat the nonresident alien spouse/RDP as a resident for tax purposes.

Exception for Married Taxpayers Who File a Joint Federal Income Tax Return – You may file separate California returns if either spouse was:

- An active member of the United States Armed Forces or any auxiliary military branch during 2009.
- A nonresident for the entire year and had no income from California sources during 2009.

Community Property. If either spouse earned California source income while domiciled in a community property state, the community income will be split equally between the spouses. Both spouses will have California source income and they will **not** qualify for the nonresident spouse exception. For more information, get FTB Pub. 1031, Guidelines for Determining Resident Status, and FTB Pub. 1051A, Guidelines For Married/RDP Filing Separate Returns.

If You Filed Federal Form 1040NR or Form 1040NR-EZ, you do not qualify to use the head of household or married/RDP filing jointly filing statuses. Instead, use single, married/RDP filing separately, or qualifying widow(er) filing status, whichever applies to you.

If You Are Married or an RDP and File a Separate Return, enter your spouse's/RDP's full name on line 3 and SSN or ITIN in the space provided.

If You File as Head of Household, do not claim yourself or a nonrelative as the qualifying individual for head of household. Get FTB Pub. 1540, Tax Information for Head of Household Filing Status, for more information. See "Where To Get Income Tax Forms and Publications" on page 62.

Exemptions

Line 6 – Can be Claimed as a Dependent

Completely fill in the circle on line 6 if someone else can claim you or your spouse/RDP as a dependent on his or her tax return, even if he or she chooses not to.

Line 7 – Personal Exemptions

Did you fill in the circle on line 6?

No Follow the instructions on Long Form 540NR, line 7.

Yes Ignore the instructions on Long Form 540NR, line 7. Instead, enter the amount shown below for your filing status:

- Single or married/RDP filing separately, enter -0-.
- Head of household, enter -0-.
- Married/RDP filing jointly and both you and your spouse/RDP can be claimed as dependents, enter -0-.
- Married/RDP filing jointly and only one spouse/RDP can be claimed as a dependent, enter 1.

Do not claim this credit if someone else can claim you as a dependent on their tax return.

Line 8 – Blind Exemptions

The first year you claim this exemption credit, attach a doctor's statement to the back of Long Form 540NR indicating that you or your spouse/RDP is visually impaired. 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, 2009*, 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 page 56 for information about this fund.

* If your 65th birthday is on January 1, 2010, you are considered to be age 65 on December 31, 2009.

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, write each dependent's name and relationship to you in the space provided. If you are claiming more than three dependents, attach a schedule. The persons you list as dependents must be the same persons you listed as dependents on your federal income 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.

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.

Total Taxable Income

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

Line 12 – California Wages

Enter the total amount of your California wages from your Form(s) W-2, Wage and Tax Statement. This amount appears on Form W-2, box 16.

Line 13 – Federal AGI from Form 1040, line 37; 1040A, line 21; 1040EZ, line 4; 1040NR, line 35; or 1040NR-EZ, line 10

Same-sex married couples (SSMCs) or registered domestic partners (RDPs) who file a California tax return as married/RDP filing jointly and have no SSMC adjustments or RDP adjustments between federal and California, combine their individual AGIs from their federal tax returns filed with the Internal Revenue Service (IRS). Enter the combined AGI on Long Form 540NR, line 13.

SSMC adjustments and 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

Same-sex married individuals filing as married/RDP filing separately, former spouses of a same-sex marriage filing separately, and SSMCs with SSMC adjustments will use the California SSMC Adjustments Worksheet in FTB Pub. 776, Tax Information for Same-Sex Married Couples, or complete a federal pro forma Form 1040. Transfer the amount from the California SSMC Adjustments Worksheet, line 37, column D, or federal pro forma Form 1040, line 37, to Long Form 540NR, line 13.

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 37, to Long Form 540NR, line 13.

Line 14 – California Adjustments — Subtractions (from Schedule CA (540NR), line 37, column B)

Complete Schedule CA (540NR), California Adjustments – Nonresidents or Part-Year Residents, to find the amount to enter on Long Form 540NR, line 14. Follow the instructions for Schedule CA (540NR) beginning on page 41. Enter the amount from Schedule CA (540NR), line 37, column B on Long Form 540NR, line 14.

If the amount on Schedule CA (540NR) line 37, column B is a negative number, do not transfer it to Long Form 540NR, line 14 as a negative number. Instead, transfer the number as a positive number to Long Form 540NR, line 16.

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 amount in parentheses. For example: "(12,325)."

Line 16 – California Adjustments — Additions (from Schedule CA (540NR), line 37, column C)

Complete Schedule CA (540NR), to find the amount to enter on Long Form 540NR, line 16. Follow the instructions for Schedule CA (540NR) beginning on page 41. Enter the amount from Schedule CA (540NR), line 37, column C on Long Form 540NR, line 16.

If the amount on Schedule CA (540NR) line 37, column C is a negative number, do not transfer it to Long Form 540NR, line 16 as a negative number. Instead, transfer the number as a positive number to Long Form 540NR, line 14.

Line 17 – Adjusted Gross Income From All Sources

Combine line 15 and line 16. This amount should match the amount on Schedule CA (540NR), line 37, column D.

Line 18 – California Itemized Deductions or California Standard Deduction

Decide whether to itemize your deductions, such as charitable contributions, medical expenses, etc., or take the standard deduction. Your California income tax will be less if you take the **larger** of your California:

- Itemized deductions (total itemized deductions allowed under California law).
- Standard deduction.

On federal tax returns, individual taxpayers who claim the standard deduction are allowed an additional deduction for state and local real estate taxes paid, new motor vehicle taxes, and disaster losses. For California, deductions for state and local real estate taxes paid, new motor vehicle taxes, and disaster losses are only allowed for those individual taxpayers who itemized their deductions.

If married or an RDP and filing separate Long Form 540NR, you and your spouse/RDP must either both itemize your deductions or both take the standard deduction.

Also, 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, see the California Standard Deduction Worksheet for Dependents on the next page.

Itemized Deductions. Figure your California itemized deductions by completing Schedule CA (540NR), Part III, line 38 through line 44. Enter the result on Long Form 540NR, line 18.

If you did not itemize deductions on your federal income tax return but will itemize deductions for your Long Form 540NR, first complete a sample federal Schedule A (Form 1040), Itemized Deductions. Then complete Schedule CA (540NR), Part III, line 38 through line 44.

Standard Deduction. Find your standard deduction on the California Standard Deduction Chart for Most People on next page. If you filled in the circle on Long Form 540NR, line 6, use the California Standard Deduction Worksheet for Dependents, on the next page, instead.

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 his or her tax return.

Your Filing Status	Enter On Line 18
1 – Single	\$3,637
2 – Married/RDP filing jointly	\$7,274
3 – Married/RDP filing separately	\$3,637
4 – Head of household	\$7,274
5 – Qualifying widow(er)	\$7,274

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

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 his or her tax return. **Use whole dollars only.**

- Enter your earned income from: line 3 of the "Standard Deduction Worksheet" in the instructions for federal Form 1040; Form 1040A; or from line A of the worksheet on the back of Form 1040EZ 1 _____
- Minimum standard deduction 2 \$950.00
- Enter the **larger** of line 1 or line 2 here 3 _____
- Enter the amount shown for your filing status:
 - Single or married/RDP filing separately, enter \$3,637
 - Married/RDP filing jointly, head of household, or qualifying widow(er), enter \$7,274
 } 4 _____
- Standard deduction.** Enter the **smaller** of line 3 or line 4 here and on the Short or Long Form 540NR, line 18 5 _____

Line 19 – Taxable Income

Capital Construction Fund (CCF). If you claim a deduction on your federal Form 1040, line 43 for a contribution made to a CCF 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.

California Taxable Income

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

Line 31 – Tax

Tip e-file and you won't have to do the math. Go to ftb.ca.gov and search for **efile**.

To figure your tax on the amount on line 19, use one of the following methods and fill in the matching circle on line 31:

- Tax Table.** If your taxable income on line 19 is \$100,000 or less, use the tax table beginning on page 31. 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 schedules on page 36.
- FTB 3800.** Generally, you use form FTB 3800, Tax Computation for Children Under Age 14 with Investment Income, to figure the tax on a separate Long Form 540NR for your child who was under age 14 on January 1, 2010, and who had more than \$1,900 of investment income. Attach form FTB 3800 to the child's Long Form 540NR.
- FTB 3803.** If, as a parent, you elect to report your child's interest and dividend income of \$9,000 or less (but not less than \$950) on your 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 Long Form 540NR. 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 Long Form 540NR, line 31. Attach form(s) FTB 3803 to your return.

To prevent possible delays in processing your 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 and search for **tax calculator**.

Line 32 – CA Adjusted Gross Income

Complete Schedule CA (540NR), line 45 to determine your California adjusted gross income. Follow the instructions for Schedule CA (540NR) beginning on page 41. Enter on Long Form 540NR, line 32 the amount from Schedule CA (540NR), line 45.

Line 36 – CA Tax Rate

In this computation, the FTB rounds the tax rate to four digits after the decimal. If your computation is different, you may receive a notice due to the difference in rounding. Contact us at 800.852.5711 if you disagree with this notice.

Line 38 – CA Exemption Credit Percentage

Divide the California Taxable Income (line 35) by Total Taxable Income (line 19). This percentage does not apply to the Nonrefundable Renter's Credit, Other State Tax Credit, or credits that are conditional upon a transaction occurring wholly within California. **If more than 1, enter 1.0000.**

Line 39 – CA Prorated Exemption Credits

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

If your filing status is:	Is Long Form 540NR, line 13 more than:
Single or married/RDP filing separately	\$160,739
Married/RDP filing jointly or qualifying widow(er)	\$321,483
Head of household	\$241,113

- Yes** Complete the AGI Limitation Worksheet on this page.
- No** Multiply line 11 by line 38.

AGI Limitation Worksheet

Use whole dollars only

- Enter the amount from Long Form 540NR, line 13. a _____
- Enter the amount for your filing status on line b:
 - Single or married/RDP filing separately \$160,739
 - Married/RDP filing jointly or qualifying widow(er) \$321,483
 - Head of household \$241,113
 } b _____
- Subtract line b from line a c _____
- 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 _____
- Multiply line d by \$6. e _____
- Add the numbers from the boxes on Long Form 540NR, line 7, line 8, and line 9 (not the dollar amounts) f _____
- Multiply line e by line f. g _____
- Add the total **dollar amounts** from Long Form 540NR, line 7, line 8, and line 9. h _____
- Subtract line g from line h. If zero or less enter -0- i _____
- Enter the number from the box on Long Form 540NR, line 10 (not the dollar amount) j _____
- Multiply line e by line j. k _____
- Enter the **dollar amount** (that you filled in) from Long Form 540NR, line 10 l _____
- Subtract line k from line l. If zero or less, enter -0- m _____
- Add line i and line m. Enter the result here. n _____
- Multiply the amount on line n by the CA Exemption Credit Percentage on Long Form 540NR, line 38. Enter the result here and on Long Form 540NR, line 39 o _____

Line 41 – Tax from Schedule G-1 and Form FTB 5870A

If you received a qualified lump-sum distribution in 2009 and you were born before January 2, 1936, get Schedule G-1, Tax on Lump-Sum Distributions, to figure your tax by special methods that may result in less tax.

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.

To get these forms, see “Order Forms and Publications” on page 63.

Special Credits and Nonrefundable Renter’s Credit

A variety of California tax credits are available to reduce your tax if you qualify. To figure and claim most credits, complete a separate form or schedule and attach it to your Long Form 540NR. (Note: If your net business income is \$500,000 or more and you have business tax credits, complete Schedule P (540NR), Alternative Minimum Tax and Credit Limitations – Nonresidents or Part-Year Residents. See “Order Forms and Publications” on page 63.)

The Credit Chart on page 58 describes the credits and provides the name, credit code, and number of the required form, schedule, worksheet, or certificate you need to complete. 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). Answer the following questions before you claim credits on your tax return.

1. Do you qualify to claim the nonrefundable renter’s credit? Complete the qualification record on page 57.)

Check Yes or No, then go to Question 2.

2. Are you claiming any other special credit listed in the Credit Chart on page 58?

No If you checked “Yes” for Question 1 and entered an amount on Long Form 540NR, line 61, go to line 62. If you checked “No” for Question 1, skip to the instructions for line 63.

Yes Figure your credit using the form, schedule, worksheet, or certificate identified in the Credit Chart. Then go to Box A below to see if the total amount you may claim for all credits is limited by TMT. If you checked “Yes” for Question 1, verify that you entered your nonrefundable renter’s credit on line 61.

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 AMT. For more information, see line 71 instructions, on page 21.):

- 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)
- Excluded gain on the sale of qualified small business stock

Yes Get and complete Schedule P (540NR). See “Order Forms and Publications” on page 63.

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 return 225
- Income from installment sales of certain property

Yes Get and complete Schedule P (540NR). See “Order Forms and Publications” on page 63.

No Go to Box C.

Box C – If your filing status is: _____ Is Long Form 540NR, line 17 more than:

- Single or head of household \$221,674
- Married/RDP filing jointly or qualifying widow(er) \$295,564
- Married/RDP filing separately \$147,781

Yes Get and complete Schedule P (540NR). See “Order Forms and Publications” on page 63.

No Your credits are not limited. Go to the instructions for the Long Form 540NR, line 56, on page 21.

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 Summary, to figure the amount of the credit.

If you need to complete Schedule P (540NR) and you claim any of the credits on line 51 through line 53, do not enter an amount on line 51 through line 53. Instead, enter the total amount of these credits from Schedule P (540NR), Part III, Section B1, line 12 through line 14, on Long Form 540NR, line 55. Do not follow the instructions for line 55. Write “Schedule P (540NR)” to the left of the amount entered on line 55.

Line 51 – Credit for Joint Custody Head of Household — Code 170

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

Claim the credit if unmarried and not an RDP at the end of 2009 (or if married or an RDP, you lived apart from your spouse/RDP for all of 2009 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 your taxable year. If the child is married or an RDP, you must be entitled to claim a dependent exemption 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.

If your Federal AGI is more than \$160,739, subtract line n from the AGI Limitation Worksheet on page 19 from line 31 of the Long Form 540NR and enter this amount on line 1 of the worksheet below to calculate your credit.

Use the worksheet below to figure this credit **using whole dollars only:**

1. Subtract line 11 from line 31 on Long Form 540NR and enter the result here	1	_____
2. Enter the amount from Long Form 540NR, line 41	2	_____
3. Add line 1 and line 2	3	_____
4. Credit percentage — 30%	4	x .30
5. Credit amount. Multiply line 3 by line 4. Enter on this line the result or \$387, whichever is less. Enter this amount on Long Form 540NR, line 51	5	_____

If you qualify for both the Credit for Joint Custody Head of Household and the Credit for Dependent Parent, you are only allowed to claim one or the other, not both. Select the credit that will allow the maximum benefit.

Line 52 – Credit for Dependent Parent — Code 173

You may **not** claim this credit 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 2009 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, on this page.

On the last line of the worksheet, enter the result or \$387, whichever is less. Enter this amount on Long Form 540NR, line 52.

If you qualify for both the Credit for Joint Custody Head of Household and the Credit for Dependent Parent, you are only allowed to claim one or the other, not both. Select the credit that will allow the maximum benefit.

Line 53 - Credit for Senior Head of Household - Code 163

Claim this credit if you:

- Were 65 years of age or older on December 31, 2009.
Qualified as a head of household in 2007 or 2008 by providing a household for a qualifying individual who died during 2007 or 2008.
Did not have adjusted gross income over \$62,874 for 2009.

*If your 65th birthday is on January 1, 2010, you are considered to be age 65 on December 31, 2009.

If you meet all the conditions listed, you do not need to qualify to use the head of household filing status for 2009 in order to claim this credit.

Use the worksheet below to figure this credit using whole dollars only:

Worksheet for Line 53 credit calculation with fields for amount from Long Form 540NR, line 19, credit percentage (2%), and credit amount.

Line 54 and Line 55 - Credit Percentage and Credit Amount

If you claimed credits on line 51, line 52, or line 53, complete the worksheet below to compute your credit percentage and the allowable prorated credit to enter on line 55 using whole dollars only.

Part I - Credit Percentage

Worksheet for Part I: Divide Long Form 540NR, line 35 by line 19. Enter the result here and on Long Form 540NR, line 54.

Part II - Credit Amount

Credit for Joint Custody Head of Household

Worksheet for Joint Custody Head of Household credit calculation with fields for amount from Long Form 540NR, line 51, credit percentage, and lesser of amount or \$387.

Credit for Dependent Parent

Worksheet for Dependent Parent credit calculation with fields for amount from Long Form 540NR, line 52, credit percentage, and lesser of amount or \$387.

Credit for Senior Head of Household

Worksheet for Senior Head of Household credit calculation with fields for amount from Long Form 540NR, line 53, credit percentage, and lesser of amount or \$1,185.

Total Prorated Credits

Worksheet for Total Prorated Credits: Add line 4, line 8, and line 12. Enter the result here and on Long Form 540NR, line 55.

Line 56 and Line 57 - New Jobs Credit

Qualified employers who had a net increase of qualified employees during the current taxable year or qualified employers who first commenced business in California during the current taxable year may be eligible to claim this credit.

of the credit available. Enter on line 56 the amount from form FTB 3527, line 12.

Enter on line 57 the amount of credit claimed. If you claim other additional credits, use Schedule P (540NR), Part III.

Line 58 through Line 60 - Additional Special Credits

A code number identifies each credit. To claim only one or two credits, enter the credit name, code number, and amount of the credit on line 58 and line 59. To claim more than two credits, get Schedule P (540NR) complete Part III to list the additional credits.

Attach Schedule P (540NR) and any required supporting schedules or statements to your Long Form 540NR.

Credit for Child 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.

- 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 who 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 following worksheet 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.

Worksheet for Child Adoption Costs credit calculation with fields for qualifying costs, credit percentage (50%), and credit amount (max \$2,500).

Your allowable credit is limited to \$2,500 for 2009. You may carryover the excess credit to future years until the credit is used.

Line 61 - Nonrefundable Renter's Credit

Did you pay rent for at least six months in 2009 on your principal residence located in California?

- Yes You may qualify to claim this credit which may reduce your tax. Complete the qualification record on page 57.
No Go to line 62.

Line 63

Subtract the amount on line 62 from the amount on line 50. Enter the result on line 63. If the amount on line 62 is more than the amount on line 50, enter -0-. If you owe interest on deferred tax from installment obligations, include the additional tax, if any, in the amount you enter on line 63.

Other Taxes

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

Line 71 - 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:

- \$78,817 married/RDP filing jointly or qualifying widow(er)
\$59,114 single or head of household
\$39,407 married/RDP filing separately

A child under age 14 may owe AMT if the sum of the amount on line 19 (taxable income) and any preference items listed on Schedule P (540NR) and included on the return is more than the sum of \$6,700 plus 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 (540NR) for more information. See "Where To Get Income Tax Forms and Publications" on page 62.

Line 72 – Mental Health Services Tax

If your taxable income or nonresident CA source taxable income is more than \$1,000,000, compute the Mental Health Services tax below **using whole dollars only**:

A. Taxable income from Long Form 540NR, line 35	_____
B. Less.	\$(1,000,000)
C. Subtotal.	_____
D. Multiply line C by 1%	x _____ .01
E. Mental Health Services Tax - Enter this amount here and on Long Form 540NR, line 72.	_____

Line 73 – 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 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 73 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 20% tax plus interest. Include the additional tax, if any, on line 73. Write "NQDC" on the dotted line to the left of the amount.

If you used form(s)

- FTB 3501, Employer Child Care Program/Contribution Credit
- FTB 3805Z, Enterprise Zone Deduction and Credit Summary
- FTB 3807, Local Agency Military Base Recovery Area Deduction and Credit Summary
- FTB 3808, Manufacturing Enhancement Area Credit Summary
- FTB 3809, Targeted Tax Area Deduction and Credit Summary

Include the additional tax for credit recapture, if any, on line 73. Write the form number on the dotted line to the left of the amount on line 73.

Payments

Have your Form(s) W-2, W-2G, Certain Gambling Winnings, 1099-MISC, Miscellaneous Income, 1099-R, Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., 592-B, Resident and Nonresident Withholding Tax Statement, and 593, Real Estate Withholding Tax Statement, before you begin this section.

If you received wages and do not have a Form W-2, see page 8, Question 2.

Line 81 – California Income Tax Withheld

Enter the total California income tax withheld from your Form(s):

- W-2, box 17
- W-2G, box 14
- 1099-MISC, box 16
- 1099-R, box 10

Do not include city, local, or county tax withheld or tax withheld by other states. Do not include nonresident or real estate withholding from Form(s) 592-B or 593, on this line. Do not include nonconsenting nonresident (NCNR) member's tax from Schedule K-1 (568), line 15e as withholding. See line 82. If you had California tax withheld and did not receive Form(s) W-2 or 1099, contact the entity that paid the income.

If you received Form(s) 1099-MISC or 1099-R showing California income tax withheld, include in the total on line 81 the amount(s) withheld and attach a copy of the Form(s) 1099 to your return.

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

Line 82 – Real Estate or Other Withholding

If you were a nonresident who received California source income or sold California real estate, enter the total California tax withheld from your Form(s) 592-B and 593. Attach a copy of Form(s) 592-B and 593 to the lower front of Long Form 540NR, Side 1.

Do not include withholding from other forms on this line. Do not include NCNR member's tax from Schedule K-1 (568), line 15e as withholding. If you had California income tax withheld and did not receive Form(s) W-2 or 1099, contact the entity that paid the income.

Line 83 – 2009 CA Estimated Tax and Other Payments

Enter the total of any:

- California estimated tax payments you made using Form 540-ES or Web Pay for 2009.
- Overpayment from your 2008 California income tax return that you applied to your 2009 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 or trust on Schedule K-1 (541) or an S Corporation on Schedule K-1(100S).

If you are including NCNR tax, write "LLC" on the dotted line to the left of the amount on line 83, and attach Schedule K-1 (568) with the amount of the NCNR tax claimed.

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:

JOINT ESTIMATED CREDIT ALLOCATION MS F225
 TAXPAYER SERVICES CENTER
 FRANCHISE TAX BOARD
 PO BOX 942840
 SACRAMENTO, CA 94240-0040

To view payments made or get your current account balance, go to ftb.ca.gov and search for **myftb account**.

If you or your spouse/RDP made separate estimated tax payments, but are now filing a joint income tax return, add the amounts you each paid. Attach a statement to the front of your Long Form 540NR explaining that payments were made under both SSNs.

You do not have to make estimated tax payments if you are a nonresident or new resident of California in 2010 and did not have a California tax liability in 2009.

Line 84 – Excess California SDI (or VPD) Withheld

You may be entitled to claim a credit for excess State Disability Insurance (SDI) or Voluntary Plan Disability Insurance (VPDI) only if you meet all of the following conditions:

- You had **two or more** California employers during 2009.
- You received more than \$90,669 in wages.
- The amounts of SDI (or VPD) withheld appear on your Form(s) W-2. Be sure to attach your Form(s) W-2 to your Long Form 540NR.

If SDI (or VPD) was withheld from your wages by a single employer, at a rate of more than 1.1% of your gross wages, you may not claim excess SDI (or VPD) on your Long Form 540NR. Contact the employer for a refund.

To determine the amount to enter on line 84, 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.

Excess SDI (or VPDI) Worksheet		
Use whole dollars only		
Follow the instructions below to figure the amount of income tax to enter on Long Form 540NR, line 84. If you are married or an RDP and file a joint return, you must figure the amount of excess SDI (or VPDI) separately for each spouse/RDP.		
	You	Your Spouse/RDP
1. Add amounts of SDI (or VPDI) withheld shown on your Forms W-2. Enter the total here	1	
2. 2009 SDI (or VPDI) limit	2 \$997.36	\$997.36
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 Long Form 540NR, line 84	3	
If zero or less, enter -0- on line 84.		

Line 85 through Line 88 – Child and Dependent Care Expenses Credit

Claim this credit if you paid someone to care for your 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. To claim this credit, your federal adjusted gross income must be \$100,000 or less. Complete and attach form FTB 3506, Child and Dependent Care Expenses Credit.

The care must have been provided in California. You must have California-sourced income (wages earned working in California or self-employment income from California business activities).

A servicemember's active duty military pay is considered earned income, regardless of whether the servicemember is domiciled in California. Get FTB Pub. 1032, Tax Information for Military Personnel, for more information.

Line 85 and Line 86

Enter the qualifying person's SSN. Do not enter more than one qualifying person's SSN on line 85 or line 86 from form FTB 3506, Part III, line 2. If you have more than two qualifying persons, enter only the first two qualifying persons listed on form FTB 3506, Part III, line 2.

Line 87

Enter the credit amount allowed from form FTB 3506, Part III, line 8.

Line 88

Enter the credit amount allowed from form FTB 3506, Part III, line 12. See "Where To Get Income Tax Forms and Publications" on page 62.

Line 89

For the Claim of Right credit, follow the reporting instructions in Schedule CA (540NR) under the Claim of Right.

Claim of Right: If you are claiming the tax credit on your California 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.

To determine if you are entitled to this deduction, refer to your prior year California Form 540/540A, Form 540NR (Long or Short), Schedule CA (540), or Schedule CA (540NR), column E, to verify the amount was included in your CA taxable income. If the amount repaid under a "Claim of Right" was not originally taxed by California, you are not entitled to claim the deduction.

Overpaid Tax or Tax Due

If you received a refund for 2008, you may receive a Form 1099-G, Certain Government Payments. The refund amount reported on your Form 1099-G will be different from the amount shown on your tax return if you claimed the Child and Dependent Care Expenses Credit. This is because the credit is not part of the refund from withholding or estimated tax payments.

To avoid a delay in the processing of your return, enter the correct amounts on line 101 through line 104.

Line 101 – Overpaid Tax

If the amount on line 89 is more than the amount on line 74, subtract the amount on line 74 from the amount on line 89. Enter the result on line 101. Your payments and credits are more than your tax.

Line 102 – Amount You Want Applied to Your 2010 Estimated Tax

Apply all or part of the amount on line 101 to your estimated tax for 2010. Enter on line 102 the amount of line 101 you want applied to 2010.

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

Line 103 – Overpaid Tax Available This Year

If you entered an amount on line 102, subtract it from the amount on line 101. Enter the result on line 103. You may have this entire amount refunded to you or make contributions to the California Seniors Special Fund or make other voluntary contributions from this amount. If you make a contribution, skip line 104 and go to the instructions for contributions.

Line 104 – Tax Due

If the amount on line 89 is less than the amount on line 74, subtract the amount on line 89 from the amount on line 74. Enter the result on line 104. 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 104 is \$500 or more (\$250 or more if married/RDP filing separately).
- The amount of state income tax withheld on line 81 is less than 90% of the amount of your total tax on line 74.

If you owe a penalty, the FTB will figure the penalty and send you a bill.

Contributions

You can make voluntary contributions to the funds listed on Long Form 540NR, Side 3. See page XX for a description of the funds.

Code 400 – Contribution to California Seniors Special Fund

If you and/or your spouse/RDP are 65 years of age or older and claim the Senior Exemption Credit on line 9, you may make a combined total contribution of up to \$196 or \$98 per spouse/RDP. Contributions entered on code 400 will be distributed to The Area Agency on Aging Council of California (TACC) to provide advice on and sponsorship of Senior Citizen issues. Any excess contributions not required by TACC will be distributed to senior citizen service organizations throughout California for meals, adult day care, and transportation.

Use the worksheet on this page to figure your contribution:

1. If you contribute, enter \$98; if you and your spouse/RDP contribute, enter \$196 1 _____
2. Enter the ratio from Long Form 540NR, line 38 2 _____
3. Contribution amount. Multiply line 1 by line 2. Enter the result (rounded to the nearest whole dollar) here 3 _____

You may contribute any amount up to the amount on line 3. Enter your contribution on the line for code 400.

Line 105 – Total Contributions

Add code 400 through code 414. Enter the result on line 105.

Amount You Owe

Add or subtract correctly to figure the amount you owe.

Line 121 – Amount You Owe

If you did not enter an amount on line 105, enter the amount from line 104 on line 121. This is the amount you owe with your Long Form 540NR.

If you entered an amount on line 105, add that amount to the amount on line 104. Enter the result on line 121. This is the amount you owe with your Long Form 540NR.

If you have an amount on line 103 and line 105, subtract line 105 from line 103. If line 105 is more than line 103 enter the difference on line 121.

To avoid a late filing penalty, file your Long Form 540NR by the extended due date even if unable to pay the amount you owe.

Electronic Payments – You are required to remit your payments electronically if you make an estimate or extension payment exceeding \$20,000 for taxable year 2009, or the total tax liability shown on your original 2009 tax return exceeds \$80,000. Once you meet the threshold, all subsequent payments regardless of amount, tax type, or taxable year must be remitted electronically. Individuals that do not send the payment electronically will be subject to a one percent noncompliance penalty. Electronic payments can be made using Web Pay on FTB's website, by using electronic funds withdrawal (EFW) as part of the e-file return, or by using your credit card. For more information, go to ftb.ca.gov and search for **mandatory epay**.

Payment Options

- **Electronic Funds Withdrawal** – Instead of paying by check or money order, you may use this convenient option if you e-file. 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 and search for **web pay**.
- **Credit Card** – Whether you e-file or file by mail, you can use your Discover/Novus, MasterCard, Visa, or American Express card to pay your personal income taxes. 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 blue or black ink, make your check or money order payable to the "Franchise Tax Board." **Do not send cash.** Write your SSN or ITIN and "2009 Long Form 540NR" on the check or money order. Enclose, but **do not** staple, your payment with your return. Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution. **Do not** combine your 2009 tax payment and any 2010 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. If you enter an amount on line 122 or line 123, see the instructions for line 124 for information about how to prepare your check or money order.

Paying by Credit Card – Whether you e-file or file by mail, use your Discover/Novus, 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 convenience fee for this service.** This fee is paid directly to Official Payments Corp. based on the amount of your tax payment.

Convenience Fee

- 2.49% of the tax amount charged (rounded to the nearest cent)
- Minimum fee: \$1

Example: Tax Payment = \$754.00 Convenience Fee = \$18.77

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, the following information is needed:

- Your Discover/Novus, 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

Go to the Official Payments Corp. website at officialpayments.com and select **Payment Center**, or use the toll-free number at 800.2PAY.TAX or 800.272.9829. Follow the recorded instructions. Official Payments Corp. provides customer assistance Monday through Friday, 5 a.m. to 5:30 p.m. PST. Official Payments Corp. will tell you the convenience fee before you complete your transaction. Decide whether to complete the transaction at that time.

Payment Date : _____ Confirmation Number: _____

If you cannot pay the full amount shown on Long Form 540NR, line 121, see the information regarding monthly payments on page 8, question 4.

Interest and Penalties

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

Do not reduce the amount on line 101 or increase the amount on line 104 by any penalty or interest amounts. Enter on Long Form 540NR, line 122 the amount of interest and penalties.

Line 122 – 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**.

Late Filing of Return. If you do not file your tax return by October 15, 2010, 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 return is filed after October 15, 2010. The minimum penalty for filing a return more than 60 days late is \$100 or 100% of the balance of tax due, whichever is less.

Late Payment of Tax. If you fail to pay your total tax liability by April 15, 2010, 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. If you have paid at least 90% of the tax shown on the return by the original due date of the return, we will waive the penalty based on reasonable cause. However, the imposition of interest is mandatory. If, after April 15, 2010, 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.

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 123 – 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 return under \$500.

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

Is line 104 less than \$500 (\$250 if married/RDP filing separately)?

- Yes** Stop. You are not subject to an estimated payment penalty.
No Continue. You may be subject to an estimate payment penalty.

Is line 104 less than 10% of the amount on line 63 (excluding the tax on lump-sum distributions on line 41)?

- Yes Stop.** You are not subject to an estimate payment penalty.
No You may be subject to an estimate payment penalty, see form FTB 5805, Underpayment of Estimated Tax by Individuals and Fiduciaries (or form FTB 5805F, Underpayment of Estimated Tax by Farmers and Fishermen).

There will be a waiver of penalties imposed for the underpayment of tax with respect to any law enacted during the 2009 tax year. To request a waiver of underpayment of estimated tax penalty, get form FTB 5805 or form FTB 5805F. See "Where To Get Income Tax Forms and Publications" on page 62.

If you complete one of these forms, enter the amount of the penalty on line 123 and fill in the correct circle on line 123. 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 no penalty is owed.

See "Important due dates" on page 2 for more information on estimated tax payments and how to avoid the underpayment penalty.

Line 124 – Total Amount Due

Is there an amount on line 121?

- Yes** Add line 121, line 122, and line 123. Enter the result on line 124. For payment options, see line 121 instructions.
No Go to line 125.

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

Line 125 – Refund or No Amount Due

Did you report amounts on line 105, line 122, or line 123?

- No** Enter the amount from line 103 on line 125. This is your refund amount. If it is less than \$1, attach a written statement to your Long Form 540NR requesting the refund.
Yes Combine the amounts from line 105, line 122, and line 123. If the result is:
 • More than line 103, subtract line 103 from the sum of line 105, line 122, and line 123 and enter the result on line 124. This is your total amount due. For payment options, see line 121 instructions.
 • Less than line 103, subtract the sum of line 105, line 122, and line 123 from line 103 and enter on line 125. This is your refund amount.



Want a fast refund? Get your refund in 10 days or less when you e-file your return!

Direct Deposit (Refund Only)

Line 126 and Line 127 – Direct Deposit of Refund

Direct deposit is fast, safe, and convenient. To have your refund directly deposited into your bank account, fill in the account information on Long Form 540NR, Side 3, line 126 and line 127. 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 on the this page.

Individual taxpayers may request that his or her 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 12 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 126 and line 127 must equal the total amount of your refund on line 125. If line 126 and line 127 do not equal line 125, the FTB will issue a paper check.

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.

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.

The illustration shows a check from John Doe and Mary Doe at 1234 Main Street, Anytown, CA 99999. The amount is \$1234.00. The routing number is 250250025 and the account number is 202020. A note says "Do not include the check number".

Sign Your Return

Sign your return in the designated space on Side 3. If you file a joint return, your spouse/RDP must sign the return also.

Joint Return. If you file a joint return, both you and your spouse/RDP are generally responsible for the tax and any interest or penalties due on the return. This means that if one spouse/RDP does not pay the tax due, the other spouse/RDP may have to pay the tax due. See Innocent Joint Filer Relief, on page 7.

Paid Preparer's Information. If you pay a person to prepare your Long Form 540NR, that person signs and completes the area at the bottom of Side 3 including an identification number (SSN, FEIN, or PTIN). A paid preparer must give you two copies of your return: one to file with the FTB, and one to keep for your records.

Third Party Designee. If you want to allow a friend, family member, or any other person you choose to discuss your 2009 tax return with the FTB, check the "Yes" box in the signature area of your return. Also print the designee's name and telephone number. If you want to allow the paid preparer who signed your return to discuss it with the FTB, enter "Preparer" in the space for the designee's name and print the preparer's telephone number.

If you check the "Yes" box, you, and your spouse/RDP if filing a joint return, are authorizing the FTB to call the designee to answer any questions that may arise during the processing of your return. You are also authorizing the designee to:

- Give the FTB any information that is missing from your return.
- Call the FTB for information about the processing of your return or the status of your refund or payments.
- Receive copies of notices or transcripts related to your return, upon request.
- Respond to certain FTB notices about math errors, offsets, and 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, get form FTB 3520, Power of Attorney Declaration for the Franchise Tax Board.

The authorization will automatically end no later than the due date (without regard to extensions) for filing your 2010 tax return. This is April 15, 2011, for most people. If you wish to revoke the authorization before it ends, notify us by telephone at 800.338.0505 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 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 your 2009 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, get form FTB 1144, Power of Attorney Pamphlet, and form FTB 3520, Power of Attorney Declaration, at ftb.ca.gov or see "Where To Get Income Tax Forms and Publications" on page 62.

Check Your Social Security Number (or ITIN). Verify that you have written your social security number (or ITIN) in the spaces provided at the top of Long Form 540NR. If you file a joint return, verify that you and your spouse's/RDP's numbers are entered in the same order as your names.

Filing Your Tax Return

Important: Attach a copy of your federal income tax return, and all supporting federal forms and schedules to the back of Long Form 540NR.

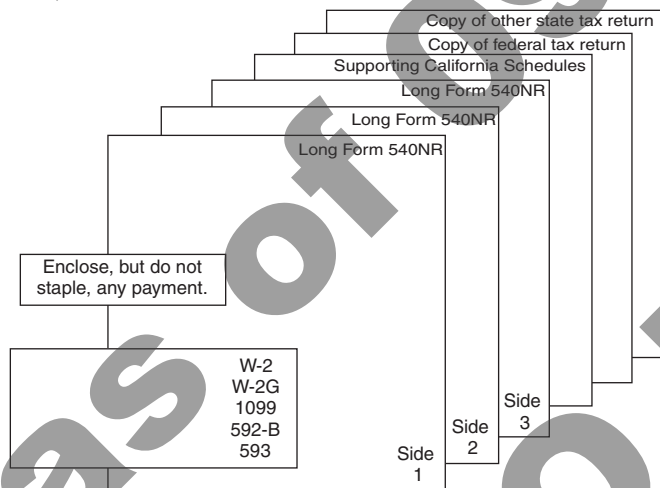
Form(s) W-2, W-2G, 1099, 592-B, and 593. Attach all the Form(s) W-2 and W-2G you received to the front of your return. Also, attach any Form(s) 1099, 592-B, and 593 showing California income tax withheld.

If you cannot get a copy of your Form W-2, 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 "Where To Get Income Tax Forms and Publications" on page 62.

If you forget to send your Form(s) W-2 or any other withholding form(s) with your income tax return, do not send it separately. Wait until the FTB requests it from you.

Assembling Your Tax Return

Assemble your tax return in the order shown below.



Mailing Your Tax Return

If you have a refund, or if no amount due, mail your tax return to:

FRANCHISE TAX BOARD
 PO BOX 942840
 SACRAMENTO CA 94240-0002

If you owe, mail your tax return to:

FRANCHISE TAX BOARD
 PO BOX 942867
 SACRAMENTO CA 94267-0001