

# California

# Resident

1992 Forms & Instructions

**This booklet contains two copies of:**

**Form 540EZ**, California Resident Income Tax Return For  
Single Filers With No Dependents

**Form 540A**, California Resident Income Tax Return

**Form 540**, California Resident Income Tax Return

**Schedule CA**, California Adjustments

**Schedule D**, California Gain or Loss Adjustment

**FTB 3885A**, Depreciation and Amortization Adjustments

**This booklet contains one copy of:**

**Schedule H**, Renter's Credit

**FTB 3519**, Payment Voucher For Automatic Extension

**Do you need help?**



**F.A.S.T.**

Most of your questions can be answered by reading the instructions in this booklet. But if you find that you need help, see pages 47 and 48 of this booklet to find out how to contact the Franchise Tax Board. Use our F.A.S.T. (Fast Answers about State Taxes) toll-free phone service available 24 hours a day. If you can't get the answer you need, call our regular toll-free phone service listed on page 47. The best time to call is before 10:00 A.M. and between 6:00 P.M. and 8:00 P.M. If you need in-person assistance, visit one of our district offices. Addresses are shown on page 47.

**When Should You File Your Return?**

File your return by April 15, 1993. The earlier you file, the earlier we can send you your refund. If you can't file your return by April 15, follow these simple instructions:

1. As accurately as possible, determine whether you owe any tax based on the information you have. This is the amount you would enter on Form 540EZ, line 31 or Form 540A, line 31 or Form 540, line 46.
2. If you don't owe any tax with your return or if you have a refund coming to you, you automatically have until October 15, 1993 to file your return. **Important:** Do not send us a written request for an extension to file. If you need more information, see page 5.
3. If you owe tax, you must pay no later than April 15, 1993, to avoid penalties and interest. See form FTB 3519, Payment Voucher for Automatic Extension for Individuals, on page 5 for more information.

If you are living or traveling outside the United States on April 15, 1993, the deadline for filing your return is June 15, 1993. See form FTB 3519 on page 5 for more information.

## Make it 'EZ' on yourself.

See page 2.

Members of the  
Franchise Tax Board:

Gray Davis, Chairman  
Brad Sherman, Member  
Thomas Hayes, Member



State of California  
Franchise Tax Board

# Make it 'EZ' on yourself ...



Why spend unnecessary time preparing your California taxes? If you are single, chances are good that you could be using Form 540EZ. It's quick, it's easy, and you can do it yourself. Check the chart below to see which form you should use.

	Form 540EZ	Form 540A	Form 540
<b>Filing Status</b>	Single only, under 65 and not blind	All	All
<b>Dependents</b>	None allowed	Allowed	Allowed
<b>Amount of Income</b>	Taxable income \$50,000 or less	Federal adjusted gross income \$100,000 or less	All amounts
<b>Sources of Income</b>	Only income from: <ul style="list-style-type: none"> <li>• Wages, salaries, tips</li> <li>• Taxable interest of \$400 or less</li> <li>• Taxable scholarship or fellowship grants</li> </ul>	Only income from: <ul style="list-style-type: none"> <li>• Wages, salaries, tips</li> <li>• Interest and dividends</li> <li>• Unemployment compensation</li> <li>• Social security</li> <li>• Fully and partially taxable IRA distributions, pensions, &amp; annuities</li> </ul>	All sources of income
<b>Adjustments to Income</b>	None	Allowed if the amount is the same as your federal adjustments to income	Allowed
<b>Standard Deduction</b>	Allowed	Allowed	Allowed
<b>Itemized Deductions</b>	None	Allowed if the amount is the same as your federal itemized deductions (except for state, local, and foreign taxes paid)	All itemized deductions
<b>Payments</b>	Withholding shown on Form(s) W-2	<ul style="list-style-type: none"> <li>• Withholding shown on Form(s) W-2, W-2G, and 1099-R</li> <li>• Estimated tax payments</li> <li>• Payments made with extension voucher</li> </ul>	<ul style="list-style-type: none"> <li>• Withholding from all sources</li> <li>• Estimated tax payments</li> <li>• Payments made with extension voucher</li> <li>• Excess State Disability Insurance (SDI)</li> </ul>
<b>Tax Credits</b>	Only for: <ul style="list-style-type: none"> <li>• Personal exemption credit</li> <li>• Renter's credit</li> </ul>	Only for: <ul style="list-style-type: none"> <li>• Exemption credits</li> <li>• Renter's credit</li> <li>• Credit for child &amp; dependent care</li> </ul>	All tax credits
<b>Other Taxes</b>	Only tax computed using the tax table	Only tax computed using the tax table or tax rate schedules	All taxes: <ul style="list-style-type: none"> <li>• Tax computed using the tax table or tax rate schedules</li> <li>• Alternative minimum tax</li> <li>• Tax on early use of an IRA or a qualified retirement plan</li> <li>• Tax for children under age 14 who have investment income of more than \$1,200</li> <li>• Tax on lump-sum distribution</li> <li>• Recapture taxes</li> <li>• Deferred tax on certain installment obligations</li> <li>• Tax on accumulation distribution of trusts</li> </ul>

# Important News For 1992

## New Form 540EZ

California's new Form 540EZ makes filing easier for some taxpayers. This new form is similar to federal Form 1040EZ. To file this form you must be single, under 65, not blind and you must have no dependents. For a complete list of filing requirements, see the chart to the left.

If you qualify to file our new "EZ" form, follow the instructions beginning on page 9.

## Phone and F.A.S.T. Service

Our F.A.S.T. (Fast Answers about State Taxes) toll-free phone service is available to answer your questions about state taxes, tax forms and tax refunds. After dialing the F.A.S.T. number, enter the code that relates to your question. A list of codes for commonly asked questions is printed on the back cover.

In addition, you will see a phone symbol in the margin next to some paragraphs in this instruction booklet. The three-digits below the phone symbol represent the code to enter if you need more information on that topic. See the back cover for more information on how to use F.A.S.T.

## Fast Refund with Form 540-ADS

If you want your California refund fast, file your return early. And if you want your refund within two weeks, use Form 540-ADS. For a fee, many professional tax preparers offer the computerized Form 540-ADS in addition to their other services. If you complete your own return, see a tax preparer to have your return printed using the Form 540-ADS format. For more information, call our F.A.S.T. toll-free phone number at 1-800-338-0505 (enter code 213 after you reach the number). See the back cover of this booklet for more information.

## Order Federal Forms

You can now use our F.A.S.T. toll-free phone service to order the most commonly used 1992 federal forms. See the back cover for more information on how to order these forms:

- Form 1040
- Form 1040A
- Form 1040X
- Form 1040-ES
- Form 1040EZ

## New Tax Credits

See page 29 for information about the new credits for Los Angeles Revitalization Zone hiring and sales and use tax credits.

## Credit with a New Name

We changed the name of the credit for qualified parent to credit for a young infant. We hope the new name will encourage taxpayers who are qualified to claim this credit on their Form 540.

## Expired Tax Credits

The credits for taxpayers with income under \$22,841, military income and for the elderly and disabled have expired and may no longer be claimed.

## Rounding Off to Whole Dollars

Please round off cents to the nearest whole dollar on your return and schedules. See page 4 for more information on how to round off cents.

## Collection Fees

Recently enacted legislation requires Franchise Tax Board to assess collection and filing enforcement cost recovery fees on delinquent accounts.

## Do You Need to Attach Form 1040 to Form 540?

You may no longer need to attach your federal Form 1040 to Form 540. Simply ask yourself the following question:

Did you attach any federal schedules other than Schedule A or B to your federal Form 1040?

- If no, do not attach Form 1040 to Form 540.
- If yes, attach Form 1040 to Form 540.

# Who Must File A Return

## Requirements for Most People

If you were single or unmarried on December 31, 1992, you must file a return if you:

- gross income from all sources was more than \$8,000; or
- adjusted gross income from all sources was more than \$6,000.

If you were married on December 31, 1992, you must file a return if you and your spouse had a combined:

- gross income from all sources of more than \$16,000; or
- adjusted gross income from all sources of more than \$12,000.

**Note:** Gross income usually means money, goods and property you received. It does not include nontaxable income.

Even if you do not have to file a return, you should file for a refund if:

- California state income tax was withheld from your pay; or
- you qualify to claim the renter's credit; or
- you made estimated tax payments.

## California Alternative Minimum Tax and Credit Limitations

You may owe alternative minimum tax or have to limit your credits if your California adjusted gross income, plus items such as accelerated depreciation, charitable contributions of appreciated capital gain property and passive activity losses, total more than:

- \$40,000 if you are married filing joint or qualifying widow(er); or
- \$30,000 if you are single or head of household; or
- \$20,000 if you are married filing separate.

Get Schedule P (540), Alternative Minimum Tax and Credit Limitations, to see if you owe alternative minimum tax. See Form 540, "Step 6" to see if you need to limit your credits.

## Requirements for Children


California law is the same as federal law for the income of children under age 14. For children under age 14 who received more than \$1,200 of investment income in 1992, complete Form 540 and get form FTB 3800, Tax Computation for Children With Investment Income.

Or you can elect to report your child's interest and dividends on your

return. Get form FTB 3803, Parent's Election to Report Child's Interest and Dividends for more information.

## Requirements for Retirees to Another State

If you retire to a state other than California, and receive a pension based on services performed in California, you may be required to file a California Nonresident or Part-Year Resident Tax Return. For more information, call our F.A.S.T. toll-free phone service listed on the back cover and order FTB Pub. 1005, California Pension and Annuity Guidelines.



STATE OF CALIFORNIA  
FRANCHISE TAX BOARD  
1-800-952-5711

Dear California Taxpayers,

No one enjoys paying taxes, however, the Franchise Tax Board is committed to making the experience as painless as possible. This year's forms and instructions have been rewritten to make them easier to understand.

- **Short-Forms** — More people than ever will be able to file the 540A short form. Many taxpayers who use the longer 540 will no longer have to attach a copy of their federal return. Best of all, approximately 2.5 million single taxpayers will be able to use the new, simpler and shorter Form 540EZ. We believe that these changes will save you time and make filing your income taxes easier.
- **Toll-Free Number for Help** — If you do need assistance or more information about completing your forms, you will find easy access to our automated F.A.S.T. toll-free phone service at 1-800-338-0505. F.A.S.T. will be available 24 hours a day during the filing season, and it can quickly answer many of the most frequently asked questions about state taxes, and even accept orders for tax forms. For more information about F.A.S.T., see the back page of this booklet.
- **Pre-Printed Label Speeds Refunds** — If you filed a California tax return last year, your tax booklet probably has a pre-printed label. This label helps us make sure that your return is processed correctly. Before you attach the label to your return, please check it to make sure that it is accurate. If it contains wrong information, please correct the errors. Using the label reduces cost and will speed up your refund.
- **Tax Brackets Indexed for Inflation** — For 1992, the tax brackets have been indexed for inflation. This means that you will not be moved into a higher tax bracket simply because of inflation. In fact, if your income is the same or less than it was last year, indexing the brackets means that you will pay somewhat less income tax than you did last year.

The Franchise Tax Board is here to serve you by lowering costs and increasing efficiency. If you have any thoughts about how we can provide even better service, we would like to hear from you. Please write to me at:

Franchise Tax Board  
P.O. Box 942840  
Sacramento, CA 94240-0040

Gerald H. Goldberg  
Executive Officer

## Additional Information

### Volunteer Income Tax Assistance

At more than 1,500 sites throughout California, trained volunteers provide free assistance to low-income, senior, disabled and non-English speaking persons who need to file simple federal and state income tax returns. Many military bases also provide this service for members of the U.S. armed forces. Call the Franchise Tax Board at 1-800-852-5711 to find the volunteer assistance location nearest you.

### Deceased Taxpayers

A final return must be filed for a person who died in 1992 if a return normally would be required. The administrator or executor, if one is appointed, or beneficiary must file the return. Please print or type "deceased" and the date of death next to the taxpayer's name at the top of the return.

If you are a surviving spouse, and if no administrator or executor has been appointed, you may file a joint return if you did not remarry during 1992. Indicate next to your signature that you are the surviving spouse.

You may also file a joint return with an administrator or executor acting in behalf of the deceased taxpayer.

If you file a return and claim a refund due to a deceased taxpayer, you are certifying under penalty of perjury either that you are the legal representative of the deceased taxpayer's estate (in this case, you must attach certified copies of the letters of administration or letters of testamentary) or that you are entitled to the refund as the deceased's surviving relative or sole beneficiary under the provisions of the California Probate Code. You must also attach a copy of federal Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, or a copy of the death certificate when you file a return and claim a refund due.

### Amended Returns

If you discover that you made an error on your California income tax return after it was filed, use Form 540X, Amended Individual Income Tax Return, to correct and make any changes to your return.

### Changes To Federal Returns

If your federal income tax return is examined and changed by the Internal Revenue Service, you must report these changes to the Franchise Tax Board within six months. You may either use Form 540X to make any changes to your California income tax return already filed, or you may send copies of the federal changes to: Franchise Tax Board, Audit Section, P.O. Box 1998, Rancho Cordova, CA 95741-1998, Attn: RAR/VOL.

Regardless of which method you use to notify the Franchise Tax Board, you must include a copy of the final federal determination along with all underlying data and schedules that the federal adjustment was based on.

**Note:** You do not have to file Form 540X if the changes do not affect your California tax liability.

### Military Personnel

If you are a member of the U.S. armed forces and need additional information on how to file your return, get FTB Pub. 1032, Tax Information for Military Personnel.

### Change of Address?

If you move during the year, notify the Franchise Tax Board of your new address by calling 1-800-852-5711.

### California Sales And Use Tax

If you purchased goods from an out-of-state retailer (such as a mail-order firm) and sales tax would have been charged if you had purchased the goods in California, you owe use tax on your purchase if the out-of-state retailer did not collect the tax. Your tax liability may be calculated by multiplying the sales tax rate in your area times the cost of the goods purchased. You may pay your tax liability by sending payment to the

State Board of Equalization, P.O. Box 942879, Sacramento, CA 94279-0001, with a brief letter listing your name, address, a description and cost of the goods purchased, and the name and address of the out-of-state retailer.

If you have a question as to which goods are taxable, you should contact the nearest office of the State Board of Equalization. You can find the address and telephone number in the State Government section of your telephone directory.

### Rounding Off To Whole Dollars

Please round off cents to the nearest whole dollar on your return and schedules. To do so, drop amounts under 50 cents and increase amounts from 50 to 99 cents to the next whole dollar. For example, \$123.49 becomes \$123 and \$725.50 becomes \$726.

If you do round off, do so for all amounts. However, if you have to add two or more amounts to figure the amount to enter on a line, include cents when adding and only round the total. Example: You want to add two numbers - \$5,000.55 and \$18,500.73. On the appropriate line you would enter \$23,501 (\$5,000.55 + \$18,500.73 = \$23,501.28).

### Privacy Notice

The Information Practices Act of 1977 and the federal Privacy Act require the Franchise Tax Board to tell you why we ask you for information. The Operations and Compliance Divisions ask for tax return information to carry out the Personal Income Tax Law of the State of California. We may request additional information if we audit your return or take collection action.

If you meet the income requirements, the Revenue and Taxation Code requires you to file a return on the form we prescribe (Sections 18401 and 18431). When you file these or other documents, you must include your social security number for identification and return processing (Section 18934).

It is mandatory to furnish all information requested when you are required to file a return or statement. If you do not file a return, or do not provide the information we ask for, or provide fraudulent information, the law states you may be charged penalties and interest and, in certain cases, you may be subject to criminal prosecution. We also may disallow claimed exemptions, exclusions, credits, deductions or adjustments. This could make the tax higher or delay or reduce any refund.

We may give the information you furnish us to the United States Internal Revenue Service, the proper official of any state imposing an income tax or a tax measured by income, the Multistate Tax Commission and California government agencies and officials, as provided by law. If you owe any monies, we may disclose the amount due to employers, financial institutions, county recorders, vacation trust funds, process agents and other payers.

You have a right to access records containing your personal information maintained by the Franchise Tax Board. The officials responsible for maintaining the information are: 1) Filing of returns—Director, Document Processing Bureau; 2) Auditing of returns—Director, Personal Income Tax Audit Bureau; and 3) Collection of monies—Director, Collection Bureau. The address is: **Franchise Tax Board, P.O. Box 942840, Sacramento, CA 94240-1040.**

Telephone: Within the United States, 1-800-852-5711; Outside the United States, 1-916-854-6500.

# Instructions for Automatic Extension for Individuals

**1992**

**3519**

## General Information

If you cannot file your California tax return by April 15, 1993, you may file your California return on or before October 15, 1993 without filing a written request for extension. However, to avoid late payment penalties and interest, you must pay 100% of your tax liability by **April 15th**.

Complete the tax payment worksheet below to see if you owe additional tax. If you cannot file by April 15th but owe additional tax, use the payment voucher below to mail in your payment. Your payment must be made by April 15th. Do not send the voucher without a payment.

Save your completed worksheet. It will become a part of your tax records, along with the copy of your return.

Enter the tax due on the form FTB 3519 voucher below and mail only the voucher portion with your payment to:

**Franchise Tax Board  
P.O. Box 942867  
Sacramento, CA 94267-0051**

If you have no tax due, **DO NOT SEND US THE PAYMENT VOUCHER**. You will automatically qualify for an extension. Your return, when filed by October 15th will verify that you qualified for the extension.

## How to Complete the Tax Payment Worksheet

**Line 1** - Enter the income tax you expect to owe. This is the amount you expect to enter on Form 540EZ, line 23, Form 540A, line 23, Form 540, line 37 or Form 540NR, line 46.

**Line 2** - List your payments and credits on the following lines:  
 2a - California income tax withheld  
 2b - California estimated tax payments and amount applied from your 1991 return  
 2c - Other payments and credits, including allowable renter's credit and any tax payments made with any previous 1992 form FTB 3519 voucher.  
 Enter the total of these payments and credits on line 2.

**Line 3** - Subtract line 2 from line 1.  
 If your payments and credits are less than the amount you expect to owe, you have tax due.

## Penalties and Interest

Remember, an extension to file your return is not an extension of time to pay your tax. If you fail to pay your total tax liability by April 15th, a late payment penalty plus interest will be added to your tax due. If, after receiving your automatic extension, you do not file your return by October 15th you will be assessed a late filing penalty plus interest.

Also, if after April 15th, you find that your estimate of tax due was too low, you should pay the additional tax as soon as possible to avoid further accumulation of penalties and interest. Pay your additional estimated tax with another form FTB 3519 voucher.

## Taxpayers Residing or Traveling Abroad

If you are living or traveling outside the United States on April 15th, the deadline to file your return and pay the tax is June 15, 1993. Interest will accrue from the original due date (April 15th) until the date of payment. If you need an additional six months to file your return, you will automatically have until December 15, 1993 to file. To avoid any late payment penalties, you must pay 100% of your tax liability by June 15th. When filing your return be sure to attach a statement to the front indicating that you were "abroad on April 15, 1993."

### TAX PAYMENT WORKSHEET FOR YOUR RECORDS

1	Income tax you expect to owe		1		
2	Tax payments and credits:				
a	California income tax withheld	2a			
b	California estimated income tax payments	2b			
c	Other payments and credits, including allowable renter's credit	2c			
	Total tax payments and credits. Add lines 2a through 2c		2		
3	Tax due. Subtract line 2 from line 1. Enter the result here and on the voucher below		3		

**IF NO PAYMENT IS DUE, DO NOT FILE FORM FTB 3519**  
 RETURN ONLY THE BOTTOM PORTION WITH YOUR PAYMENT

(Calendar year — Due April 15, 1993)

TAXABLE YEAR

# Payment Voucher for Automatic Extension for Individuals

**1992**

**3519**

Your first name and middle initial	Last name	Your social security number
If a joint return, spouse's first name and initial	Last name	Spouse's social security number
Present address (number and street including apartment number, P.O. Box or rural route)		
City, town or post office, state and ZIP code		

Amount of payment

\$		00
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**IF NO PAYMENT IS DUE, DO NOT FILE THIS FORM**

Franchise Tax Board, P.O. Box 942867, Sacramento, CA 94267-0051

**Payment Voucher 5**

# 1992 Renter's Credit

# H (540)

You may claim this refundable credit if you are a qualified renter. Complete lines 1 through 9 below to see if you qualify.

Name(s) as shown on Form 540	Your social security number
------------------------------	-----------------------------

### You must attach Schedule H (540) to a completed Form 540. Do not mail Schedule H (540) by itself.

- 1 Were you a resident of California for the entire year in 1992?  Yes  No  
If yes, go to line 2. If no, STOP. File Form 540NR and Schedule H (540NR).
- 2 Did you pay rent, for at least half of the year, on property in California which was your principal residence?  Yes  No  
If yes, go to line 3. If no, STOP. You do not qualify for this credit.
- 3 Did you live with any other person (such as your parent) for more than half the year who claimed you as a dependent in 1992?  Yes  No  
If no, go to line 4. If yes, or if you are a minor living with and under the care of a parent, foster parent or legal guardian, STOP.  
You do not qualify for this credit.
- 4 Was the property you rented in 1992 exempt from property tax?  Yes  No  
If no, go to line 5. If yes, see "Special Information" below.
- 5 Did you or your spouse claim the homeowner's property tax exemption anytime during 1992?  Yes  No  
If no, skip line 5a and complete lines 6 through 9. If yes, go to line 5a.
  - a. Did you and your spouse maintain separate residences for the entire year in 1992?  Yes  No  
If yes, see "Special Information" below. If you qualify, complete lines 6 through 9. If no, STOP. You do not qualify for this credit.
- 6 List the address(es) of residence(s) in California and the dates you rented during 1992 which qualify you for this credit. Do not list post office boxes.

STREET ADDRESS	CITY, STATE AND ZIP CODE	DATES RENTED IN 1992 FROM — TO
a		
b		

7 Name, address and telephone number of your landlord(s) or the person(s) you paid your rent to for the residence(s) listed on line 6.

NAME	STREET ADDRESS	CITY, STATE AND ZIP CODE	TELEPHONE NUMBER
a			
b			

8 If you did not report any income on Form 540, line 13, list the source(s) and total 1992 income from which you paid rent (include AFDC, social security, general assistance, family loans, etc.).

SOURCE OF INCOME	YEARLY AMOUNT	SOURCE OF INCOME	YEARLY AMOUNT
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9 Renter's Credit. Use the chart below to find the amount of your credit. Enter here and on Form 540, line 40

Use This Chart If You Used the **Single or Married Filing Separate** Filing Status in Step 2 on Form 540.

If the amount on Form 540, line 17, is:

At Least	But not More Than	Enter This Amount on Line 9 Above
\$ -0-	\$20,720	\$60
\$20,721	\$21,238	\$30

**Important:** If the amount on Form 540, line 17 is more than \$21,238, you do not qualify for this credit.

Use This Chart If You Used the **Married Filing Joint, Head of Household or Qualifying Widow(er)** Filing Status in Step 2 on Form 540.

If the amount on Form 540, line 17, is:

At Least	But not More Than	Enter This Amount on Line 9 Above
\$ -0-	\$41,440	\$120
\$41,441	\$42,476	\$ 60

**Important:** If the amount on Form 540, line 17 is more than \$42,476, you do not qualify for this credit.

## Special Information

**Property exempt from property taxes.** If, for more than half of the year, you rented property that was exempt from property taxes, you do not qualify for a renter's credit. Exempt property includes most government-owned buildings, college dormitories and military housing. However, if you or your landlord paid possessory interest taxes for the property you rented, then you may claim a renter's credit.

**Homeowner's property tax exemption.** You do not qualify for a renter's credit if you or your spouse received a homeowner's property tax exemption. However, if you lived apart from your spouse for the entire year and your spouse received a homeowner's property tax exemption for a separate resi-

dence, then you may claim a renter's credit if you are otherwise qualified.

**Mobile home owners.** You qualify for renter's credit if you own and occupy a mobile home on rented land unless you received the homeowner's property tax exemption. If you are unsure, verify with your county assessor before claiming this credit.

**Military personnel.** If you are not a legal resident of California, you do not qualify for a renter's credit. However, your spouse may claim a renter's credit if he or she was a resident, did not live in military housing and is otherwise qualified. If your spouse was a part-year resident, he or she must file Form 540NR.

**Married filing separate returns.** If you and your spouse both qualify for a renter's credit and file sep-

arate returns, either one may claim the full amount of renter's credit, or each one may claim half of the amount.

**Head of household filers.** Do not use the head of household filing status unless you were unmarried on December 31, 1992, and you furnished more than 50% of the cost of maintaining a home:

- you share with your child or dependent married child or relative for more than half of the year; or
- for your dependent parent.

**Qualified renters who receive Aid to Families with Dependent Children (AFDC).** If you were unmarried in 1992 and if AFDC payments were your primary source of income to maintain your home, check the head of household filing status to figure the amount of renter's credit to claim.

# California Resident Income Tax Return For Single Filers With No Dependents 1992

FORM

**540EZ**

## Step 1 Name and Address

Use the California mailing label. If you don't have one, please print or type. If filing for renter's credit only, you must complete Step 1, Step 4 and Step 5. You must also complete Side 2, Part II.

Your first name and initial	Last name	Your social security number
Present home address - number and street including P.O. box or rural route		Apt. no.
City, town or post office, state and ZIP code		

Do Not Write In These Spaces

P
M
A
R
E

6 If someone (such as your parent) can claim you as a dependent on his or her tax return, check here and enter -0- on line 18.  6

## Step 2 Taxable Income

Taxable Income

Attach check or money order here.

14 Federal adjusted gross income from your Form 1040EZ, line 3 or your Form 1040A, line 16, or your Form 1040, line 31 . . . . .	● 14	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
15 Standard deduction. If you checked the box on line 6 above, complete Side 2, Part I. If you did not check the box on line 6 above, enter \$2,343 . . . . .	● 15	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
16 Taxable income. Subtract line 15 from line 14. If line 15 is larger than line 14, enter -0- . . . . .	16	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

## Step 3 Tax and Credits

17 Tax. Use the amount on line 16 to find your tax in the tax table. Use the single column of the table. Enter the tax from the table on this line . . . . .	17	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
18 Personal exemption credit. If you did not check the box on line 6, enter \$62. . . . .	18	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
23 Total tax. Subtract line 18 from line 17. If less than zero, enter -0- . . . . .	● 23	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

## Step 4 Overpaid Tax or Tax Due

Overpaid Tax or Tax Due

Attach copy of your Form(s) W-2 here.

24 California income tax withheld from box 24 on your Form(s) W-2 . . . . .	■ 24	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
26 Renter's credit. Enter amount from Side 2, Part II, line 9 . . . . .	■ 26	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
27 Total payments and credits. Add line 24 and line 26. . . . .	27	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
30 Overpaid tax. If line 27 is more than line 23, subtract line 23 from line 27. . . . .	■ 30	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
31 Tax due. If line 27 is less than line 23, subtract line 27 from line 23. . . . .	31	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

## Step 5 Refund or Amount You Owe

Refund or Amount You Owe

34 Total contributions. Enter amount from Side 2, Part III, line 8 . . . . .	● 34	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
35 REFUND OR NO AMOUNT DUE. Subtract line 34 from line 30. Mail return to: Franchise Tax Board, P.O. Box 942840, Sacramento, CA 94240-0000. . . . .	■ 35	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
36 AMOUNT YOU OWE. Add line 31 and line 34. Attach check or money order for full amount payable to "Franchise Tax Board." Write your social security number and "1992 Form 540EZ" on it. Mail it with your return to: Franchise Tax Board, P.O. Box 942867, Sacramento, CA 94267-0001. . . . .	■ 36	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Sign Here

Under penalties of perjury, I declare that I have examined this return and to the best of my knowledge and belief, it is true, correct and complete. 2  
Your signature \_\_\_\_\_ Date \_\_\_\_\_

Do not attach your federal return to this return.

**Part I Standard Deduction Worksheet for Dependents Who Checked the Box on Side 1, line 6.**

If you checked the box on Side 1, line 6 because someone can claim you as a dependent, complete this worksheet to figure the amount to enter on line 15.

1 Enter the amount from line 1 of your federal Form 1040EZ or from line 1 of the federal "Standard Deduction Worksheet for Dependents" found in the instructions for federal Form 1040A or Form 1040 . . . . . 1   ,    .

2 Minimum amount . . . . . 2      .

3 Compare the amounts on line 1 and line 2 above. Enter the LARGER of the two amounts here . . . . . 3   ,    .

4 Maximum amount . . . . . 4   ,     .

5 Compare the amounts on line 3 and line 4.  
Enter the SMALLER of the two amounts here and on Side 1, line 15 . . . . . 5   ,    .

If you did not check the box on Side 1, line 6 because no one can claim you as a dependent, enter \$2,343 on Side 1, line 15.

**Part II Renter's Credit.** If you claim this credit on Side 1, line 26, you must complete lines 1 through 9 below.

- 1 Were you a resident of California for the entire year in 1992? If yes, go to line 2. If no, STOP.  
File Form 540NR and Schedule H (540NR) . . . . .  Yes  No
- 2 Did you pay rent, for at least half of the year, on property in California which was your principal residence? . . . . .  Yes  No  
If yes, go to line 3. If no, STOP. You do not qualify for this credit.
- 3 Did you live with any other person (such as your parent) for more than half the year who claimed you as a dependent in 1992? . . . . .  Yes  No  
If no, go to line 4. If yes, or if you are a minor living with and under the care of a parent, foster parent or legal guardian, STOP. You do not qualify.
- 4 Was the property you rented exempt from property tax? If no, go to line 5. If yes, see instructions . . . . .  Yes  No
- 5 Did you claim the homeowner's property tax exemption? . . . . .  Yes  No  
If no, complete lines 6 through 9. If yes, STOP. You do not qualify for this credit.
- 6 List the address(es) of residence(s) you rented in California during 1992 which qualified you for this credit. Do not list post office boxes.

STREET ADDRESS	CITY, STATE AND ZIP CODE	DATES RENTED IN 1992 FROM-TO
a _____	_____	_____
b _____	_____	_____

- 7 Name, address and telephone number of your landlord(s) or the person(s) you paid your rent to for the residence(s) listed on line 6.

NAME	STREET ADDRESS	CITY, STATE AND ZIP CODE	TELEPHONE NUMBER
a _____	_____	_____	_____
b _____	_____	_____	_____

- 8 If you did not report any income on Side 1, line 14 of this form, you must list the sources and total 1992 income from which you paid your rent— (include AFDC, social security, general assistance, family loans, etc.).

SOURCE OF INCOME	YEARLY AMOUNT	SOURCE OF INCOME	YEARLY AMOUNT
_____	_____	_____	_____

- 9 **Renter's Credit.** Use the chart below to find the amount of your credit. Enter here and on Side 1, line 26 . . . . . \_\_\_\_\_  
If the amount on Form 540EZ, line 14 is:

At Least	But not More Than	Enter This Amount on Line 9 Above
\$ -0-	\$20,720	\$60
\$20,721	\$21,238	\$30

**Important:** If the amount on Form 540EZ, line 14 is more than \$21,238, you do not qualify for this credit.

**Part III Contributions.**

You may make a voluntary contribution of \$1 or more to the following funds.

1 Alzheimer's Disease/Related Disorders Fund . . . . .	◀ 48 ▶	1	
2 California Fund for Senior Citizens . . . . .	◀ 49 ▶	2	
3 Rare and Endangered Species Preservation Program . . . . .	◀ 50 ▶	3	
4 State Children's Trust Fund for the Prevention of Child Abuse . . . . .	◀ 51 ▶	4	
5 California Breast Cancer Research Fund . . . . .	◀ 52 ▶	5	
6 Veteran's Memorial Account . . . . .	◀ 53 ▶	6	
California Election Campaign Fund } 7 Your political party _____ amount (\$25 maximum) . . . . .	▶ 54 ▶	7	

8 **Total contributions.** Add lines 1 through 7. Transfer the total to Side 1, line 34 . . . . . 8 \_\_\_\_\_



# Instructions for California Resident Income Tax Return — Form 540EZ

These instructions are based on the Internal Revenue Code (IRC) as of January 1, 1992, and the California Revenue and Taxation Code (R&TC).

## Before You Begin

You must complete your federal income tax return (Form 1040, Form 1040A or Form 1040EZ) before you begin your Form 540EZ. You will use the information you entered on your federal income tax return to complete your Form 540EZ. Be sure to complete the Form 540EZ with pink shading.

**Important:** Do not attach a copy of your federal income tax return to Form 540EZ.

## Step 1 Name and Address

If there is a label on the front of your booklet, follow the instructions below. If there is no label, print or type the information requested in the space provided at the top of Form 540EZ.

1. Complete your Form 540EZ **before** you remove the address label from the front of your booklet.
2. After you complete your pink Form 540EZ, check to make sure that it is correct. Then remove your address label from the front of your booklet and attach it on the front of your Form 540EZ in the space provided at the top.
3. Make sure the information on the address label is correct. If you need to make any changes, draw a line in ink through the incorrect information and clearly print the new information.

### Line 6 — Dependent Check Box



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Check the box if someone (such as your parent) can claim you as a dependent on his or her tax return. You must use the "Standard Deduction Worksheet for Dependents" on Form 540EZ, Side 2 when you get to line 15.

Do not check the box if you cannot be claimed as a dependent on someone else's tax return.

## Step 2 Taxable Income

Be sure to enter the correct types of income on this line. See the chart on page 2 for more information.

### Line 14 — Federal Adjusted Gross Income

Transfer the amount of your federal adjusted gross income from your federal Form 1040EZ, line 3 or your Form 1040A, line 16 or your Form 1040, line 31 to Form 540EZ, line 14.

## Step 3 Tax and Credits

First figure your tax, then make sure you qualify to claim your credits.

### Line 17 — Tax

To figure your tax on the amount shown on line 16, you must use the tax table on pages 44 through 46. Be sure to use the single filing status and correct taxable income amount when you figure your tax.

## Step 4 Overpaid Tax or Tax Due

To avoid a delay in the processing of your return, be sure you enter the correct amounts on lines 24 through 31.

### Line 24 — California Income Tax Withheld

Add the amounts shown as California income tax withheld on your Form(s) W-2. Enter the total on line 24. The amount of California income tax withheld should be shown in box 24 of Form W-2. Do not include any amount of local income tax withheld.

If you do not have a Form W-2, see the instructions for "Sign Your Return" on page 10.



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### Line 26 — Renter's Credit



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If the amount on Form 540EZ, line 14, is not more than \$21,238 and if you lived in rented property for more than half of the year, complete Form 540EZ, Side 2, Part II to find out if you qualify for renter's credit. You should also read the following information. If you qualify, enter the amount of your credit from Side 2, Part II, line 9 on Form 540EZ, Side 1, line 26.

**Homeowner's property tax exemption.** You do not qualify for renter's credit if you received a homeowner's property tax exemption any time during the year.

**Mobile home owners.** You qualify for renter's credit if you own and occupy a mobile home on rented land unless you received the homeowner's property tax exemption. If you are unsure, verify with your county assessor before claiming this credit.

**Property that was exempt from property taxes.** You do not qualify for renter's credit if, for more than half of the year, you rented property that was exempt from property taxes. Exempt property includes most government-owned buildings, church-owned parsonages, college dormitories and military barracks. However, if you or your landlord paid possessory interest taxes for the property you rented, then you may claim renter's credit.

**Military personnel.** You do not qualify for renter's credit if you are not a resident of California.

### Line 30 — Overpaid Tax

If the amount on line 27 is more than the amount on line 23, then your payments and credits are more than your tax. Subtract line 23 from line 27. Enter the result on line 30. This is the amount of your overpaid tax. If line 27 is less than the amount on line 23, go to line 31.

### Line 31 — Tax Due

If the amount on line 27 is less than the amount on line 23, then your tax is more than your payments and credits. Subtract line 27 from line 23. Enter the result on line 31. This is the amount of your tax due.

There is a penalty for not paying enough tax during the year. You may have to pay a penalty if:

- the tax due (line 31) is \$100 or more; and
- the amount of state income tax withheld (line 24) is less than 80 percent of the amount of your total tax (line 23).

If you owe a penalty, the Franchise Tax Board will send you a bill.

You may add contributions to the tax due. You must pay the full amount of tax due, including contributions, when you file your Form 540EZ.

## Step 5 Refund or Amount You Owe

Be sure to add or subtract correctly to figure the amount of your refund or the amount you owe.

### Contributions

You may make voluntary contributions of \$1 or more in whole dollar amounts. If you make a voluntary contribution, you must complete Side 2, Part III. You may contribute only to the funds listed in Part III and cannot change the amount you contributed after you file your return.

## Form 540EZ Instructions

### Instructions For Side 2, Part III Voluntary Contributions

#### Part III,

**Line 1 – Alzheimer's Disease/Related Disorders Fund**  
Contributions entered on line 1 will be used to conduct a systematic program for researching the cause and cure of Alzheimer's disease and related disorders and the care and treatment of persons suffering with dementia.

#### Part III,

**Line 2 – California Fund For Senior Citizens**  
Contributions entered on line 2 will be used to conduct annual sessions of the California Senior Legislature and support its ongoing activities on behalf of older persons. Any additional funds will be used to provide direct services to senior citizens.

#### Part III,

**Line 3 – Rare And Endangered Species Preservation Program**  
Contributions entered on line 3 will be used to help protect and conserve California's many threatened and endangered species and the wild lands that they need to survive upon, for the enjoyment and benefit of you and future generations of Californians.

#### Part III,

**Line 4 – State Children's Trust Fund For The Prevention Of Child Abuse**  
Contributions entered on line 4 will be used to fund programs for the prevention, intervention and treatment of child abuse and neglect.

#### Part III,

**Line 5 – California Breast Cancer Research Fund**  
Contributions entered on line 5 will be used to conduct research relating to the cure, screening and treatment of breast cancer.

#### Part III,

**Line 6 – Veterans Memorial Account**  
Contributions entered on line 6 will be used to pay for the construction, improvement, maintenance or repair of a veterans memorial and an information program about the memorial.

#### Part III,

**Line 7 – California Election Campaign Fund**  
A contribution of \$1, \$5, \$10 or \$25 may be made to one of these political parties: American Independent, Democratic, Green, Libertarian, Peace and Freedom or Republican. If you contribute, enter the party name in the space provided on line 7, and enter the amount of your contribution.

#### Part III,

**Line 8 – Total Contributions**  
Add all contributions you entered on lines 1 through 7. Enter the result on Side 2, Part III, line 8, and on your Form 540EZ, Side 1, line 34.

If you entered an amount on line 34, subtract that amount from the amount on line 30. If the result is zero or more, enter the result on line 35.

If the result is less than zero, your contributions are more than your overpaid tax on line 30. In this case, do not enter an amount on line 35. Instead subtract the amount on line 30 from the amount on line 34. Enter the result on line 36.

#### Line 36 – Amount You Owe

If you did not enter an amount on line 34, enter the amount from line 31 on line 36.

If you entered an amount on line 34, add that amount to the amount on line 31. Enter the result on line 36. This is the amount you owe with your Form 540EZ.

Attach a check or money order for the full amount you owe to the front of your Form 540EZ in the area designated. Make your check or money order payable to the "Franchise Tax Board." Do not send cash. Be sure to write your social security number and "1992 Form 540EZ" on your check or money order. When you mail your Form 540EZ and payment, make sure your payment is not covered up by your Form(s) W-2 or any other items.

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

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

### Sign Your Return

You must sign your return in the space provided.

#### Paid Preparer's Information

If you pay a person to prepare your Form 540EZ, that person must sign and provide all other information at the bottom of Side 1 below the area for your signature. A paid preparer must give you a copy of your return in addition to the copy to be filed with the Franchise Tax Board.



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#### Attach Your Form(s) W-2 To Your Return

You must attach Copy 2 of all Form(s) W-2 to the front of your return in the area designated. If you do not receive your Form W-2 by January 31, contact your employer. Only your employer can give you or correct a Form W-2.

If you cannot get a copy of your Form W-2, you must complete form FTB 3525, Substitute for Form W-2, Wage and Tax Statement, or 1099-R, Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, Etc.



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If you forget to send your Form(s) W-2 with your return, do not send it separately. Wait until the Franchise Tax Board requests the Form(s) W-2 from you.

**Important:** Do not attach a copy of your federal income tax return to your Form 540EZ.



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#### Mailing Addresses

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

**Franchise Tax Board**  
P.O.Box 942840  
Sacramento, CA 94240-0000



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If you owe money, mail your return to:

**Franchise Tax Board**  
P.O. Box 942867  
Sacramento, CA 94267-0001

### Instructions For Form 540EZ, Side 1 (con't.)

#### Line 34 – Total Contributions

On line 34, enter the amount of your total contributions from Side 2, Part III, line 8. If you did not complete Part III, do not enter an amount on line 34.

#### Line 35 – Refund Or No Amount Due

If you did not enter an amount on line 34, enter the amount from line 30 on line 35. This is the amount that will be refunded to you. If the amount is less than \$1, you must attach a written request to your Form 540EZ to receive the refund.

# California Resident Income Tax Return For Single Filers With No Dependents 1992

FORM

**540EZ**

## Step 1 Name and Address

Use the California mailing label. If you don't have one, please print or type. If filing for renter's credit only, you must complete Step 1, Step 4 and Step 5. You must also complete Side 2, Part II.

Do Not Write In These Spaces

Your first name and initial	Last name	Your social security number
Present home address - number and street including P.O. box or rural route		Apt. no.
City, town or post office, state and ZIP code		

P
M
A
R
E

6 If someone (such as your parent) can claim you as a dependent on his or her tax return, check here and enter -0- on line 18.  6

## Step 2 Taxable Income

### Taxable Income

Attach check or money order here.

14 Federal adjusted gross income from your Form 1040EZ, line 3 or your Form 1040A, line 16, or your Form 1040, line 31	14	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
15 Standard deduction. If you checked the box on line 6 above, complete Side 2, Part I. If you did not check the box on line 6 above, enter \$2,343	15	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
16 Taxable income. Subtract line 15 from line 14. If line 15 is larger than line 14, enter -0-	16	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

## Step 3 Tax and Credits

### Tax and Credits

17 Tax. Use the amount on line 16 to find your tax in the tax table. Use the single column of the table. Enter the tax from the table on this line	17	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
18 Personal exemption credit. If you did not check the box on line 6, enter \$62	18	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
23 Total tax. Subtract line 18 from line 17. If less than zero, enter -0-	23	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

## Step 4 Overpaid Tax or Tax Due

### Overpaid Tax or Tax Due

Attach copy of your Form(s) W-2 here.

24 California income tax withheld from box 24 on your Form(s) W-2	24	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
26 Renter's credit. Enter amount from Side 2, Part II, line 9	26	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
27 Total payments and credits. Add line 24 and line 26	27	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
30 Overpaid tax. If line 27 is more than line 23, subtract line 23 from line 27	30	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
31 Tax due. If line 27 is less than line 23, subtract line 27 from line 23	31	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

## Step 5 Refund or Amount You Owe

### Refund or Amount You Owe

34 Total contributions. Enter amount from Side 2, Part III, line 8	34	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
35 REFUND OR NO AMOUNT DUE. Subtract line 34 from line 30. Mail return to: Franchise Tax Board, P.O. Box 942840, Sacramento, CA 94240-0000	35	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
36 AMOUNT YOU OWE. Add line 31 and line 34. Attach check or money order for full amount payable to "Franchise Tax Board." Write your social security number and "1992 Form 540EZ" on it. Mail it with your return to: Franchise Tax Board, P.O. Box 942867, Sacramento, CA 94267-0001	36	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

## Sign Here

Under penalties of perjury, I declare that I have examined this return and to the best of my knowledge and belief, it is true, correct and complete. 2  
Your signature \_\_\_\_\_ Date \_\_\_\_\_

Do not attach your federal return to this return.

X \_\_\_\_\_

**Part I Standard Deduction Worksheet for Dependents Who Checked the Box on Side 1, line 6.**

If you checked the box on Side 1, line 6 because someone can claim you as a dependent, complete this worksheet to figure the amount to enter on line 15.

1 Enter the amount from line 1 of your federal Form 1040EZ or from line 1 of the federal "Standard Deduction Worksheet for Dependents" found in the instructions for federal Form 1040A or Form 1040 . . . . . 1   ,    .

2 Minimum amount . . . . . 2      .

3 Compare the amounts on line 1 and line 2 above. Enter the LARGER of the two amounts here . . . . . 3   ,    .

4 Maximum amount. . . . . 4   ,     .

5 Compare the amounts on line 3 and line 4. Enter the SMALLER of the two amounts here and on Side 1, line 15 . . . . . 5   ,     .

If you did not check the box on Side 1, line 6 because no one can claim you as a dependent, enter \$2,343 on Side 1, line 15.

**Part II Renter's Credit.** If you claim this credit on Side 1, line 26, you must complete lines 1 through 9 below.

- 1 Were you a resident of California for the entire year in 1992? If yes, go to line 2. If no, STOP. File Form 540NR and Schedule H (540NR) . . . . .  Yes  No
- 2 Did you pay rent, for at least half of the year, on property in California which was your principal residence? . . . . .  Yes  No  
If yes, go to line 3. If no, STOP. You do not qualify for this credit.
- 3 Did you live with any other person (such as your parent) for more than half the year who claimed you as a dependent in 1992? . . . . .  Yes  No  
If no, go to line 4. If yes, or if you are a minor living with and under the care of a parent, foster parent or legal guardian, STOP. You do not qualify.
- 4 Was the property you rented exempt from property tax? If no, go to line 5. If yes, see instructions . . . . .  Yes  No
- 5 Did you claim the homeowner's property tax exemption? . . . . .  Yes  No  
If no, complete lines 6 through 9. If yes, STOP. You do not qualify for this credit.

6 List the address(es) of residence(s) you rented in California during 1992 which qualified you for this credit. Do not list post office boxes.

STREET ADDRESS	CITY, STATE AND ZIP CODE	DATES RENTED IN 1992 FROM-TO
a _____	_____	_____
b _____	_____	_____

7 Name, address and telephone number of your landlord(s) or the person(s) you paid your rent to for the residence(s) listed on line 6.

NAME	STREET ADDRESS	CITY, STATE AND ZIP CODE	TELEPHONE NUMBER
a _____	_____	_____	_____
b _____	_____	_____	_____

8 If you did not report any income on Side 1, line 14 of this form, you must list the sources and total 1992 income from which you paid your rent (include AFDC, social security, general assistance, family loans, etc.).

SOURCE OF INCOME	YEARLY AMOUNT	SOURCE OF INCOME	YEARLY AMOUNT
_____	_____	_____	_____

9 Renter's Credit. Use the chart below to find the amount of your credit. Enter here and on Side 1, line 26 . . . . . \_\_\_\_\_  
If the amount on Form 540EZ, line 14 is:

At Least	But not More Than	Enter This Amount on Line 9 Above
\$ -0-	\$20,720	\$60
\$20,721	\$21,238	\$30

**Important:** If the amount on Form 540EZ, line 14 is more than \$21,238, you do not qualify for this credit.

**Part III Contributions.**

You may make a voluntary contribution of \$1 or more to the following funds.

1 Alzheimer's Disease/Related Disorders Fund . . . . .	◀ 48 ▶	1	
2 California Fund for Senior Citizens . . . . .	◀ 49 ▶	2	
3 Rare and Endangered Species Preservation Program . . . . .	◀ 50 ▶	3	
4 State Children's Trust Fund for the Prevention of Child Abuse . . . . .	◀ 51 ▶	4	
5 California Breast Cancer Research Fund . . . . .	◀ 52 ▶	5	
6 Veteran's Memorial Account . . . . .	◀ 53 ▶	6	
California Election Campaign Fund } 7 Your political party _____ amount (\$25 maximum) . . . . .	▶ 54 ▶	7	

8 Total contributions. Add lines 1 through 7. Transfer the total to Side 1, line 34 . . . . . 8 \_\_\_\_\_

# California Resident Income Tax Return 1992

FORM

## 540A

Use the California mailing label. Otherwise, please print or type.

### Step 1 Name and Address

Your first name and initial	Last name	Your social security number	Do Not Write In These Spaces
If joint return, also give spouse's name and initial	Last name	Spouse's social security number	
Present home address — number and street including P.O. Box or rural route		Apt. no.	
City, town or post office, state and ZIP code			

### Step 2 Filing Status

Check only one:

1  Single

2  Married filing joint return (even if only one had income)

3  Married filing separate return. Enter spouse's social security number above and full name here \_\_\_\_\_

4  Head of household (with qualifying person). If the qualifying person is your child but not your dependent, enter child's name \_\_\_\_\_

5  Qualifying widow(er) with dependent child. Enter year spouse died 19 \_\_\_\_\_

### Step 3 Exemptions

Do not enter dollar amounts in the boxes.

6 If someone (such as your parent) can claim you as a dependent on his or her tax return, check here, skip lines 7 through 10 and enter -0- on line 11. ● 6

7 Personal: If you checked box 1, 3 or 4 above, enter 1. If you checked box 2 or 5, enter 2. 7

8 Blind: If you or your spouse is visually impaired, enter 1. If both are visually impaired, enter 2. 8

9 Senior: If you or your spouse is 65 or older, enter 1. If both are 65 or older, enter 2. ● 9

10 Dependents: Enter name and relationship. Do not include yourself, your spouse or the person you listed on line 4. 10

Enter the total number of dependents 11

11 Total number of exemptions. Add lines 7 through 10. Enter here. 11

### Step 4 Taxable Income

Attach copy of your Form(s) W-2, W-2G and 1099-R here.

12 Federal adjusted gross income from your Form 1040EZ, line 3, your Form 1040A, line 16, or your Form 1040, line 31. If your federal adjusted gross income is over \$100,000, you must file Form 540. 12

13 Total California income adjustments. Enter the amount from Side 2, Part I, line 6. ● 13

14 California adjusted gross income. Subtract line 13 from line 12. See instructions. ● 14

15 Enter the { • Your standard deduction } See the instructions for the chart or worksheet that applies to you. Be sure to enter an amount on this line. ● 15

larger of: { • Your itemized deductions }

16 Taxable income. Subtract line 15 from line 14. If less than zero, enter -0-. 16

### Step 5 Tax and Credits

17 Tax. Use the tax table or tax rate schedules in the instructions to find the tax on the amount shown on line 16. 17

18 Exemption credits. Multiply the number of exemptions on line 11 by \$62. 18

19 Credit for child and dependent care expenses. See instructions. ● 19

22 Total credits. Add line 18 and line 19. 22

23 Total tax. Subtract line 22 from line 17. If less than zero, enter -0-. ● 23

### Step 6 Overpaid Tax or Tax Due

24 California income tax withheld. Enter total from all 1992 Form(s) W-2, W-2G and 1099-R. ■ 24

25 1992 California estimated tax and amount applied from 1991 return. Include amount paid with extension payment voucher (form FTB 3519). ■ 25

26 Renter's credit. Enter the amount from Side 2, Part II, line 9. ■ 26

27 Total payments and credits. Add lines 24 through 26. 27

28 Overpaid tax. If line 27 is more than line 23, subtract line 23 from line 27. 28

29 Amount of line 28 to be applied to your 1993 estimated tax. ■ 29

30 Amount of overpaid tax available this year. Subtract line 29 from line 28. ■ 30

31 Tax due. If line 27 is less than line 23, subtract line 27 from line 23. 31

### Step 7 Refund or Amount You Owe

34 Total contributions. Enter amount from Side 2, Part III, line 10. ● 34

35 REFUND OR NO AMOUNT DUE. Subtract line 34 from line 30. Mail return to:  
Franchise Tax Board, P.O. Box 942840, Sacramento, CA 94240-0000. ■ 35

36 AMOUNT YOU OWE. Add line 31 and line 34. Attach check or money order for full amount payable to "Franchise Tax Board." Write your social security number and "1992 Form 540A" on it. Mail it with your return to:  
Franchise Tax Board, P.O. Box 942867, Sacramento, CA 94267-0001. ■ 36

37 Underpayment of estimated tax. If form FTB 5805 is attached, check here. □ ■ 37

Continued on Side 2.

**Part I California Income Adjustments.** See instructions.

1 State income tax refund from Form 1040, line 10. See instructions	1	
2 Unemployment compensation from Form 1040A, line 12, or Form 1040, line 20. See instructions	2	
3 Social security benefits from Form 1040A, line 13b, or Form 1040, line 21b. See instructions	3	
4 California nontaxable interest or dividend income. See instructions	4	
5 IRA distributions, pensions and annuities. See instructions	5	
6 Total California income adjustments. Add lines 1 through 5. Enter here and on Side 1, line 13.	6	

**Part II Renter's Credit.** If you claim this credit on Side 1, line 26, you must complete lines 1 through 9 below.

- Were you a resident of California for the entire year in 1992? If yes, go to line 2. If no, STOP. File Form 540NR and Schedule H (540NR)  Yes  No
- Did you pay rent, for at least half of the year, on property in California which was your principal residence?  Yes  No  
If yes, go to line 3. If no, STOP. You do not qualify for this credit.
- Did you live with any other person (such as your parent) for more than half the year who claimed you as a dependent in 1992?  Yes  No  
If no, go to line 4. If yes, or if you are a minor living with and under the care of a parent, foster parent or legal guardian, STOP. You do not qualify.
- Was the property you rented exempt from property tax? If no, go to line 5. If yes, see instructions  Yes  No
- Did you or your spouse claim the homeowner's property tax exemption? If no, skip line 5a and complete lines 6 through 9. If yes, go to line 5a.  Yes  No
  - Did you and your spouse maintain separate residences for the entire year in 1992?  Yes  No  
If yes, see instructions. If you qualify, complete lines 6 through 9. If no, STOP. You do not qualify for this credit.
- List the address(es) of residence(s) you rented in California during 1992 which qualified you for this credit. Do not list post office boxes.

STREET ADDRESS CITY, STATE AND ZIP CODE DATES RENTED IN 1992 FROM — TO

a \_\_\_\_\_  
b \_\_\_\_\_

- Name, address and telephone number of your landlord(s) or the person(s) you paid your rent to for the residence(s) listed on line 6.

NAME STREET ADDRESS CITY, STATE AND ZIP CODE TELEPHONE NUMBER

a \_\_\_\_\_  
b \_\_\_\_\_

- If you did not report any income on Side 1, line 12 of this form, you must list the sources and total 1992 income from which you paid your rent (include AFDC, social security, general assistance, family loans, etc.).

SOURCE OF INCOME YEARLY AMOUNT SOURCE OF INCOME YEARLY AMOUNT

- Renter's Credit.** Use the chart below to find the amount of your credit. Enter here and on Side 1, line 26

Use This Chart If You Used the Single or Married Filing Separate Filing Status in Step 2.

If the amount on Form 540A, line 14 is:

At Least	But not More Than	Enter This Amount on Line 9 Above
\$ -0-	\$20,720	\$60
\$20,721	\$21,238	\$30

**Important:** If the amount on Form 540A, line 14 is more than \$21,238, you do not qualify for this credit.

Use This Chart If You Used the Married Filing Joint, Head of Household or Qualifying Widow(er) Filing Status in Step 2.

If the amount on Form 540A, line 14 is:

At Least	But not More Than	Enter This Amount on Line 9 Above
\$ -0-	\$41,440	\$120
\$41,441	\$42,476	\$ 60

**Important:** If the amount on Form 540A, line 14 is more than \$42,476, you do not qualify for this credit.

**Part III Contributions.**

1 Contribution to California Seniors Special Fund. See instructions You may make a voluntary contribution of \$1 or more to the following funds.	◀ 47 ▶ 1	
2 Alzheimer's Disease/Related Disorders Fund	◀ 48 ▶ 2	
3 California Fund for Senior Citizens	◀ 49 ▶ 3	
4 Rare and Endangered Species Preservation Program	◀ 50 ▶ 4	
5 State Children's Trust Fund for the Prevention of Child Abuse	◀ 51 ▶ 5	
6 California Breast Cancer Research Fund	◀ 52 ▶ 6	
7 Veterans Memorial Account	◀ 53 ▶ 7	
California Election } 8 Your political party _____ amount (\$25 maximum)	▶ 54 8	
Campaign Fund } 9 Spouse's political party _____ amount (\$25 maximum)	▶ 55 9	
10 Total contributions. Add lines 1 through 9. Transfer the total to Side 1, line 34.	10	

**Sign Here**

It is unlawful to forge a spouse's signature.

Do not attach your federal return to this return

Under penalties of perjury, I declare that I have examined this return and to the best of my knowledge and belief, it is true, correct and complete. 2

Your signature \_\_\_\_\_ Spouse's signature (if filing jointly; both must sign) \_\_\_\_\_ Date \_\_\_\_\_

X \_\_\_\_\_ X \_\_\_\_\_  
Signature of paid preparer (declaration of preparer is based on all information of which preparer has any knowledge) Preparer's SSN/FEIN

Firm's name (or yours if self-employed) \_\_\_\_\_ Firm's address \_\_\_\_\_

# Instructions for California Resident Income Tax Return — Form 540A

These instructions are based on the Internal Revenue Code (IRC) as of January 1, 1992, and the California Revenue and Taxation Code (R&TC).

## Before You Begin

You must complete your federal income tax return (Form 1040, Form 1040A or Form 1040EZ) before you begin your Form 540A. You will use the information you entered on your federal income tax return to complete your Form 540A. Be sure to complete the Form 540A with pink shading.

**Important:** Do not attach a copy of your federal income tax return to Form 540A.

If you did not file a federal income tax return and you are filing for renter's credit only, see "Renter's Credit Only Instructions" on page 20.

## Step 1 Name and Address

1. If there is a label on the front of your booklet, follow the instructions below.
  - Complete your Form 540A **before** you remove the address label from the front of your booklet.
  - After you complete your pink Form 540A, check to make sure that it is correct. Then remove your address label from the front of your booklet and attach it on the front of your Form 540A in the space provided at the top.
  - Make sure the information on your address label is correct. If you need to make any changes, draw a line in ink through the incorrect information and clearly print the new information.
2. If there is no label, print or type the information requested in the space provided at the top of Form 540A.

If you file a joint return, show your social security numbers in the same order as you show your names. For example, list the husband's name and social security number on the top line. List the wife's name and social security number on the line below in the space provided.

## Step 2 Filing Status

Check only one of the boxes on lines 1 through 5. Be sure to enter the required information if you check a box on line 3, 4 or 5.

Your filing status for California must be the same as the filing status you used on your federal income tax return. However, for married taxpayers who file a joint federal income tax return, two exceptions are allowed:

1. If either you or your spouse was an active member of the United States armed forces (or any auxiliary military branch) during 1992; or
2. If either you or your spouse was a nonresident for the entire year and had no income from California sources during 1992.

In these cases, you may file either a joint return or separate returns. However, if you file a joint return and if either you or your spouse was a nonresident in 1992, you must file Form 540NR, California Nonresident or Part-Year Resident Income Tax Return.

### If You Are Married And File A Separate Return

If you check the box on line 3, you must enter your spouse's name on line 3 and your spouse's social security number in the space provided.

### If You File As Head Of Household

If you check the box on line 4, and if the qualifying person is your child but not your dependent, enter the child's name on line 4. Do not claim yourself as the qualifying person.

## Step 3 Exemptions

An exemption credit is an amount that helps to reduce your tax. However, your exemption credit is not refundable.

### Line 6 — Dependent Check Box



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If someone (such as your parent) can claim you as a dependent on his or her tax return, check the box on line 6. Skip lines 7 through 10 and enter -0- on line 11. You must use the "Standard Deduction Worksheet for Dependents" in the instructions for line 15 when you get to Step 4.

### Line 8 — Blind Exemptions

The first year you claim this exemption credit, you must attach a doctor's statement to the back of Form 540A indicating you or your spouse are visually impaired. Visually impaired means you cannot see better than 20/200 while wearing glasses or contact lenses, or that your field of vision is not more than 20 degrees.

### Line 9 — Senior Exemptions

If you or your spouse is 65 years of age or older, you should claim an additional exemption credit on line 9.

### Line 10 — Dependent Exemptions

To claim an exemption credit for each of your dependents, write their name and relationship in the space provided. Enter the total number of dependents listed on line 10.

The persons you list as dependents on your Form 540A must be the same persons you listed as dependents on your federal income tax return. **Do not** list the same person you list on line 4.

## Step 4 Taxable Income

**Reminder:** You must complete your federal income tax return before you begin "Step 4."

### Line 13 — California Income Adjustments

California does not tax certain types of income that was taxable on your federal return. In addition, there may be differences between federal and California IRA distributions, pensions and annuities. For more information, see the instructions for Side 2, Part 1, below.



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## Instructions For Side 2, Part 1 California Income Adjustments

### Part 1,

#### Line 1 — State Income Tax Refund

California does not tax your state income tax refund. Enter the amount of any state income tax refund shown on your federal Form 1040, line 10. If you filed Form 1040A or 1040EZ, enter -0- on line 1.

### Part 1,

#### Line 2 — Unemployment Compensation

California does not tax unemployment compensation. Enter the amount of any unemployment compensation shown on your federal Form 1040A, line 12, or Form 1040, line 20. If you filed Form 1040EZ, enter -0- on line 2.



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# Form 540A Instructions

**Part I,**

**Line 3 – Social Security Benefits**

California does not tax social security benefits or the social security equivalent benefit (SSEB) portion of railroad retirement benefits. Enter the amount of these benefits shown on your federal Form 1040A, line 13b, or Form 1040, line 21b. Do not enter the amount shown on Form 1040A, line 13a, or Form 1040, line 21a. If you filed federal Form 1040EZ, enter -0- on line 3.

**Note:** If you received railroad retirement benefits other than the SSEB portion, you must file Form 540.

**Part I,**

**Line 4 – California Nontaxable Interest or Dividend Income**

California does not tax interest earned from:

- United States savings bonds;
- United States treasury bills; and
- bonds or obligations of the United States and U.S. territories, and government agency obligations specifically exempted by federal law.

Enter only the amount of interest you received from these sources and reported on your federal Form 1040A, line 8a, or Form 1040, line 8a, or Form 1040EZ, line 2.

Do not enter the amount of interest you earned on Federal National Mortgage Association (Fannie Mae) Bonds, Government National Mortgage Association (Ginnie Mae) Bonds, and Federal Home Loan Mortgage Corporation (FHLMC) securities. This interest is not tax free.

Certain mutual funds are qualified to pay "exempt-interest dividends" if more than 50% of their assets consist of tax-exempt government obligations. The portion of the dividends that is tax-exempt will be shown on your annual statement. Enter the California exempt-interest amount that exceeds the federal exempt-interest amount on line 4. If the federal exempt-interest dividend is greater than the California exempt-interest amount, you must file Form 540.

**Part I,**

**Line 5 – Individual Retirement Account (IRA) Distributions, Pensions And Annuities**

The method of taxing income from IRA distributions, pensions and annuities is generally the same for California and federal purposes. However, there may be significant differences in the taxable amount depending on when you made your contributions. Prior to 1987, the maximum IRA contribution you were allowed to deduct from California income was different than the amount you were allowed to deduct from federal income. For this reason, the amount of your IRA distribution taxed by California may be different from the amount taxed under federal law.

Use line 5 to report the differences between California and federal taxable IRA distributions, pensions and annuities. Be sure to attach Form 1099-R to your Form 540A. Get FTB Pub. 1005, Pension and Annuity Guidelines, for more information.

If you received a lump-sum distribution from a profit sharing or retirement plan, you may pay less tax on the distribution if you choose the 5-year or 10-year averaging method and file Form 540.

See the instructions for Form 540 and Schedule G-1, Tax on Lump-Sum Distributions, (not in this booklet) for more information.

**Caution:** If your annuity starting date was after 7/1/86 and before 1/1/87 and if you elected to use the 3-year recovery rule for California, you must make an adjustment because your federal taxable amount is less than your California taxable amount. Enter the difference between the amount shown on your Form 1099-R as a total distribution in box 1 and the amount shown as taxable in box 2a in brackets on line 5. For example: "[12,325]." Combine lines 1 through 5. If the result is less than zero, enter the amount in brackets on line 6 and on Side 1, line 13. In this case only, treat the bracketed amount on line 13 as a positive number and add it to the amount on line 12.

## Instructions For Side 1 (con't. from page 11)

**Line 14 – California Adjusted Gross Income**

Subtract line 13 from line 12. Enter the result on line 14. If the result is less than zero, enter the amount in brackets. For example: "[12,325]."

**Line 15 – Standard Deduction OR Itemized Deductions**

You must decide whether to take the standard deduction or to itemize your actual deductions for charitable contributions, medical expenses, interest, taxes, etc. Your California income tax will be less if you take the larger of:

- your standard deduction (see either the "Standard Deduction Chart For Most People" below or the "Standard Deduction Worksheet For Dependents" on page 17); or
- your total itemized deductions (see the "Itemized Deductions Worksheet" on page 17).

If you are married and file a separate return, both you and your spouse must either itemize your deductions or take the standard deduction.

**If you take the standard deduction,** find the correct amount from the "Standard Deduction Chart For Most People" below or complete the "Standard Deduction Worksheet For Dependents" on page 17. Enter your standard deduction on Form 540A, line 15.

**If you itemize your deductions,** complete the "Itemized Deductions Worksheet" on page 17.

If you itemize your deductions on your Form 540A but not on your federal income tax return, first complete federal Schedule A, Itemized Deductions. Then complete the California "Itemized Deductions Worksheet."

### Standard Deduction Chart For Most People

Do not use this chart if someone (such as your parent) can claim you as a dependent on his or her tax return.

Your Filing Status	Enter On Line 15
1 – Single . . . . .	\$2,343
2 – Married filing joint return. . . . .	\$4,686
3 – Married filing separate return . . . . .	\$2,343
4 – Head of household. . . . .	\$4,686
5 – Qualifying widow(er) . . . . .	\$4,686

**Note:** The California standard deduction amounts are less than the federal standard deduction amounts.



**Line 19 – Credit For Child And Dependent Care Expenses**

The California child and dependent care credit is a percentage of the federal credit (figured regardless of whether you claimed the federal credit for a child born in 1992). Complete the worksheet and use the chart below to figure this credit.

1. Enter the amount of your federal credit from federal Form 2441, Credit for Child and Dependent Care Expenses, line 16, or federal Schedule 2 (Form 1040A), line 14 . . . . . \_\_\_\_\_

**Note:** Complete a second federal Form 2441, or Schedule 2 using California amounts if you claimed the federal credit for a child born in 1992.

2. Enter the credit percentage shown in the chart below for your federal adjusted gross income . . . . . X \_\_\_\_\_
3. Multiply line 1 by line 2. Enter here and on Form 540A, line 19 . . . . . \_\_\_\_\_

If the amount on Form 540A, line 12 is:

More Than	But Not More Than	Enter This % On Worksheet Line 2
\$ 0	\$ 40,000	30%
\$ 40,000	\$ 70,000	25%
\$ 70,000	\$100,000	20%
\$100,000	\$ —	15%

**Standard Deduction Worksheet For Dependents**

Use this worksheet only if someone (such as your parent) can claim you as a dependent on his or her tax return.

1. Enter your earned income from line 1 of the federal "Standard Deduction Worksheet for Dependents" found in the instructions for federal Form 1040A or Form 1040, or line 4A of the worksheet found in the instructions for federal Form 1040EZ . . . . .         \$600.00
2. Minimum amount . . . . . \_\_\_\_\_
3. Compare the amounts on line 1 and line 2. Enter the **larger** of the two amounts here . . . . . \_\_\_\_\_
4. Enter the amount shown below for your filing status.
  - Single or married filing separate, enter \$2,343
  - Married filing joint, head of household or qualifying widow(er), enter \$4,686
 } . . . . . \_\_\_\_\_
5. **Standard deduction.** Compare the amounts on line 3 and line 4. Enter the **smaller** of the two amounts here and on your Form 540A, line 15. . . . . \_\_\_\_\_

**Itemized Deductions Worksheet**

1. Enter the amount of itemized deductions from line 26 of your federal Schedule A; Itemized Deductions . . . . . \_\_\_\_\_
2. Enter the amount from federal Schedule A, line 5, and only the portion relating to foreign income taxes from line 7. Be sure to include any amount deducted for State Disability Insurance (SDI) . . . . . \_\_\_\_\_
3. Subtract line 2 from line 1. This amount is your total **itemized deductions** for California . . . . . \_\_\_\_\_
4. Enter the **standard deduction** for your filing status as shown on the "Standard Deduction Chart for Most People." If someone can claim you as a dependent, see the note below. . . . . \_\_\_\_\_
5. Compare the amounts on line 3 and line 4 above. Enter the **larger** of the two amounts here and on Form 540A, line 15. . . . . \_\_\_\_\_

**Note:** If someone (such as your parent) can claim you as a dependent on his or her tax return, complete the "Standard Deduction Worksheet For Dependents." Enter the amount on line 5 of that worksheet on line 4 of this worksheet.

**Step 5  
Tax and Credits**

First figure your tax; then make sure you qualify to claim your credits. Be sure to use the correct filing status and taxable income amount when you figure your tax.

**Line 17 – Tax**

To figure your tax on the amount shown on line 16, use one of the following methods:

1. **Tax Table.** You must use the tax table on pages 44 through 46 to find your tax if your taxable income is \$50,000 or less.
2. **Tax Rate Schedule.** You must use the tax rate schedules on page 46 to figure your tax if your taxable income is over \$50,000.

**Line 18 – Exemption Credits**

Multiply the number of exemptions claimed on line 11 by \$62. Enter the result on line 18.

**Step 6  
Overpaid Tax or Tax Due**

To avoid a delay in the processing of your return, be sure you enter the correct amounts on lines 24 through 31.

**Line 24 – California Income Tax Withheld**



Add the amounts shown as California income tax withheld on your Form(s) W-2, W-2G and, if applicable, Form(s) 1099-R. Enter the total on line 24. The amount of California income tax withheld should be shown in box 24 of Form W-2, box 14 of Form W-2G and box 10 of Form 1099-R. Do not include any amount of local income tax withheld.

If you received a Form 1099 showing California income tax withheld ("backup withholding") on dividends and interest income, include the amount withheld in the total on line 24.



If you do not have a Form W-2, see the instructions for "Sign Your Return" on page 20.

**Line 25 – 1992 California Estimated Tax Payments And Amount Applied From 1991 Return (And Payment Made With Extension Payment Voucher)**

Enter the total of any:

- California estimated tax payments you made (Form 540-ES) for 1992;
- overpayment from your 1991 California income tax return that you applied to your 1992 estimated tax; and
- payment you sent with form FTB 3519, Payment Voucher for Automatic Extension for Individuals.

If you and your spouse paid joint estimated tax but are now filing separate returns, either of you may claim all of the amount paid or you may each claim part of it.

Attach a statement signed by you and your spouse explaining how you want your payments divided. Be sure to show both social security numbers on the separate returns. If you or your spouse made separate estimated tax payments, but you are now filing a joint income tax return, add the amounts you each paid. Attach a statement to the front of Form 540A explaining that payments have been made under both social security numbers.

**Line 26 – Renter's Credit****203**

If the amount on Form 540A, line 14 is not more than \$21,238, if you used the single or married filing separate filing status or not more than \$42,476, if you used the married filing joint, head of household or qualifying widow(er) filing status and if you lived in rented property for more than half of the year, complete Form 540A, Side 2, Part II to find out if you qualify for renter's credit. Also, read the following information. If you qualify, enter the amount of your credit on line 26.

**Homeowner's property tax exemption.** You do not qualify for renter's credit if you or your spouse received a homeowner's property tax exemption any time during the year. However, if you lived apart from your spouse for the entire year and your spouse received a homeowner's property tax exemption for a separate residence, then you may claim a renter's credit if you are otherwise qualified.

**Mobile home owners.** You qualify for renter's credit if you own and occupy a mobile home on rented land unless you received the homeowner's property tax exemption. If you are unsure, verify with your county assessor before claiming this credit.

**Property that was exempt from property taxes.** You do not qualify for renter's credit if, for more than half of the year, you rented property that was exempt from property taxes. Exempt property includes most government-owned buildings, church-owned parsonages, college dormitories and military barracks. However, if you or your landlord paid possessory interest taxes for the property you rented, then you may claim renter's credit.

**Military personnel.** You do not qualify for renter's credit if you are not a resident of California. However, your spouse may claim renter's credit if he or she was a resident, did not live in military housing and is otherwise qualified. If your spouse was a part-year resident, he or she must file Form 540NR, California Nonresident or Part-Year Resident Income Tax Return.

**Married filing separate returns.** If you or your spouse live in the same rental property and both qualify for renter's credit and file separate returns, either one of you may claim the full amount of renter's credit, or you each may claim half of the amount. If you and your spouse maintained separate residences, you may each claim only half of the amount.

**Heads of household.** You qualify for head of household filing status only if you were unmarried on December 31, 1992, and you furnished more than 50% of the cost of keeping up:

- a home you share with your child or dependent married child or relative for more than half the year; or
- a home for your dependent parent.

**Married persons living apart.** You also qualify for the head of household filing status if you were separated from your spouse and lived apart for the last six months of the year and you furnished more than 50% of the cost of keeping up a home you share with your dependent child for more than half of the year.

**Qualified renters who receive Aid to Families with Dependent Children (AFDC).** If you were unmarried in 1992 and if AFDC payments were your primary source of income to maintain your home, check the head of household filing status to figure the amount of renter's credit to claim.

**Line 28 – Overpaid Tax**

If the amount on line 27 is more than the amount on line 23, then your payments and credits are more than your tax. Subtract line 23 from line 27. Enter the result on line 28. This is the amount of your overpaid tax. If line 27 is less than the amount on line 23, go to line 31.

**Line 29 – Amount To Be Applied To Your 1993 Estimated Tax**

If you pay estimated tax, you may apply \$5.00 or more of the amount on line 28 to your 1993 estimated tax. Enter the amount of line 28 you want applied on line 29.

**Line 30 – Amount of Overpaid Tax Available This Year**

If you entered an amount on line 29, subtract that amount from line 28. Enter the result on line 30. You may choose to have this entire amount refunded to you or you may make contributions to the California Seniors Special Fund or make voluntary contributions from this amount. If you make a contribution, skip line 31 and go to the instructions for "Step 7."

**Line 31 – Tax Due**

If the amount on line 27 is less than the amount on line 23, then your tax is more than your payments and credits. Subtract line 27 from line 23. Enter the result on line 31. This is the amount of your tax due.

There is a penalty for not paying enough tax during the year. You may have to pay a penalty if:

- the tax due (line 31) is \$100 or more; and
- the amount of state income tax withheld (line 24) is less than 80% of the amount of your total tax (line 23).

If you owe a penalty, the Franchise Tax Board will send you a bill.

You may make contributions to the California Seniors Special Fund or make voluntary contributions by adding them to the tax due. You must pay the full amount of tax due, including contributions, when you file your Form 540A.

**Step 7  
Refund or  
Amount  
You Owe**

Be sure to add or subtract correctly to figure the amount of your refund or the amount you owe.

**Contributions**

You may make contributions to the California Seniors Special Fund or you may make voluntary contributions of \$1 or more in whole dollar amounts. If you make one or more contributions, you must complete Side 2, Part III. You may contribute only to the funds listed in Part III and cannot change the amount you contributed after you file your return.

**Instructions For Side 2, Part III Contributions**

**Part III,**

**Line 1 – Contribution to California Seniors Special Fund**

If you or your spouse claim the senior exemption credit on line 9, you may each make a contribution of up to \$62 to the California Seniors Special Fund. Your contribution will be used to provide direct services to seniors such as meals, adult day care and transportation. The actual use of the funds will be determined at the local level by the Area Agency on Aging, its Advisory Council of Seniors and the senior community. On line 1, enter the amount of your contribution (if you contribute, do not enter more than \$62; if you and your spouse contribute, do not enter more than \$124).

**Part III,**

**Line 2 – Alzheimer's Disease/Related Disorders Fund**

Contributions entered on line 2 will be used to conduct a systematic program for researching the cause and cure of Alzheimer's disease and related disorders and the care and treatment of persons suffering with dementia.

**Part III,**

**Line 3 – California Fund For Senior Citizens**

Contributions entered on line 3 will be used to conduct annual sessions of the California Senior Legislature and support its ongoing activities on behalf of older persons. Any additional funds will be used to provide direct services to senior citizens.

**Part III,**

**Line 4 – Rare And Endangered Species Preservation Program**

Contributions entered on line 4 will be used to help protect and conserve California's many threatened and endangered species and the wild lands that they need to survive upon, for the enjoyment of you and future generations of Californians.

**Part III,**

**Line 5 – State Children's Trust Fund For The Prevention Of Child Abuse**

Contributions entered on line 5 will be used to fund programs for the prevention, intervention and treatment of child abuse and neglect.

**Part III,**

**Line 6 – California Breast Cancer Research Fund**

Contributions entered on line 6 will be used to conduct research relating to the cure, screening and treatment of breast cancer.

**Part III,**

**Line 7 – Veterans Memorial Account**

Contributions entered on line 7 will be used to pay for the construction, improvement, maintenance or repair of a veterans memorial and an information program about the memorial.

**Part III,**

**Line 8 & 9 – California Election Campaign Fund**

A contribution of \$1, \$5, \$10 or \$25 may be made to one of these political parties: American Independent, Democratic, Green, Libertarian, Peace and Freedom or

Republican. If you contribute, enter the party name in the space provided on line 8, and enter the amount of your contribution.

If your spouse contributes to the California Election Campaign Fund, enter the name of the political party and contribution amount on line 9. You and your spouse may each contribute a maximum of \$25.

**Part III,**

**Line 10 – Total Contributions**

Add all contributions you entered on lines 1 through 9. Enter the result on Side 2, Part III, line 10, and on your Form 540A, line 34.

**Instructions For Form 540A, Side 1 (con't.)**

**Line 34 – Total Contributions**

On line 34, enter the amount of your total contributions from Side 2, Part III, line 10. If you did not complete Part III, do not enter an amount on line 34. If you show an amount on line 30, you must subtract the amount you contribute from the amount of overpaid tax. If you show an amount on line 31, you must add the amount you contribute to your tax due.

**Line 35 – Refund Or No Amount Due**

If you did not enter an amount on line 34, enter the amount from line 30 on line 35. This is the amount that will be refunded to you. If the amount is less than \$1, attach a written request to your Form 540A to receive the refund.

If you entered an amount on line 34, subtract that amount from the amount on line 30. If the result is zero or more, enter the result on line 35. Then skip to the instructions for line 37.

If the result is less than zero, your contributions are more than your overpaid tax available on line 30. In this case, do not enter an amount on line 35. Instead, subtract the amount on line 30 from the amount on line 34. Enter the result on line 36 and see the instructions for line 36.

**Line 36 – Amount You Owe**

If you did not enter an amount on line 34, enter the amount from line 31 on line 36. This is the amount you owe with your Form 540A.

If you entered an amount on line 34, add that amount to the amount on line 31. Enter the result on line 36. This is the amount you owe with your Form 540A.

Attach a check or money order for the full amount you owe to the front of your Form 540A in the area designated. Make your check or money order payable to the "Franchise Tax Board." Do not send cash. Be sure to write your social security number and "1992 Form 540A" on your check or money order. When you mail your Form 540A and payment, make sure the payment is not covered up by your Form(s) W-2 or any other items.

A penalty may be imposed if your check is returned by your bank for insufficient funds. To avoid a late filing penalty, file your Form 540A by the due date even if you cannot pay the amount you owe.

Do not include any estimated tax payment in your check or money order. Mail any estimated tax payment in a separate envelope from the one you use to pay the amount you owe with Form 540A.

## Form 540A Instructions

### Line 37 – Underpayment Of Estimated Tax

If line 31 is \$100 or more and more than 20% of the tax shown on line 23, or if you underpaid your 1992 estimated tax liability for any payment period, you may owe a penalty. The Franchise Tax Board can figure the penalty for you when you file your return and send you a bill. Or if you want, get form FTB 5805, Underpayment of Estimated Tax by Individuals and Fiduciaries, to see if you owe a penalty and to figure the amount. If you complete form FTB 5805, enter the amount of the penalty on line 37 and check the box at line 37. You must complete and attach form FTB 5805 if you claim a waiver or use the annualized income installment method.

**Note:** Do not reduce the amount on line 28 or increase the amount on line 31 by any penalty or interest amounts.

### Sign Your Return

You must sign your return in the space provided. If you file a joint return, your spouse must sign it also.

#### Paid Preparer's Information

If you pay a person to prepare your return, that person must sign and complete the area at the bottom of Side 2. A paid preparer must give you a copy of your return in addition to the copy to be filed with the Franchise Tax Board.

#### Attach Your Form(s) W-2 To Your Return

You must attach Copy 2 of all Forms W-2, W-2G and 1099-R to the front of your return in the area designated.



If you do not receive your Form W-2 by January 31, contact your employer. Only your employer can give you or correct a Form W-2.

If you cannot get a copy of your Form W-2, you must complete form FTB 3525, Substitute for Form W-2, Wage and Tax Statement, or 1099-R Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, Etc.



If you forget to send your Form(s) W-2 with your return, do not send it separately. Wait until the Franchise Tax Board requests the Form(s) W-2 from you.



#### Mailing Addresses

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

**Franchise Tax Board**  
P.O. Box 942840  
Sacramento, CA 94240-0000



If you owe money, mail your return to:

**Franchise Tax Board**  
P.O. Box 942867  
Sacramento, CA 94267-0001

## Renter's Credit Only Instructions

**If you file Form 540A only to claim renter's credit and if you did not file a federal income tax return, follow these instructions.**

### Name and Address

After you complete your return, check to make sure that it is correct. Then remove the peel-off address label. Make changes, if needed, and attach it on the front of your Form 540A in the space provided at the top. If you do not have a label, print or type your name, address and social security number in the spaces provided. If you and your spouse file for renter's credit on a joint return, be sure to enter your spouse's name and social security number in the spaces provided.

### Filing Status

Check the box for your filing status.

**Head of household.** You qualify for head of household filing status only if you were unmarried on December 31, 1992, and you furnished more than 50% of the cost of keeping up:

- a home you share with your child or dependent married child or relative for more than half the year; or
- a home for your dependent parent.

**Married persons living apart.** You also qualify for the head of household filing status if you were separated from your spouse and lived apart for the last six months of the year and you furnished more than 50% of the cost of keeping up a home you share with your dependent child for more than half of the year.

**Qualified renters who receive Aid to Families with Dependent Children (AFDC).** If you were unmarried in 1992 and if AFDC payments were your primary source of income to maintain your home, check the head of household filing status to figure the amount of renter's credit to claim.

**Qualifying widow(er) with dependent child.** Do not check the box on line 5 for the qualifying widow(er) with dependent child unless:

- your spouse died during either 1990 or 1991;
- you did not remarry by the end of 1992;
- you were entitled to file a joint return for the year in which your spouse died, even if you did not do so;
- your dependent child, stepchild, adopted child or foster child lived with you for the entire year (except for temporary absences, such as for vacation or school); and
- you paid more than 50% of the cost of maintaining the home for the child for the whole year.

If your spouse died before 1990 and you did not remarry by the end of 1992, you may check the box on line 4 if you meet the tests under "Head of household." Otherwise, you must use the single filing status.

### Renter's Credit Eligibility Information

Read the instructions for line 26 on page 18. Then complete Form 540A, Side 2, Part II. If you qualify, enter the amount of renter's credit allowed for your filing status on Part II, line 9, and on Side 1, line 26 through line 28 and line 30. Be sure to enter this amount on line 35 also.

### Sign And Mail Your Return

Sign and date your return at the bottom of Side 2. Mail your return to:

**Franchise Tax Board**  
P.O. Box 942840  
Sacramento, CA 94240-0000

# California Resident Income Tax Return 1992

FORM

## 540A

Use the California mailing label. Otherwise, please print or type.

### Step 1 Name and Address

Your first name and initial	Last name	Your social security number	Do Not Write In These Spaces
If joint return, also give spouse's name and initial	Last name	Spouse's social security number	
Present home address — number and street including P.O. Box or rural route		Apt. no.	
City, town or post office, state and ZIP code			P
			M
			A
			R
			E

### Step 2 Filing Status

Check only one.

- 1  Single
- 2  Married filing joint return (even if only one had income)
- 3  Married filing separate return. Enter spouse's social security number above and full name here
- 4  Head of household (with qualifying person). If the qualifying person is your child but not your dependent, enter child's name
- 5  Qualifying widow(er) with dependent child. Enter year spouse died 19

### Step 3 Exemptions

Do not enter dollar amounts in the boxes.

Attach check or money order here.

- 6 If someone (such as your parent) can claim you as a dependent on his or her tax return, check here, skip lines 7 through 10 and enter -0- on line 11. 6
- 7 Personal: If you checked box 1, 3 or 4 above, enter 1. If you checked box 2 or 5, enter 2. 7
- 8 Blind: If you or your spouse is visually impaired, enter 1. If both are visually impaired, enter 2. 8
- 9 Senior: If you or your spouse is 65 or older, enter 1. If both are 65 or older, enter 2. 9
- 10 Dependents: Enter name and relationship. Do not include yourself, your spouse or the person you listed on line 4. 10
- 11 Total number of exemptions. Add lines 7 through 10. Enter here. 11

### Step 4 Taxable Income

Attach copy of your Form(s) W-2, W-2G and 1099-R here.

- 12 Federal adjusted gross income from your Form 1040EZ, line 3, your Form 1040A, line 16, or your Form 1040, line 31. If your federal adjusted gross income is over \$100,000, you must file Form 540. 12
- 13 Total California income adjustments. Enter the amount from Side 2, Part I, line 6. 13
- 14 California adjusted gross income. Subtract line 13 from line 12. See instructions. 14
- 15 Enter the larger of:
  - Your standard deduction
  - Your itemized deductions
 See the instructions for the chart or worksheet that applies to you. Be sure to enter an amount on this line. 15
- 16 Taxable income. Subtract line 15 from line 14. If less than zero, enter -0-. 16

### Step 5 Tax and Credits

- 17 Tax. Use the tax table or tax rate schedules in the instructions to find the tax on the amount shown on line 16. 17
- 18 Exemption credits. Multiply the number of exemptions on line 11 by \$62. 18
- 19 Credit for child and dependent care expenses. See instructions. 19
- 22 Total credits. Add line 18 and line 19. 22
- 23 Total tax. Subtract line 22 from line 17. If less than zero, enter -0-. 23

### Step 6 Overpaid Tax or Tax Due

- 24 California income tax withheld. Enter total from all 1992 Form(s) W-2, W-2G and 1099-R. 24
- 25 1992 California estimated tax and amount applied from 1991 return. Include amount paid with extension payment voucher (form FTB 3519). 25
- 26 Renter's credit. Enter the amount from Side 2, Part II, line 9. 26
- 27 Total payments and credits. Add lines 24 through 26. 27
- 28 Overpaid tax. If line 27 is more than line 23, subtract line 23 from line 27. 28
- 29 Amount of line 28 to be applied to your 1993 estimated tax. 29
- 30 Amount of overpaid tax available this year. Subtract line 29 from line 28. 30
- 31 Tax due. If line 27 is less than line 23, subtract line 27 from line 23. 31

### Step 7 Refund or Amount You Owe

- 34 Total contributions. Enter amount from Side 2, Part III, line 10. 34
- 35 REFUND OR NO AMOUNT DUE. Subtract line 34 from line 30. Mail return to: Franchise Tax Board, P.O. Box 942840, Sacramento, CA 94240-0000. 35
- 36 AMOUNT YOU OWE. Add line 31 and line 34. Attach check or money order for full amount payable to "Franchise Tax Board." Write your social security number and "1992 Form 540A" on it. Mail it with your return to: Franchise Tax Board, P.O. Box 942867, Sacramento, CA 94267-0001. 36
- 37 Underpayment of estimated tax. If form FTB 5805 is attached, check here. 37

Continued on Side 2.

**Part I California Income Adjustments.** See instructions.

1 State income tax refund from Form 1040, line 10. See instructions . . . . .	1	
2 Unemployment compensation from Form 1040A, line 12, or Form 1040, line 20. See instructions . . . . .	2	
3 Social security benefits from Form 1040A, line 13b, or Form 1040, line 21b. See instructions . . . . .	3	
4 California nontaxable interest or dividend income. See instructions . . . . .	4	
5 IRA distributions, pensions and annuities. See instructions . . . . .	5	
6 <b>Total California income adjustments.</b> Add lines 1 through 5. Enter here and on Side 1, line 13. . . . .	6	

**Part II Renter's Credit.** If you claim this credit on Side 1, line 26, you must complete lines 1 through 9 below.

- Were you a resident of California for the entire year in 1992? If yes, go to line 2. If no, STOP. File Form 540NR and Schedule H (540NR)  Yes  No
- Did you pay rent, for at least half of the year, on property in California which was your principal residence?  Yes  No  
If yes, go to line 3. If no, STOP. You do not qualify for this credit.
- Did you live with any other person (such as your parent) for more than half the year who claimed you as a dependent in 1992?  Yes  No  
If no, go to line 4. If yes, or if you are a minor living with and under the care of a parent, foster parent or legal guardian, STOP. You do not qualify.
- Was the property you rented exempt from property tax? If no, go to line 5. If yes, see instructions  Yes  No
- Did you or your spouse claim the homeowner's property tax exemption? If no, skip line 5a and complete lines 6 through 9. If yes, go to line 5a.  Yes  No  
a. Did you and your spouse maintain separate residences for the entire year in 1992?  Yes  No  
If yes, see instructions. If you qualify, complete lines 6 through 9. If no, STOP. You do not qualify for this credit.
- List the address(es) of residence(s) you rented in California during 1992 which qualified you for this credit. Do not list post office boxes.

STREET ADDRESS CITY, STATE AND ZIP CODE DATES RENTED IN 1992 FROM — TO

a \_\_\_\_\_  
b \_\_\_\_\_

- Name, address and telephone number of your landlord(s) or the person(s) you paid your rent to for the residence(s) listed on line 6.

NAME STREET ADDRESS CITY, STATE AND ZIP CODE TELEPHONE NUMBER

a \_\_\_\_\_  
b \_\_\_\_\_

- If you did not report any income on Side 1, line 12 of this form, you must list the sources and total 1992 income from which you paid your rent (include AFDC, social security, general assistance, family loans, etc.).

SOURCE OF INCOME YEARLY AMOUNT SOURCE OF INCOME YEARLY AMOUNT

- Renter's Credit.** Use the chart below to find the amount of your credit. Enter here and on Side 1, line 26 . . . . .

**Use This Chart If You Used the Single or Married Filing Separate Filing Status in Step 2.**

If the amount on Form 540A, line 14 is:

At Least	But not More Than	Enter This Amount on Line 9 Above
\$ -0-	\$20,720	\$60
\$20,721	\$21,238	\$30

**Use This Chart If You Used the Married Filing Joint, Head of Household or Qualifying Widow(er) Filing Status in Step 2.**

If the amount on Form 540A, line 14 is:

At Least	But not More Than	Enter This Amount on Line 9 Above
\$ -0-	\$41,440	\$120
\$41,441	\$42,476	\$ 60

**Important:** If the amount on Form 540A, line 14 is more than \$21,238, you do not qualify for this credit.

**Important:** If the amount on Form 540A, line 14 is more than \$42,476, you do not qualify for this credit.

**Part III Contributions.**

1 Contribution to California Seniors Special Fund. See instructions . . . . .	◀ 47 ▶	1	
You may make a voluntary contribution of \$1 or more to the following funds.			
2 Alzheimer's Disease/Related Disorders Fund . . . . .	◀ 48 ▶	2	
3 California Fund for Senior Citizens . . . . .	◀ 49 ▶	3	
4 Rare and Endangered Species Preservation Program . . . . .	◀ 50 ▶	4	
5 State Children's Trust Fund for the Prevention of Child Abuse . . . . .	◀ 51 ▶	5	
6 California Breast Cancer Research Fund . . . . .	◀ 52 ▶	6	
7 Veterans Memorial Account . . . . .	◀ 53 ▶	7	
California Election } 8 Your political party _____ amount (\$25 maximum) . . . . .	▶ 54	8	
Campaign Fund } 9 Spouse's political party _____ amount (\$25 maximum) . . . . .	▶ 55	9	
10 <b>Total contributions.</b> Add lines 1 through 9. Transfer the total to Side 1, line 34. . . . .		10	

**Sign Here**

It is unlawful to forge a spouse's signature.

Do not attach your federal return to this return

Under penalties of perjury, I declare that I have examined this return and to the best of my knowledge and belief, it is true, correct and complete. 2

Your signature

X

Signature of paid preparer (declaration of preparer is based on all information of which preparer has any knowledge)

Spouse's signature (if filing jointly, both must sign)

X

Date

Preparer's SSN/FEIN

Firm's name (or yours if self-employed)

Firm's address

# California Resident Income Tax Return 1992

FORM

**540**

## Step 1 Name and Address

Use the California mailing label. Otherwise, please print or type. Fiscal year beginning , 1992, ending , 19

Your first name and initial	Last name	Your social security number	Do Not Write In These Spaces
If joint return, also give spouse's name and initial		Spouse's social security number	
Present home address — number and street including P.O. Box or rural route		Apt. no.	
City, town or post office, state and ZIP code			

## Step 2 Filing Status

- 1  Single
- 2  Married filing joint return (even if only one had income)
- 3  Married filing separate return. Enter spouse's social security number above and full name here \_\_\_\_\_
- 4  Head of household (with qualifying person). If the qualifying person is your child but not your dependent, enter child's name here \_\_\_\_\_
- 5  Qualifying widow(er) with dependent child. Enter year spouse died 19 \_\_\_\_\_

## Step 3 Exemptions

Do not enter dollar amounts in the boxes.

- 6 If someone (such as your parent) can claim you as a dependent on his or her tax return, check the box here, skip lines 7 through 10 and enter -0- on line 11. • 6
  - 7 Personal: If you checked box 1, 3 or 4 above, enter 1. If you checked box 2 or 5, enter 2. 7
  - 8 Blind: If you or your spouse is visually impaired, enter 1. If both are visually impaired, enter 2. 8
  - 9 Senior: If you or your spouse is 65 or older, enter 1. If both are 65 or older, enter 2. 9
  - 10 Dependents: Enter name and relationship. Do not include yourself, your spouse or the person listed on line 4. 10
- Enter the total number of dependents 11

## Step 4 Taxable Income

Attach copy of your Form(s) W-2, W-2G and 1099-R here.

- 12 State wages from your Form W-2, box 25 • 12 70,000
- 13 Federal adjusted gross income from your Form 1040, line 31, your Form 1040A, line 16 or your Form 1040EZ, line 3. 13 California (02)
- 14 California adjustments — subtractions. Enter the amount from Schedule CA, line 15 • 14
- 15 Subtract line 14 from line 13. If less than zero, enter the result in brackets. See instructions 15
- 16 California adjustments — additions. Enter the amount from Schedule CA, line 23 • 16
- 17 California adjusted gross income. Combine line 15 and line 16. • 17
- 18 Enter the { } • 18
  - Your **standard deduction** (see instructions), OR
  - Your **itemized deductions** (from Schedule CA, line 29).
- 19 Taxable income. Subtract line 18 from line 17. If less than zero, enter -0- 19

## Step 5 Tax

- 20 Enter tax. Check if from  Tax Table or Tax Rate Schedule  FTB 3800 or  FTB 3803. • 20  
**Caution:** If under age 14 and you have more than \$1,200 of investment income, read the line 20 instructions to see if you must attach form FTB 3800.
- 21 Exemption credits. 21  
**Caution:** See the instructions for line 21 and the worksheet and instructions in Step 6 before entering an amount on line 21.  
Check if from  line 21 instructions  line 21 worksheet or  Schedule P (540) • 21
- 22 Subtract line 21 from line 20. If less than zero, enter -0- 22
- 23 Tax from  Schedule G-1 and from  form FTB 5870A • 23
- 24 Add line 22 and line 23. Continue to Side 2 24

**Step 6**  
Credits

25	Amount from Side 1, line 24		25
26	Credit for child and dependent care expenses. See instructions	● 26	
28	Enter credit name _____ code no. _____ and amount	▶ 28	
29	Enter credit name _____ code no. _____ and amount	▶ 29	
30	Enter credit name _____ code no. _____ and amount	▶ 30	
31	To claim more than three credits, see instructions	● 31	
33	Total credits. Add lines 26 through 31		33
34	Subtract line 33 from line 25. If less than zero, enter -0-		34

**Step 7**  
Other Taxes

35	Alternative minimum tax. Attach Schedule P (540)	● 35	
36	Other taxes and credit recapture. See instructions	● 36	
37	Total tax. Add lines 34 through 36	● 37	

**Step 8**  
Payments

38	California income tax withheld. Enter total from your 1992 Form(s) W-2 and 1099-R	■ 38	
39	1992 California estimated tax and amount applied from your 1991 return. Include the amount paid with extension payment voucher (form FTB 3519).	■ 39	
40	Renter's credit. Enter the amount from Schedule H (540), line 9	■ 40	
41	Excess California SDI withheld. See instructions	■ 41	
42	Total payments. Add lines 38 through 41		42

**Step 9**  
Overpaid Tax or Tax Due

43	Overpaid tax. If line 42 is larger than line 37, subtract line 37 from line 42		43
44	Amount of line 43 to be applied to your 1993 estimated tax	■ 44	
45	Amount of overpaid tax available this year. Subtract line 44 from line 43	■ 45	
46	Tax due. If line 37 is larger than line 42, subtract line 42 from line 37		46

**Step 10**  
Contributions

47	Contribution to California Seniors Special Fund. See instructions You may make a contribution of \$1 or more to:	● 47	
48	Alzheimer's Disease/Related Disorders Fund	● 48	
49	California Fund for Senior Citizens	● 49	
50	Rare and Endangered Species Preservation Program	● 50	
51	State Children's Trust Fund for the Prevention of Child Abuse	● 51	
52	California Breast Cancer Research Fund	● 52	
53	Veterans Memorial Account	● 53	
	California Election } 54 Your political party _____ amt. (\$25 max)	▶ 54	
	Campaign Fund } 55 Spouse's political party _____ amt. (\$25 max)	▶ 55	
56	Total contributions. Add lines 47 through 55	● 56	

**Step 11**  
Refund or Amount You Owe

57	<b>REFUND OR NO AMOUNT DUE.</b> Subtract line 56 from line 45. Mail your return to: <b>Franchise Tax Board, P.O. Box 942840, Sacramento, CA 94240-0000.</b>	■ 57	
58	<b>AMOUNT YOU OWE.</b> Add line 46 and line 56. Attach check or money order for full amount payable to "Franchise Tax Board." Write your social security number and "1992 Form 540" on it. Mail it with your return to: <b>Franchise Tax Board, P.O. Box 942867, Sacramento, CA 94267-0001.</b>	■ 58	

**Step 12**  
Interest and Penalties

59	Interest and late return and late payment penalties		59
60	Underpayment of estimated tax. If form FTB 5805 or 5805F is attached, check here	<input type="checkbox"/> ■ 60	
61	To reduce State printing costs, if you and your tax preparer do <b>not</b> need California income tax forms and instructions mailed to you next year, check here	● 61 <input type="checkbox"/>	

**Sign Here**

**IMPORTANT: See the instructions for information on who must attach a copy of their federal income tax return and federal schedules.**  
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.

It is unlawful to forge a spouse's signature.

Your signature \_\_\_\_\_ Spouse's signature (if filing jointly, both must sign) \_\_\_\_\_ Date \_\_\_\_\_

X \_\_\_\_\_ X \_\_\_\_\_

Signature of paid preparer (declaration of preparer is based on all information of which preparer has any knowledge) \_\_\_\_\_ Preparer's SSN/FEIN \_\_\_\_\_

Firm's name (or yours if self-employed) \_\_\_\_\_ Firm's address \_\_\_\_\_



# Instructions for California Resident Income Tax Return — Form 540

These instructions are based on the Internal Revenue Code (IRC) as of January 1, 1992, and the California Revenue and Taxation Code (R&TC).

## Before You Begin

You must complete your federal income tax return (Form 1040, 1040A or 1040EZ) before you begin your California Form 540. You will use the information you entered on your federal income tax return to complete your Form 540. Be sure to complete the Form 540 with the pink shading.

**Important:** You may not have to attach a copy of your federal return, including federal schedules to Form 540. See the instructions for "Sign Your Return" on page 32 for more information.

## Step 1 Name and Address

1. If there is a label on the front of your booklet, follow the instructions below.
  - Complete your Form 540 **before** you remove the label from the front of your booklet.
  - After you complete your pink Form 540, check to make sure that it is correct. Then remove your label from the front of your booklet and attach it on the front of your Form 540 in the space provided at the top.
  - Make sure the information on your address label is correct. If you need to make any changes, draw a line in ink through the incorrect information and clearly print the new information.

2. If there is no label, print or type the information requested in the space provided at the top of the pink Form 540.

If you file a joint return, show your social security numbers in the same order as you show your names. For example, list the husband's name and social security number on the top line. List the wife's name and social security number on the line below in the space provided.

## Step 2 Filing Status

Check only one of the boxes on lines 1 through 5. Be sure to enter the required information if you check a box on line 3, 4 or 5.

Your filing status for California must be the same as the filing status you used on your federal income tax return. However, for married taxpayers who file a joint federal income tax return, two exceptions are allowed:

1. If either you or your spouse was an active member of the United States armed forces (or any auxiliary military branch) during 1992; or
2. If either you or your spouse was a nonresident for the entire year and had no income from California sources during 1992. In these cases, you may file either a joint return or separate returns. However, if you file a joint return and if either you or your spouse was a nonresident in 1992, you must file Form 540NR, California Nonresident or Part-Year Resident Income Tax Return.

### If You Are Married and File a Separate Return

If you check the box on line 3, you must enter your spouse's name on line 3 and your spouse's social security number in the space provided.

### If You File as Head of Household

If you check the box on line 4, and if the qualifying person is your child but not your dependent, enter the child's name on line 4. Do not claim yourself as the qualifying person.

## Step 3 Exemptions

An exemption credit is an amount which helps to reduce your tax. However, your exemption credit is not refundable.

## Line 6 — Dependent Check Box



If someone (such as your parent) can claim you as a dependent on his or her tax return, check the box on line 6. Skip lines 7 through 10 and enter -0- on line 11. You must use the "Standard Deduction Worksheet for Dependents" in the instructions for Form 540, line 18, when you get to Step 4.

## Line 8 — Blind Exemptions

The first year you claim this exemption credit, you must attach a doctor's statement to the back of Form 540 indicating you or your spouse are visually impaired. Visually impaired means you cannot see better than 20/200 while wearing glasses or contact lenses, or that your field of vision is not more than 20 degrees.

## Line 9 — Senior Exemptions

If you or your spouse is 65 years of age or older, you should claim an additional exemption credit on line 9.

## Line 10 — Dependent Exemptions

To claim an exemption credit for each of your dependents, write their name and relationship in the space provided. Enter the total number of dependents listed on line 10.

The persons you list as dependents on your Form 540 must be the same persons you listed as dependents on your federal income tax return. Do not list the same person you listed on line 4.

## Step 4 Taxable Income

**Reminder:** You must complete your federal income tax return before you begin "Step 4."

## Line 12 — State Wages

Enter the total amount of your state wages from all states from each of your Form(s) W-2. This amount should be in box 25 of Form W-2.

## Line 14 — California Adjustments — Subtractions from Schedule CA, Line 15

If there are differences between your federal and California income or deductions, you must complete Schedule CA, California Adjustments. Follow the instructions for Schedule CA included in this booklet. Enter the amount from Schedule CA, line 15, on Form 540, line 14.

## Line 15 — Subtotal

Subtract the amount on line 14 from the amount on line 13 and enter the result on line 15. If the amount on line 13 is less than zero, combine the amounts on line 13 and line 14 and enter the result in brackets. For example: "[12,325]."

## Line 16 — California Adjustments — Additions from Schedule CA, Line 23

If there are differences between your federal and California income or deductions, you must complete Schedule CA, California Adjustments. Follow the instructions for Schedule CA included in this booklet. Enter the amount from Schedule CA, line 23, on Form 540, line 16.

## Line 18 — Standard Deduction OR Itemized Deductions

You must decide whether to take the standard deduction or itemize your actual deductions for charitable contributions, medical expenses, interest, taxes, etc.

# Form 540 Instructions

Your California income tax will be less if you take the larger of:

- your standard deduction (see either the "Standard Deduction Chart For Most People" or the "Standard Deduction Worksheet For Dependents" below); or
- your total itemized deductions (see the instructions for Schedule CA, Part II).

If you are married and file a separate return, both you and your spouse must either itemize your deductions or take the standard deduction.

If you take the standard deduction, find the correct amount from the "Standard Deduction Chart For Most People" or complete the "Standard Deduction Worksheet For Dependents." Enter your standard deduction on Form 540, line 18.

If you itemize your deductions, first complete Schedule CA, Part II. Then enter your California itemized deductions from Schedule CA, line 29, on Form 540, line 18.

**Note:** If you itemize your deductions on your Form 540 but not on your federal income tax return, first complete federal Schedule A, Itemized Deductions. Then see the instructions for Schedule CA, Part II, for state and federal differences in computing itemized deductions. If your total California itemized deductions on Schedule CA, line 29, are larger than your allowable California standard deduction, enter your total California itemized deductions on Form 540, line 18.

### Standard Deduction Chart For Most People

Do not use this chart if someone (such as your parent) can claim you as a dependent on his or her tax return.

Your Filing Status	Enter On Line 18
1 - Single	\$2,343
2 - Married filing joint return	\$4,686
3 - Married filing separate return	\$2,343
4 - Head of household	\$4,686
5 - Qualifying widow(er)	\$4,686

**Note:** The California standard deduction amounts are less than the federal standard deduction amounts.

### Standard Deduction Worksheet For Dependents

Use this worksheet only if someone (such as your parent) can claim you as a dependent on his or her tax return.

- Enter your earned income from line 1 of the federal "Standard Deduction Worksheet for Dependents" found in the instructions for federal Form 1040A or Form 1040, or line 4A of the worksheet found in the instructions for federal Form 1040EZ . . . . .
- Minimum amount . . . . . \$600.00
- Compare the amounts on line 1 and line 2. Enter the **larger** of the two amounts here . . . . .
- Enter the amount shown below for your filing status.
  - Single or married filing separate, enter \$2,343
  - Married filing joint, head of household or qualifying widow(er), enter \$4,686
- Standard deduction.** Compare the amounts on line 3 and line 4. Enter the **smaller** of the two amounts here and on your Form 540, line 18 . . . . .

### Step 5 Tax

First figure your tax; then make sure you qualify to claim your credits. Be sure to use the correct filing status and taxable income amount when you figure your tax.

### Line 20 - Tax

Check the appropriate box on line 20. To figure your tax on the amount shown on line 19, use one of the following methods:

- Tax Table.** You must use the tax table on pages 44 through 46 to find your tax if your taxable income is \$50,000 or less.
- Tax Rate Schedules.** You must use the tax rate schedules on page 46 to figure your tax if your taxable income is over \$50,000.
- FTB 3800.** Generally, you must use form FTB 3800, Tax Computation for Children With Investment Income, to figure the tax on the separate Form 540 of your child who was under age 14 on January 1, 1993, and who had more than \$1,200 of investment income. Attach form FTB 3800 to the child's Form 540.
- FTB 3803.** If, as a parent, you elect to report your child's interest and dividend income of \$5,000 or less (but not less than \$500) on your return, complete form FTB 3803, Parent's Election to Report Child's Interest and Dividends. You must file a separate form FTB 3803 for each child whose income you elect to include on your Form 540. Add the amount of tax, if any, from each form FTB 3803, line 8, to the amount of your tax from the tax table or tax rate schedules. Enter your total tax on Form 540, line 20 and check the FTB 3803 box. Attach Form(s) 3803 to your return.

### Line 21 - Exemption Credits

Multiply the total number of exemptions claimed on line 11 by \$62. Enter the result on line 21 and check the line 21 instructions box. But if your federal adjusted gross income on line 13 is more than the amount shown below for your filing status, use the worksheet below to figure the amount, if any, to enter on line 21.

- \$103,600 if single or married filing separate.
- \$155,400 if head of household.
- \$207,200 if married filing joint or qualifying widow(er).

- Multiply the total number of exemptions from Form 540, line 11 by \$62 *dep x 62*
- Enter the amount of federal adjusted gross income from Form 540, line 13 *AGI*
- Enter on line 3 the amount shown above for your filing status. *103,600*
- Subtract line 3 from line 2. *AGI - 103,600*

**Note:** If line 4 is more than \$25,000 (more than \$12,500 if married filing separate), stop here; you may not claim any exemption credits. Enter -0- on Form 540, line 21 and check the line 21 worksheet box.

- Divide line 4 by \$2,500 (\$1,250 if married filing separate). If the result is not a whole number, round it up to the next higher whole number . . . . .
- Multiply line 5 by \$6 . . . . .
- Multiply line 6 by the total number of exemptions claimed on Form 540, line 11 . . . . .
- Subtract line 7 from line 1. If less than zero, enter -0- . . . . .

**Note:** See "Step 6" before entering any exemption credits on line 21.

- If your exemption credits are not limited on Schedule P (540), check the line 21 worksheet box and enter the amount of exemption credits from line 8 on Form 540, line 21.
- If your exemption credits are limited on Schedule P (540), check the Schedule P (540) box and enter the amount of reduced exemption credits from Schedule P (540) on Form 540, line 21.

**Line 23 – Tax From Schedule G-1 and Form FTB 5870A**

Check the applicable box(es) and enter the amount of taxes from:

- Schedule G-1, Tax on Lump-Sum Distributions, line 21; and
- form FTB 5870A, Tax on Accumulation Distribution of Trusts.

**Step 6  
Credits**

A variety of California tax credits are available to reduce your tax if you qualify. For most credits, you must attach a separate form or schedule to your Form 540. Follow the specific instructions for each credit described below. How to claim California tax credits:

1. Figure the amount of each credit using the appropriate form.
2. Determine if you need to limit your credits. Complete the Credit Limitation Worksheet below unless the following exceptions apply:
  - a) If you did not complete federal Schedule C, D, E or F (Form 1040) and if the amount you entered on Form 540, line 17, is less than \$40,000 (\$30,000 if single or head of household; \$20,000 if married filing separately), do not complete the Credit Limitation Worksheet; your credits are not limited.
  - b) If you completed federal Schedule C, D, E or F (Form 1040) or if the amount you entered on Form 540, line 17, is more than \$150,000 (\$112,500 if single or head of household; \$75,000 if married filing separately), get Schedule P (540) and its instructions before entering any credits, including exemption credits, on your tax return.

If condition a or b does not apply, complete the following worksheet.

**Credit Limitation Worksheet**

- A. Enter the amount from Form 540, line 17 . . . . . \_\_\_\_\_
- B. Enter \$40,000 (\$30,000 if single or head of household; \$20,000 if married filing separately) . . . . . \_\_\_\_\_
- C. Subtract line B from line A . . . . . \_\_\_\_\_  
**Note:** If the result is less than zero, do not complete the rest of the worksheet; your credits are not limited. Enter on Form 540, line 21 the amount of your exemption credits you calculated using the worksheet in the instructions for Form 540, line 21.
- D. Enter the amount from Form 540, line 20 . . . . . \_\_\_\_\_
- E. Enter the amount from Form 540, line 23 . . . . . \_\_\_\_\_
- F. Add line D and line E. . . . . \_\_\_\_\_
- G. Multiply line C by 8.5% (.085) . . . . . \_\_\_\_\_
- H. Subtract line G from line F. If the result is zero or less, enter the amount in brackets . . . . . \_\_\_\_\_

Complete Schedule P (540) if:

- the amount on line H is less than your total credits, including exemption credits; or
- the amount on line G is greater than the amount on line F.

If the above conditions do not apply, you do not need to complete Schedule P (540). Enter on Form 540, line 21 the amount of your exemption credits you calculated using the worksheet in the instructions for Form 540, line 21.

**Line 26 – Credit for Child and Dependent Care Expenses**

The California child and dependent care credit is a percentage of the federal credit (figured regardless of whether you claimed the federal credit for a child born in 1992). Complete the worksheet and use the chart below to figure this credit.

1. Enter the amount of your federal credit from federal Form 2441, Credit for Child and Dependent Care Expenses, line 16 or federal Schedule 2 (Form 1040A), line 14 . . . . . \_\_\_\_\_  
**Note:** Complete a second federal Form 2441 or Schedule 2 using California amounts if you claimed the federal credit for a child born in 1992.
2. Enter the credit percentage shown in the chart below for your federal adjusted gross income . . . . . X \_\_\_\_\_
3. Credit amount. Multiply line 1 by line 2. Enter the result here and on Form 540, line 26 . . . . . \_\_\_\_\_

If the amount on Form 540, line 13 is:

More Than	But Not More Than	Enter This % on Worksheet Line 2
\$ 0	\$ 40,000	30%
\$ 40,000	\$ 70,000	25%
\$ 70,000	\$100,000	20%
\$100,000	\$ —	15%

**Caution:** You may not claim this credit for any months that you claim the credit for a new infant.

**Caution:** The amount of your credit for child and dependent care expenses may be limited. See the Credit Limitation Worksheet and instructions on this page for more information about credit limitations.

**Lines 28 through 31 – Additional Credits**

You must claim the credits in the order listed below. Each credit is identified by a code number. To claim only one, two or three credits, enter the credit name, code number and amount of the credit on lines 28, 29 and 30. To claim more than three credits, use Schedule P (540). List three of the credits on lines 28, 29 and 30. Enter the total of any remaining credits from Schedule P (540) on line 31.

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

**Note:** If you claim a credit with carryover provisions and the amount of the credit available this year exceeds your tax, you may carry over any excess credit to future years until the credit is used.

If you claim a credit carryover for an expired credit, use form FTB 3540, Credit Carryover Summary, to figure the amount of the credit unless you are required to

# Form 540 Instructions

complete Schedule P (540). In that case, enter the amount of the credit on Schedule P (540), Part II, Section B and do not attach form FTB 3540.

## Credit for Joint Custody Head of Household — Code 170

You may claim a credit if you were unmarried at the end of 1992 (or if married, you lived apart from your spouse for all of 1992 and you used the married filing separate filing status) and if you furnished more than one-half the household expenses for your home which also served as the home of your child, step-child or grandchild for at least 146 days but not more than 219 days of the taxable year. If the child is married, the child must be your dependent.

Also, the custody arrangement for the child must be part of a dissolution or separate maintenance settlement or must be part of a written agreement initiated by the parents prior to divorce proceedings.

**Note:** You may not claim the credit for joint custody head of household if you used either the head of household or qualifying widow(er) filing status.

Use the following worksheet to figure the credit for joint custody head of household.

1. Enter the amount from Form 540, line 24	_____
2. Enter the form FTB 5870A tax, if any, included on Form 540, line 23	_____
3. Subtract line 2 from line 1	_____
4. Credit percentage — 30%	x .30
5. Credit amount. Multiply line 4 by line 3. Enter the result or \$250, whichever is less	_____

## Credit for Dependent Parent — Code 173

You may claim this credit only if:

- you were married at the end of 1992 and you used the married filing separate filing status;
- your spouse was not a member of your household during the last six months of the year; and
- you furnished over one-half the household expenses for your dependent mother's or father's home, whether or not he or she lived in your home.

To figure the amount of this credit, use the worksheet for the credit for joint custody head of household.

**Note:** You may not claim the credit for dependent parent if you used either the head of household or qualifying widow(er) filing status.

## Credit for Senior Head of Household Code — 163

You may claim this credit if you:

- were 65 years of age or older on December 31, 1992;
- qualified as a head of household in 1990 or 1991 by providing a household for a qualifying individual who died during 1990 or 1991; and
- did not have adjusted gross income over \$40,521 for 1992.

Use the following worksheet to figure this credit.

1. Enter the amount from Form 540, line 19	_____
2. Credit percentage — 2%	x .02
3. Credit amount. Multiply line 1 by line 2. Enter the result or \$810, whichever is less	_____

## Political Contributions Credit Carryover — Code 184

You may claim a credit for political contributions only if a carryover is available from prior years. If the amount of this credit is larger than your tax, you may carry over any excess credit next year until the credit is used. You must apply the carryover to the earliest year possible. If you are not required to complete Schedule P(540), use form FTB 3540, Credit Carryover Summary, to figure this credit.

## Prison Inmate Labor Credit — Code 162

You may claim a credit equal to 10% of wages paid to prison inmates employed under an approved joint venture agreement. You must use form FTB 3507, Prison Inmate Labor Credit, to figure the amount of this credit.

## Jobs Credit — Code 166

Employers who paid wages to employees certified to meet the requirements of Section 328 of the Unemployment Insurance Code may claim this credit for a portion of the wages paid. You must use form FTB 3524, Jobs Credit, to figure the amount of this credit.

## Low-Emission Vehicles Credit — Code 160

You may claim a credit equal to 55% of the differential cost of purchasing a low-emission vehicle or 55% of the cost of converting a vehicle to a low-emission vehicle. You must use form FTB 3554, Low-Emission Vehicles Credit, to figure the amount of this credit.

## Enterprise Zone Employee Credit — Code 169

If you earned wages for work in an enterprise zone, you may be able to claim this credit. You must use form FTB 3553, Enterprise Zone Employee Credit, to figure the amount of this credit.

## Credit for a Young Infant — Code 161

A qualified parent may claim a credit up to \$1,000 for maintaining a household for at least one dependent child under the age of 13 months.

You may claim the credit for each whole month that you meet the requirements below and for the month the child is born if, for each day after the birth, you meet the requirements.

To claim this credit the qualifying parent must:

- qualify to file as head of household, married filing joint or qualifying widow(er);
- maintain a home for a dependent child under the age of 13 months;
- have no earned income (wages, salaries, tips, any other employee compensation and net earnings from self-employment);
- not claim the credit for child and dependent care expenses for the months you qualify for this credit; and
- attach a copy of the dependent child's birth certificate.

Use the following tables to figure this credit.

If the amount of this credit is larger than your tax, you may carry over any excess credit to future years until the credit is used. However, the excess credit will be lost if you claim a credit for child and dependent care expenses.

**Married Filing Joint and Qualifying Widow(er)**

Adjusted Gross Income, Form 540, line 17	Number of Qualifying Months											
	1	2	3	4	5	6	7	8	9	10	11	12
\$ 0 – \$41,440	83	167	250	333	417	500	583	667	750	833	917	1,000
\$41,441 – \$42,440	67	133	200	267	333	400	467	533	600	667	733	800
\$42,441 – \$43,440	50	100	150	200	250	300	350	400	450	500	550	600
\$43,441 – \$44,440	33	67	100	133	167	200	233	267	300	333	367	400
\$44,441 – \$45,440	17	33	50	67	83	100	117	133	150	167	183	200
\$45,441 – more	You do not qualify for the credit											

**Head of Household**

Adjusted Gross Income, Form 540, line 17	Number of Qualifying Months											
	1	2	3	4	5	6	7	8	9	10	11	12
\$ 0 – \$29,526	83	167	250	333	417	500	583	667	750	833	917	1,000
\$29,527 – \$30,526	67	133	200	267	333	400	467	533	600	667	733	800
\$30,527 – \$31,526	50	100	150	200	250	300	350	400	450	500	550	600
\$31,527 – \$32,526	33	67	100	133	167	200	233	267	300	333	367	400
\$32,527 – \$33,526	17	33	50	67	83	100	117	133	150	167	183	200
\$33,527 – more	You do not qualify for the credit											

**Employer Ridesharing Credits — Codes 171, 191, 192 and 193**

Employers who sponsor a ridesharing incentive program or provide subsidized public transit passes to their employees may claim these credits. You must use form FTB 3518, Employer Ridesharing Credit, to figure the amount of these credits. Also, if you are not required to complete Schedule P (540), use form FTB 3540, Credit Carryover Summary, to claim a carryover from prior years for the cost of sponsoring a ridesharing program for your employees, or for operating a private, third-party ridesharing program (under former R&TC Section 17053.1).

**Employee Ridesharing Credit — Code 194**

Employees in a nonemployer-sponsored vanpool program may claim this credit. You must use form FTB 3572, Employee Ridesharing Credit, to claim this credit.

**Enterprise Zone Hiring and Sales and Use Tax Credit — Code 176**

Employers may claim a credit equal to a percentage of wages paid to qualified individuals hired to work in an enterprise zone. Business operators may claim a credit equal to the sales or use tax paid on the purchase of machinery or machinery parts for use in an enterprise zone. You must use form FTB 3805Z, Enterprise Zone/Program Area Deduction and Credit Summary, to figure the amount of this credit.

**Program Area Hiring and Sales and Use Tax Credit — Code 177**

Employers who paid wages to employees who were formerly unemployed residents of high density unemployment areas (program areas) may claim this credit. Business operators who paid sales or use tax on the purchase of machinery or machinery parts for use in a program area may also claim this credit. You must use form FTB 3805Z, Enterprise Zone/Program Area Deduction and Credit Summary, to figure the amount of this credit.

**Los Angeles Revitalization Zone Hiring and Sales and Use Tax Credit — Code 159**

Employers may claim a credit equal to a percentage of wages paid to qualified individuals hired to work in the Los Angeles Revitalization Zone (LA Zone). Business operators may claim a credit equal to the sales or use tax paid on the purchase of machinery and equipment for use in the LA Zone. You must use form FTB 3806,

Los Angeles Revitalization Zone Booklet, to figure the amount of this credit.

**Water Conservation Credit Carryover — Code 178**

You may claim this credit for the costs of installing water conservation measures only if a carryover is available from prior years. If you are not required to complete Schedule P (540), use form FTB 3540, Credit Carryover Summary, to figure this credit.

**Solar Pump Credit Carryover (Farmers Only) — Code 179**

You may claim this credit for the costs of installing a solar pump system only if a carryover is available from prior years. If you are not required to complete Schedule P (540), use form FTB 3540, Credit Carryover Summary, to figure this credit.

**Energy Conservation Credit Carryover — Code 182**

You may claim this credit for the costs of installing energy conservation measures only if a carryover is available from prior years. If you are not required to complete Schedule P (540), use form FTB 3540, Credit Carryover Summary, to figure this credit.

**Residential Rental and Farm Sales Credit Carryover — Code 186**

You may claim this credit for the sale of residential rental or farm property only if a carryover is available from prior years. If you are not required to complete Schedule P (540), use form FTB 3540, Credit Carryover Summary, to figure this credit.

**Employer Child Care Program Credit — Code 189**

Employers may claim this credit for establishing a child care program or constructing a child care facility in California for use primarily by their employees. You must use form FTB 3501, Employer Child Care Program/Contribution Credit, to figure the amount of this credit.

**Employer Child Care Contribution Credit — Code 190**

Employers may claim a credit equal to 50% of their contributions to a qualified care plan made on behalf of any California employee's dependent under the age of 15. You must use form FTB 3501, Employer Child Care Program/Contribution Credit, to figure the amount of this credit.

**Recycling Equipment Credit — Code 174**

You may claim a credit equal to 40% of the cost (not to exceed \$625,000 per facility) of purchasing qualified property used to manufacture products composed of secondary waste material. Use form FTB 3527, Recycling Equipment Credit, to figure the amount of this credit.

**Agricultural Products Credit Carryover — Code 175**

You may claim a credit for the cost of agricultural products donated to a nonprofit organization only if a carryover is available from prior years. If you are not required to complete Schedule P (540), use form FTB 3540, Credit Carryover Summary, to figure this credit.

**Solar Energy Credit Carryover — Code 180**

You may claim this credit for the costs of installing solar energy systems only if a carryover is available from prior years. If you are not required to complete Schedule P (540), use form FTB 3540, Credit Carryover Summary, to figure this credit.

**Commercial Solar Energy Credit Carryover — Code 181**

You may claim this credit for the costs of installing commercial solar energy systems only if a carryover is available from prior years. If you are not required to complete Schedule P (540), use form FTB 3540, Credit Carryover Summary, to figure this credit.

## Form 540 Instructions

### Commercial Solar Electric System Credit — Code 196

You may claim a credit equal to 10% of the costs of a qualified solar electric system installed on commercial premises located in California that you own during the taxable year. You must use form FTB 3556, Commercial Solar Electric System Credit, to figure the amount of this credit.

### Research Credit — Code 183

This credit is similar to the federal credit but is limited to costs for increasing research activities in California. You must use form FTB 3523, Research Credit, to figure the amount of this credit.

Start-up companies use form FTB 3505, Research Credit for Start-Up Companies.

### Orphan Drug Credit — Code 185

This credit is similar to the federal credit but is limited to costs for conducting orphan drug research in California. You must use form FTB 3528, Orphan Drug Credit, to figure the amount of this credit.

### Low-Income Housing Credit — Code 172

You may claim this credit if you undertake the development of low-income housing in California. You must use form FTB 3521, Low-Income Housing Credit, to figure the amount of this credit.

### Credit for Prior Year Alternative Minimum Tax — Code 188

You may claim this credit if you paid alternative minimum tax in a prior year but have no alternative minimum tax liability for 1992. You must use form FTB 3510, Credit for Prior Year Alternative Minimum Tax Individuals or Fiduciaries, to figure the amount of this credit.

### Other State Tax Credit — Code 187

You may claim this credit, in certain cases, for net income tax paid to another state or U.S. possession on income also taxed by California. You must use Schedule S, Other State Tax Credit, to figure the amount of this credit.

**Note:** No credit is allowed for income taxes paid to any city, the federal government or a foreign country.

**Line 34 —** Subtract the amount on line 33 from the amount on line 25. Enter the result on line 34. If the amount on line 33 is more than the amount on line 25, enter -0-. If you owe interest on deferred tax from installment obligations, include the additional tax, if any, on line 34. Write "IRC Section 453 interest" or "IRC Section 453A interest" and the amount to the left of the amount on line 34.

## Step 7 Other Taxes

Attach the specific form or statement required for each entry in this section.

### Line 35 — Alternative Minimum Tax

If you claim certain types of deductions, exclusions and credits, you may be subject to California's alternative minimum tax. Generally, you may owe alternative minimum tax if your total income is more than:

- \$40,000 if you are married filing joint or qualifying widow(er); or
- \$30,000 if you are single or head of household; or
- \$20,000 if you are married filing separate.

Use Schedule P (540), Alternative Minimum Tax and Credit Limitations — Residents, to figure the amount of tax to enter on line 35.

**Note:** A child under age 14 may owe alternative minimum tax if the amount on line 19 plus any preference items listed on Schedule P (540) and included on the return total more than the sum of \$1,000 plus the child's earned income. Get Schedule P (540) and its instructions to see if the child owes this tax.

### Line 36 — Other Taxes

If you used form FTB 3518, Employer Ridesharing Credits, form FTB 3501, Employer Child Care Program/Contribution Credit, form FTB 3805P, Return for Additional Tax Attributable to Qualified Retirement Plans (Including IRAs), Annuities and Modified Endowment Contracts, or form FTB 3805Z, Enterprise Zone/Program Area Deduction and Credit Summary, include the additional tax, if any, on line 36. Write "FTB 3518," "FTB 3501," "FTB 3805P," or "FTB 3805Z," to the left of the amount on line 36.

## Step 8 Payments

Make sure you have your Form(s) W-2, W-2G and 1099-R before you begin this step.



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If you do not have a Form W-2, see the instructions for "Sign Your Return" on page 20.

### Line 38 — California Income Tax Withheld



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Add the amounts shown as California income tax withheld on your Form(s) W-2 and, if applicable, Form(s) W-2G and 1099-R. The amount of California income tax withheld should be shown in box 24 of Form W-2, box 14 of Form W-2G and box 10 of Form 1099-R. Enter the total on line 38. Do not include any amount of local income tax withheld.

If you received a Form 1099 showing California income tax withheld ("backup withholding") on dividends and interest income, real estate sales and partnership distributions, include the amount withheld in the total on line 38.

### Line 39 — 1992 California Estimated Tax Payments and Amount Applied from 1991 Return (and Payment Made With Extension Payment Voucher)

Enter the total of any:

- California estimated tax payments you made (Form 540-ES) for 1992;
- overpayment from your 1991 California income tax return that you applied to your 1992 estimated tax; and
- payment you sent with form FTB 3519, Payment Voucher for Automatic Extension for Individuals.

If you and your spouse paid joint estimated tax but are now filing separate returns, either of you may claim all of the amount paid, or you may each claim a part of it. Attach a statement signed by you and your spouse explaining how you want your payments divided. Be sure to show both social security numbers on the separate returns. If you or your spouse made separate estimated tax payments, but you are now filing a joint income tax return, add the amounts you each paid. Attach a statement to the front of Form 540 explaining that payments have been made under both social security numbers.

### Line 40 — Renter's Credit



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If you lived in rented property for at least half of the year, you should complete Schedule H (included in this booklet) to find out if you qualify for renter's credit. If you qualify, enter on line 40 the amount of the credit shown on Schedule H, line 9.

**Line 41 – Excess California SDI Withheld**

If more than \$397.09 of California State Disability Insurance (SDI) was withheld from your wages by a single employer, or if an employer withheld SDI at a rate of more than 1.25% of your gross wages, you may not claim excess SDI on your Form 540, line 41. Contact the employer for a refund.

You may claim a credit for excess SDI only if:

- you had **two or more** employers during 1992;
- you received more than \$31,767 in wages during 1992 from these employers;
- your employers withheld more than \$397.09 of SDI from your wages; and
- the amounts of SDI withheld appear on your Form(s) W-2. Be sure to attach your Form(s) W-2 to your Form 540.

Complete the worksheet below to figure the amount to enter on line 41. If you are married and file a joint return, you must figure the amount of excess SDI **separately for each spouse.**

1. Add amounts of SDI withheld shown on your Form(s) W-2. Enter the total here . . . . .	
2. 1992 SDI limit . . . . .	397.09
3. Excess SDI withheld. Subtract line 2 from line 1. Enter the result here and on Form 540, line 41 . . . . .	

**Step 9  
Overpaid  
Tax or  
Tax Due**

To avoid a delay in the processing of your return, be sure you enter the correct amounts on lines 43 through 46.

**Line 43 – Overpaid Tax**

If the amount on line 42 is more than the amount on line 37, then your payments and credits are more than your tax. Subtract the amount on line 37 from the amount on line 42. Enter the result on line 43.

**Line 44 – Amount to be Applied to Your 1993 Estimated Tax**

If you pay estimated tax, you may apply \$5.00 or more of the amount on line 43 to your estimated tax. Enter the amount of line 43 that you want applied on line 44.

**Line 45 – Amount of Overpaid Tax Available This Year**

If you entered an amount on line 44, subtract that amount from line 43. Enter the result on line 45. You may have this entire amount refunded to you or you may make contributions to the California Seniors Special Fund or make voluntary contributions from this amount. If you make a contribution, skip line 46 and go to the instructions for "Step 10."

**Line 46 – Tax Due**

If the amount on line 37 is more than the amount on line 42, then your tax is more than your payments and credits. Subtract the amount on line 42 from the amount on line 37. Enter the result on line 46.

There is a penalty for not paying enough tax during the year. You may have to pay a penalty if:

- the tax due (line 46) is \$100 or more; and
- the amount of state income tax withheld (line 38) is less than 80 percent of the amount of your total tax (line 37).

If you owe a penalty, the Franchise Tax Board will send you a bill.

You may make contributions to the California Seniors Special Fund or make voluntary contributions by adding them to the tax due. You must pay the full amount of tax due, including contributions, when you file your Form 540.

**Step 10  
Contri-  
butions**

You may make contributions in whole dollar amounts only. If you make one or more contribution, you must complete "Step 10." You may contribute only to the following funds and cannot change the amount you contributed after the return is filed.

If you have overpaid tax available on Form 540, line 45, the amount you contribute must be subtracted from your overpaid tax available. If you have tax due on Form 540, line 46, your total contributions must be added to your tax due.

**Line 47 – Contribution to California Seniors Special Fund**

If you or your spouse claim the senior exemption credit on line 9, you may each make a contribution of up to \$62 to the California Seniors Special Fund. Your contribution will be used to provide direct services to senior citizens such as meals, adult day care and transportation. The actual use of the funds will be determined at the local level by the Area Agency on Aging, its Advisory Council of Seniors and the senior community. On line 47, enter the amount of your contribution (if you contribute, do not enter more than \$62; if you and your spouse contribute, do not enter more than \$124).

**Voluntary Contributions**

You may make voluntary contributions of \$1 or more in whole dollar amounts.

**Line 48 – Alzheimer's Disease/Related Disorders Fund**

Contributions entered on line 48 will be used to conduct a systematic program for researching the cause and cure of Alzheimer's disease and related disorders and the care and treatment of persons suffering with dementia.

**Line 49 – California Fund for Senior Citizens**

Contributions entered on line 49 will be used to conduct annual sessions of the California Senior Legislature and support its ongoing activities on behalf of older persons. Any additional funds will be used to provide direct services to senior citizens.

**Line 50 – Rare and Endangered Species Preservation Program**

Contributions entered on line 50 will help to protect and conserve California's many threatened and endangered species and the wild lands that they need to survive upon, for the enjoyment and benefit of you and future generations of Californians.

**Line 51 – State Children's Trust Fund for the Prevention of Child Abuse**

Contributions entered on line 51 will be used to fund programs for the prevention, intervention and treatment of child abuse and neglect.

**Line 52 – California Breast Cancer Research Fund**

Contributions entered on line 52 will be used to conduct research relating to the cure, screening and treatment of breast cancer.

**Line 53 – Veterans Memorial Account**

Contributions entered on line 53 will be used to pay for the construction, improvement, maintenance or repair of a veterans memorial and an information program about the memorial.

## Form 540 Instructions

### Line 54

#### & Line 55 – California Election Campaign Fund

A contribution of \$1, \$5, \$10 or \$25 may be made to one of these political parties: American Independent, Democratic, Green, Libertarian, Peace and Freedom or Republican. If you contribute, enter the party name and contribution amount on line 54.

If your spouse contributes to the California Election Campaign Fund, enter the name of the political party and contribution amount on line 55. You and your spouse may each contribute a maximum of \$25.

#### Line 56 – Total Contributions

Add lines 47 through 55. Enter the result on line 56. If you show an amount on Form 540, line 45, you must subtract the amount you contribute from the amount of overpaid tax. If you show an amount on Form 540, line 46, you must add your total contributions to your tax due.

### Step 11 Refund or Amount You Owe

Be sure to add or subtract correctly to figure the amount of your refund or the amount you owe.

#### Line 57 – Refund or No Amount Due

If you did not enter an amount on line 56, enter the amount from line 45 on line 57. This is the amount that will be refunded to you. If this amount is less than \$1, you must attach a written request to your Form 540 requesting the refund.

If you entered an amount on line 56, subtract that amount from the amount on line 45. If the result is zero or more, enter the result on line 57. Then skip to the instructions for line 59.

If the result is less than zero, your contributions are more than your overpaid tax available on line 45. In this case, do not enter an amount on line 57. Instead, subtract the amount on line 45 from the amount on line 56. Enter the result on line 58 and see the instructions for line 58.

#### Line 58 – Amount You Owe

If you did not enter an amount on line 56, enter the amount from line 46 on line 58. This is the amount you owe with your Form 540.

If you entered an amount on line 56, add that amount to the amount on line 46. Enter the result on line 58. This is the amount you owe with your Form 540.

Attach a check or money order for the full amount you owe to the front of your Form 540 in the area designated. Make your check or money order payable to the "Franchise Tax Board." Do not send cash.

Be sure to write your social security number and "1992 Form 540" on your check or money order. When you mail your Form 540 and payment, make sure the payment is not covered up by your Form(s) W-2 or any other items. See the instructions for "Sign Your Return" on page 20 for the correct mailing address to use.

A penalty may be imposed for a check returned by your bank for insufficient funds. To avoid a late filing penalty, you should file your Form 540 by the due date even if you cannot pay the amount you owe.

Do not include any estimated tax payment in your check or money order. Mail any estimated tax payment in a separate envelope from the one you use to pay the amount you owe with Form 540.

### Step 12 Interest & Penalties

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

**Note:** Do not reduce the amount on line 43 or increase the amount on line 46 by any penalty or interest amounts.

#### Line 59 – Interest and Penalties

Enter the amount of interest and late penalties included in your payment.

##### A. Interest

Interest will be charged on any late filing or late payment penalty from the due date to the date paid. In addition, interest will be charged on other penalties owed from the date you are billed for them if they are not paid within 10 days. Interest compounds daily and the interest rate is adjusted twice a year.

##### B. Late Filing of Return

The maximum total penalty is 25% of the tax not paid if the return is filed after October 15, 1993. The minimum penalty for filing a return more than 60 days late is \$100 or 100% of the balance due, whichever is less.

##### C. Late Payment of Tax

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.

##### D. Other Penalties

There are also other penalties that can be imposed for a check returned for insufficient funds, negligence, substantial understatement of tax and fraud.

#### Line 60 – Underpayment of Estimated Tax

If line 46 is \$100 or more and more than 20% of the sum of the tax shown on line 34 (excluding the tax on lump-sum distributions on line 23), or you underpaid your 1992 estimated tax liability for any payment period, you may owe a penalty. The Franchise Tax Board can figure the penalty for you when you file your return and send you a bill. Or if you want, get form FTB 5805, Underpayment of Estimated Tax by Individuals and Fiduciaries (or form FTB 5805F for farmers and fishermen), to see if you owe a penalty and to figure the amount of the penalty. If you complete form FTB 5805 (or form FTB 5805F), be sure to attach the form to the front of your Form 540, enter the amount of the penalty on line 60 and check the box at line 60. You must complete and attach the form if you claim a waiver or use the annualized income installment method.

#### Line 61 – 1993 Forms

If your Form 540 is prepared by someone else, or if you do not need forms mailed to you next year, check the box at line 61.

### Sign Your Return

You must sign your return in the space provided on Side 2. If you file a joint return, your spouse must sign it also.

For more information, see the instructions for "Sign Your Return" on page 20.

**Important:** You may no longer need to attach your federal Form 1040 to Form 540. Simply ask yourself the following question:

Did you attach any federal schedules other than Schedule A or B to your federal Form 1040?

- If no, do not attach Form 1040 to Form 540.
- If yes, attach Form 1040 to Form 540.



1992 California Adjustments

CA

Important: Attach this schedule directly behind Form 540.

Name(s) as shown on return

Social security number

Part I Adjustments To Federal Adjusted Gross Income

Table with 15 rows for Step 1 Subtractions. Includes items like State income tax refund, unemployment compensation, social security benefits, etc.

Table with 8 rows for Step 2 Additions. Includes items like interest on state and municipal bonds, difference between state and federal wages, etc.

Part II Adjustments To Federal Itemized Deductions

Table with 5 rows for Part II adjustments. Includes Federal itemized deductions, state and local income taxes, etc.

• If your federal adjusted gross income on Form 540, line 13 is not more than:
- \$103,600 if single or married filing separate;
- \$155,400 if head of household; or
- \$207,200 if married filing joint or qualifying widow(er);
transfer the amount from line 28 to line 29.
• If your federal adjusted gross income on Form 540, line 13 is more than the amount listed above for your filing status, complete the Itemized Deductions worksheet in the instructions to figure the amount to enter on line 29.
If your California itemized deductions on line 29 are larger than your standard deduction, enter your California itemized deductions on Form 540, line 18. Otherwise, enter your standard deduction on Form 540, line 18.

# 1992 Depreciation and Amortization Adjustments

**3885A**

Name(s) as shown on return	Business or activity to which form FTB 3885A relates	Social security number
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1  Passive Activity  Nonpassive Activity See instructions.

Assets placed in service before 1/1/87 (depreciation): Property placed in service before 1/1/92 (amortization):				Depreciation of Assets			Amortization of Property			
2	(a) Description of property	(b) Date placed in service	(c) Cost or other basis	(d) Dep'n or amortiz'n allowed or allowable in earlier years	(e) Method of figuring depreciation	(f) Life or rate	(g) Depreciation for this year	(h) Code section	(i) Period or percentage	(j) Amortization for this year
Total depreciation or amortization. Add column (g) and column (i) amounts of line 2 . . . . .										

**Depreciation**

3 California depreciation from this activity for assets placed in service on or after January 1, 1987. See instructions and enter the amount from line 5 of the worksheet in the instructions. <b>Note:</b> Be sure to make adjustments for any basis differences . . . . .	3	
4 Total California depreciation from this activity. Add line 2(g) and line 3 . . . . .	4	
5 Total federal depreciation from this activity . . . . .	5	
6 Depreciation Adjustment		
a If line 4 is larger than line 5, subtract line 5 from line 4. Enter the difference here and on Schedule CA, line 11 . . . . .	6a	
b If line 4 is less than line 5, subtract line 4 from line 5. Enter the difference here and on Schedule CA, line 19 . . . . .	6b	

**Amortization**

7 California amortization from this activity for property placed in service on or after January 1, 1992. Enter the amount from federal Form 4562, Part IV, line 39, column (f) . . . . .	7	
<b>Note:</b> Be sure to make adjustments for any basis differences.		
8 Total California amortization from this activity. Add line 2(j) and line 7 . . . . .	8	
9 Total federal amortization . . . . .	9	
10 Amortization Adjustment		
a If line 8 is larger than line 9, subtract line 9 from line 8. Enter the difference here and on Schedule CA, line 11 . . . . .	10a	
b If line 8 is less than line 9, subtract line 8 from line 9. Enter the difference here and on Schedule CA, line 19 . . . . .	10b	

# 1992 California Capital Gain or Loss Adjustment

**D**

1	(a) Kind of property and description (identify S corporation stock) Example: 100 shares of "Z" (S stock)	(b) Sales price	(c) Cost or other basis	(d) Loss, if (c) is more than (b), subtract (b) from (c)	(e) Gain, if (b) is more than (c), subtract (c) from (b)
2	Net gain or (loss) from partnerships, S corporations and fiduciaries . . . . .			2	
3	Total 1992 gains from all sources. Add column (e) amounts of line 1 and line 2 . . . . .				3
4	1992 loss. Add column (d) amounts of line 1 and line 2 . . . . .			4	
5	California capital loss carryover from 1991, if any. See instructions . . . . .			5	
6	Total 1992 loss. Add line 4 and line 5 . . . . .			6	
7	Net gain or net loss. Combine line 3 and line 6 and enter the net gain or (loss) here. See instructions . . . . .				7
8	If line 7 is a loss, enter here. Enter as a loss on line 10, the lesser of: (a) the amount on line 7; or (b) \$3,000 (\$1,500 if married filing a separate return). See instructions . . . . .				8
9	Combine and enter the amount(s) from federal Form 1040, line 13 and line 14 . . . . .				9
10	Enter the California gain from line 7 or loss from line 8 . . . . .				10
11	California gain or loss adjustment: Compare line 9 and line 10. See instructions.				
	a Adjustment decrease . . . . .				11a
	b Adjustment increase . . . . .				11b

# 1992 California Adjustments

# CA

**Important:** Attach this schedule directly behind Form 540.

Name(s) as shown on return	Social security number
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## Part I Adjustments To Federal Adjusted Gross Income

<b>Step 1</b>			
<b>Subtractions</b>	1 State income tax refund from federal Form 1040, line 10 . . . . .	1	
	2 Unemployment compensation from federal Form 1040, line 20, or Form 1040A, line 12 . . . . .	2	
	3 Social security benefits from federal Form 1040, line 21b, or Form 1040A, line 13b . . . . .	3	
	4 California nontaxable interest or dividend income. See instructions . . . . .	4	
	5 Railroad retirement benefits and sick pay. See instructions . . . . .	5	
	6 California Lottery winnings. See instructions . . . . .	6	
	7 Difference between state and federal wages. See instructions . . . . .	7	
	8 IRA distributions. See instructions . . . . .	8	
	9 Pensions and annuities. See instructions . . . . .	9	
	10 Passive activity. See instructions . . . . .	10	
	11 Depreciation and amortization from form FTB 3885A, line 6a and line 10a . . . . .	11	
	12 Capital gains or (losses) from California Schedule D, line 11a . . . . .	12	
	13 Other gains or (losses) from California Schedule D-1, line 21a and line 38 . . . . .	13	
	14 Other subtractions:		
	a Total California disaster loss carryover from 1991 or certain losses from enterprise zones, program areas or the LA Zone . . . . .	14a	
b Other. See instructions. Specify _____	14b		
15 Total subtractions. Add lines 1 through 14b. Enter here and on Form 540, line 14 . . . . .	15		

<b>Step 2</b>			
<b>Additions</b>	16 Interest on state and municipal bonds from a state other than California. See instructions . . . . .	16	
	17 Difference between state and federal wages. See instructions . . . . .	17	
	18 Passive activity. See instructions . . . . .	18	
	19 Depreciation and amortization from form FTB 3885A, line 6b and line 10b . . . . .	19	
	20 Capital gains or (losses) from California Schedule D, line 11b . . . . .	20	
	21 Other gains or (losses) from California Schedule D-1, line 21b and line 38 . . . . .	21	
	22 Other additions:		
	a Federal net operating loss deduction from your 1992 federal Form 1040, line 22 . . . . .	22a	
b Other. See instructions. Specify _____	22b		
23 Total additions. Add lines 16 through 22b. Enter here and on Form 540, line 16 . . . . .	23		

## Part II Adjustments To Federal Itemized Deductions

	24 Federal itemized deductions. Add the amounts on federal Schedule A, lines 4, 8, 12, 16, 17, 18, 24 and 25 . . . . .	24	
	25 State and local income taxes from federal Schedule A, line 5 and foreign income taxes. See instructions . . . . .	25	
	26 Subtract line 25 from line 24 . . . . .	26	
	27 Other adjustments. See instructions. Specify _____	27	
	28 Combine line 26 and line 27 . . . . .	28	
	29 California itemized deductions . . . . .	29	

- If your federal adjusted gross income on Form 540, line 13 is not more than:
    - \$103,600 if single or married filing separate;
    - \$155,400 if head of household; or
    - \$207,200 if married filing joint or qualifying widow(er);
 transfer the amount from line 28 to line 29.
  - If your federal adjusted gross income on Form 540, line 13 is more than the amount listed above for your filing status, complete the Itemized Deductions worksheet in the instructions to figure the amount to enter on line 29.
- If your California itemized deductions on line 29 are larger than your standard deduction, enter your California itemized deductions on Form 540, line 18. Otherwise, enter your standard deduction on Form 540, line 18.

# 1992 Depreciation and Amortization Adjustments

## 3885A

Name(s) as shown on return	Business or activity to which form FTB 3885A relates	Social security number
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**1**  **Passive Activity**  **Nonpassive Activity** See instructions.

Assets placed in service before 1/1/87 (depreciation): Property placed in service before 1/1/92 (amortization):				Depreciation of Assets			Amortization of Property				
<b>2</b>	(a) Description of property	(b) Date placed in service	(c) Cost or other basis	(d) Dep'n or amortiz'n allowed or allowable in earlier years	(e) Method of figuring depreciation	(f) Life or rate	(g) Depreciation for this year	(h) Code section	(i) Period or percentage	(j) Amortization for this year	
Total depreciation or amortization. Add column (g) and column (i) amounts of line 2 . . . . .											

**Depreciation**

<b>3</b> California depreciation from this activity for assets placed in service on or after January 1, 1987. See instructions and enter the amount from line 5 of the worksheet in the instructions. <b>Note:</b> Be sure to make adjustments for any basis differences . . . . .	<b>3</b>
<b>4</b> Total California depreciation from this activity. Add line 2(g) and line 3 . . . . .	<b>4</b>
<b>5</b> Total federal depreciation from this activity . . . . .	<b>5</b>
<b>6</b> Depreciation Adjustment	
<b>a</b> If line 4 is larger than line 5, subtract line 5 from line 4. Enter the difference here and on Schedule CA, line 11 . . . . .	<b>6a</b>
<b>b</b> If line 4 is less than line 5, subtract line 4 from line 5. Enter the difference here and on Schedule CA, line 19 . . . . .	<b>6b</b>

**Amortization**

<b>7</b> California amortization from this activity for property placed in service on or after January 1, 1992. Enter the amount from federal Form 4562, Part IV, line 39, column (f) . . . . .	<b>7</b>
<b>Note:</b> Be sure to make adjustments for any basis differences.	
<b>8</b> Total California amortization from this activity. Add line 2(j) and line 7 . . . . .	<b>8</b>
<b>9</b> Total federal amortization . . . . .	<b>9</b>
<b>10</b> Amortization Adjustment	
<b>a</b> If line 8 is larger than line 9, subtract line 9 from line 8. Enter the difference here and on Schedule CA, line 11 . . . . .	<b>10a</b>
<b>b</b> If line 8 is less than line 9, subtract line 8 from line 9. Enter the difference here and on Schedule CA, line 19 . . . . .	<b>10b</b>

# 1992 California Capital Gain or Loss Adjustment

## D

<b>1</b>	(a) Kind of property and description (Identify S corporation stock) <small>Example: 100 shares of "Z" (S stock)</small>	(b) Sales price	(c) Cost or other basis	(d) Loss. If (c) is more than (b), subtract (b) from (c)	(e) Gain. If (b) is more than (c), subtract (c) from (b)

<b>2</b> Net gain or (loss) from partnerships, S corporations and fiduciaries . . . . .	<b>2</b>		
<b>3</b> Total 1992 gains from all sources. Add column (e) amounts of line 1 and line 2 . . . . .	<b>3</b>		
<b>4</b> 1992 loss. Add column (d) amounts of line 1 and line 2 . . . . .	<b>4</b>		
<b>5</b> California capital loss carryover from 1991, if any. See instructions . . . . .	<b>5</b>		
<b>6</b> Total 1992 loss. Add line 4 and line 5 . . . . .	<b>6</b>		
<b>7</b> Net gain or net loss. Combine line 3 and line 6 and enter the net gain or (loss) here. See instructions . . . . .	<b>7</b>		
<b>8</b> If line 7 is a loss, enter here. Enter as a loss on line 10, the lesser of: (a) the amount on line 7; or (b) \$3,000 (\$1,500 if married filing a separate return). See instructions . . . . .	<b>8</b>		
<b>9</b> Combine and enter the amount(s) from federal Form 1040, line 13 and line 14 . . . . .	<b>9</b>		
<b>10</b> Enter the California gain from line 7 or loss from line 8 . . . . .	<b>10</b>		
<b>11</b> California gain or-loss adjustment: Compare line 9 and line 10. See instructions.			
<b>a</b> Adjustment decrease . . . . .	<b>11a</b>		
<b>b</b> Adjustment increase . . . . .	<b>11b</b>		

# Instructions for Schedule CA

## California Adjustments

### General Information

#### Part I

##### Adjustments to Federal Adjusted Gross Income

Complete Schedule CA and attach it to your California income tax return if there are differences between your federal and California income or deductions.

Use Part I to convert your federal adjusted gross income to your California adjusted gross income.

California does not tax some types of income that are taxed under federal law. Income such as interest earned on U.S. savings bonds and treasury bills, your state income tax refund and social security benefits are not taxed by California.

California does tax some types of income that are not taxed under federal law. For example, interest earned from bonds issued by another state is taxed by California.

Certain items such as capital gains, depreciation and net operating losses may be treated differently under California law than under federal law. Adjustments for these items either are subtracted from or added to federal adjusted gross income. Read the Specific Line Instructions below for more information.

Be sure to attach all related supporting forms and schedules to your Form 540.

**Caution:** California legislation suspended net operating loss deductions for taxable years beginning in 1991 and 1992. This does not include net operating losses incurred by qualified taxpayers operating a trade or business in an enterprise zone, program area or the Los Angeles Revitalization Zone.

**Note:** Do not make an adjustment for differences between federal and California income due to the application of apportionment rules for S corporations and partnerships.

#### Part II

##### Adjustments to Federal Itemized Deductions

Use Part II to convert your federal itemized deductions to the amount allowed by California. You must complete your federal Schedule A, Itemized Deductions, before you begin Part II.

California allows most of the deductions that you claim on your federal Schedule A. However, you must subtract the amount of state income taxes claimed on federal Schedule A, and you must make other adjustments as described in the Specific Line Instructions for Part II.

### Specific Line Instructions for Part I

#### Step 1

##### Subtractions from Federal Adjusted Gross Income

###### Line 1 – State Income Tax Refund

California does not tax your state income tax refund you received in 1992. Enter the amount of the state income tax refund shown on your federal Form 1040, line 10.

###### Line 2 – Unemployment Compensation

California does not tax unemployment compensation. Enter the amount of unemployment compensation shown on your federal Form 1040, line 20, or Form 1040A, line 12.

###### Line 3 – Social Security Benefits

California does not tax social security benefits or the social security equivalent benefit (SSEB) portion of your tier I railroad retirement benefits. Enter the amount of these benefits shown on your federal Form 1040, line 21b, or Form 1040A, line 13b. Do not enter the amount shown on Form 1040, line 21a, or Form 1040A, line 13a.

###### Line 4 – California Nontaxable Interest or Dividend Income

California does not tax interest earned from:

- United States savings bonds;
- United States treasury bills; and
- any other bonds or obligations of the United States and U.S. territories.

Enter the amount of interest and dividends you received from these sources only and included on your federal Form 1040, line 8a and line 9, or Form 1040A, line 8a and line 9. Be sure to include the amount of tax-free interest passed through to you from S corporations, trusts and partnerships.

Do not enter the amount of interest you earned on Federal National Mortgage Association (Fannie Mae) Bonds, Government National Mortgage Association (Ginnie Mae) Bonds, and Federal Home Loan Mortgage Corporation (FHLMC) securities. This interest is taxed by California.

Certain mutual funds are qualified to pay "exempt-interest dividends" if more than 50% of their assets consist of tax-exempt government obligations. The portion of the dividends that is tax-exempt will be shown on your annual statement. If the California-exempt-interest amount exceeds the federal exempt interest amount, enter the difference on Schedule CA, line 4.

###### Line 5 – Railroad Retirement Benefits and Sick Pay

California does not tax railroad retirement benefits or sick pay for:

- non-SSEB portion of tier I railroad retirement benefits;
- tier II railroad retirement benefits; and
- sick pay received under the Railroad Unemployment Insurance Act.

Enter the amount of these railroad retirement and sick pay benefits included on your federal Form 1040, line 17b or line 21b, whichever applies, or Form 1040A, line 11b. Do not include amounts already entered on line 3.

###### Line 6 – California Lottery Winnings

California Lottery winnings are not taxed by California. Enter the amount of these winnings included on your federal Form 1040, line 22. Do not enter the amount of income other than California Lottery winnings shown on that line.

If you claim gambling losses, see the instructions for Schedule CA, line 27.

###### Line 7 – Difference Between State and Federal Wages

If the amount of your state wages from all states on your Form(s) W-2, is less than the amount of your federal wages, complete the worksheet below.

###### Example:

Federal wages	\$25,500
State wages from all states	\$25,000
Enter this amount on Schedule CA, line 7	\$ 500

1. Enter the amount of federal wages from your Form(s) W-2. \_\_\_\_\_
2. Enter the amount of all state wages from your Form(s) W-2. \_\_\_\_\_
3. Subtract line 2 from line 1. Enter the result here and on Schedule CA, line 7. **Caution:** Do not subtract wages earned in another state. \_\_\_\_\_

**Note:** If the state wages box is not filled in on your Form(s) W-2, your state and federal wages may be the same amount and no adjustment is required on Schedule CA. Contact your employer if you are unsure.

**Note:** For information on the taxability of military wages, get FTB Pub. 1032, Tax Information for Military Personnel.

###### Line 8 – Individual Retirement Account (IRA) Distribution

The amount of income taxed from fully taxable IRA distributions is the same for California and federal purposes. However, for partially taxable distributions, there may be significant differences in the taxable amount depending on when you made your contributions.

Prior to 1987, the maximum IRA contribution you were allowed to deduct from California income was different than the amount you were allowed to deduct from federal income. For this reason, the amount of your IRA distribution taxed by California may be different from the amount taxed under federal law. Get FTB Pub. 1005, Pension and Annuity Guidelines, for more information.

###### Line 9 – Pensions and Annuities

The amount of income taxed from fully taxable pensions and annuities is the same for California and federal purposes. However, for partially taxable distributions, there may be significant differences in the taxable amount depending on when you made your contributions. Use line 9 to report the differences between California and federal taxable income distributions you received from pensions and annuities.

Although the method of taxing income from pensions is generally the same for California and federal purposes, there may be significant differences in the taxable amount depending on when your contributions were made or when your distributions began. Get FTB Pub. 1005, Pension and Annuity Guidelines, for more information.

###### Line 10 – Passive Activity

California follows federal rules on limiting losses from passive activities. You must use form FTB 3801, Passive Activity Loss Limitations, to figure your allowable California net loss from passive activities. Be sure to attach form FTB 3801 to Form 540.

## Schedule CA Instructions

Adjustments related to passive activities must be handled differently from adjustments related to nonpassive activities. See the instructions for form FTB 3801.

### Line 11 – Depreciation and Amortization

California depreciation and amortization rules differ from federal rules for assets (property) placed in service before January 1, 1987. You must use form FTB 3885A, Depreciation and Amortization Adjustments, to figure the difference. In general, you will not have an adjustment if all your assets were placed in service on or after January 1, 1987. Enter the amount from form FTB 3885A, line 6a and line 10a on Schedule CA, line 11.

Differences you must report on form FTB 3885A include:

- expenditure for tertiary injectants;
- enterprise zone and program area business expense deduction;
- basis adjustment for sales and use tax credit for property used in an enterprise zone/program area or Los Angeles Revitalization Zone;
- credit for employer-paid child care center and services;
- credit for employer-paid child care plan;
- basis adjustment for recycling equipment credit;
- Los Angeles Revitalization Zone business expense deduction;
- basis adjustment for ridesharing credits-large employer program and small employer program;
- basis adjustment for commercial solar electric system credit;
- basis adjustment of property for moves into California; and
- adjustments for reduced recovery periods for fruit bearing grapevines replaced in a California vineyard on or after January 1, 1992, as a result of phylloxera infestation.

**Caution:** Depreciation resulting from passive activities may be limited. See the instructions for form FTB 3885A and form FTB 3801 for more information.

**Note:** If California depreciation and amortization is less than federal depreciation and amortization, enter the difference on Schedule CA, line 19.

### Line 12 – Capital Gains or (Losses)

You must use Schedule D, California Gain or Loss Adjustment, if there is a difference between your California gains and losses and your federal gains and losses. Enter the amount from Schedule D, line 11a on Schedule CA, line 12.

Differences you must report on Schedule D include:

- gain on sale or disposition of a qualified assisted housing development to low income residents or to specified entities who maintain housing for low income residents;
- gain on certain vessels transferred to and exchanged with the Maritime Administration and gain or loss in connection with construction of new vessels;
- gain on sale of personal residence where depreciation was allowable;
- undistributed capital gains for regulated investment company shareholders;
- gain or loss on sale of inherited property; and
- capital loss carrybacks.

**Note:** If California gains are more (or losses are less) than federal amounts, enter the difference on Schedule CA, line 20.

### Line 13 – Other Gains or (Losses)

Your California basis of other assets may be different from your federal basis due to differences between California and federal law for years prior to 1987. Therefore, the amount of other gains or (losses) must be adjusted for California purposes.

You must use California Schedule D-1, Sales of Business Property, to figure the difference between the amount allowed by California and the amount allowed under federal law. Enter the amount from Schedule D-1, line 21a and line 38, on Schedule CA, line 13.

**Note:** If California other gains are more (or losses are less) than federal amounts, enter the difference on Schedule CA, line 21.

### Line 14 – Other Subtractions

**Caution:** Do not subtract income earned in another state, military income, foreign earned income, income excluded by a foreign tax treaty, tax equalization payments or reimbursement of foreign taxes on this schedule.

- Enter on Schedule CA, line 14a, your total California disaster loss carryover from 1991 and net operating losses from enterprise zones, program areas and the Los Angeles Revitalization Zone.

**Note:** California legislation suspended net operating loss deductions for taxable years beginning in 1991 and 1992.

- See the "Other Adjustments" section for interest, dividends and miscellaneous items that are treated differently under California law. Refer to FTB Pub. 1001, Supplemental Guidelines to California Adjustments, for more information. If you need more room on line 14b, attach a schedule summarizing these adjustments.

## Step 2

### Adjustments to Federal Adjusted Gross Income

#### Line 16 – Interest on State and Municipal Bonds from A State Other Than California

California taxes the interest earned from:

- bonds issued by a state other than California;
- obligations of the District of Columbia issued after December 27, 1973; and
- municipal bonds issued by a county, city, town or other local government unit in a state other than California.

Enter the amount of interest you received from these sources. You must include the amount of this bond interest passed through to you from S corporations, trusts, partnerships and regulated investment companies (mutual funds).

#### Line 17 – Difference Between State and Federal Wages

If the amount of your state wages from all states on your Form(s) W-2, is more than the amount of your federal wages, complete the worksheet below.

#### Example:

State wages	\$30,500
Federal wages from all states	\$30,000
Enter this amount on Schedule CA, line 17.	\$ 500

- Enter the amount of all state wages from your Form(s) W-2. \_\_\_\_\_
- Enter the amount of federal wages from your Form(s) W-2. \_\_\_\_\_
- Subtract line 2 from line 1. Enter the result here and on Schedule CA, line 17. \_\_\_\_\_

**Note:** If the state wages box is not filled in on your Form(s) W-2, your state and federal wages may be the same amount and no adjustment is required on Schedule CA. Contact your employer if you are unsure.

### Line 18 – Passive Activity

See the instructions for Schedule CA, line 10. Enter the total of the adjustment amounts on Schedule CA, line 18.

### Line 19 – Depreciation and Amortization

See the instructions for Schedule CA, line 11. Enter the amount from form FTB 3885A, line 6b and line 10b, on Schedule CA, line 19.

### Line 20 – Capital Gains or (Losses)

See the instructions for Schedule CA, line 12. Enter the amount from Schedule D, line 11b, on Schedule CA, line 20.

### Line 21 – Other Gains or (Losses)

See the instructions for Schedule CA, line 13. Enter the amount from Schedule D-1, line 21b and line 38, on Schedule CA, line 21.

### Line 22 – Other Additions

- Enter on line 22a your federal net operating loss deduction from your 1992 federal Form 1040, line 22.
- See the "Other Adjustments" section for interest, dividends and miscellaneous items that are treated differently under California law. Get FTB Pub. 1001, Supplemental Guidelines to California Adjustments, for more information. If you need more room on line 22b, attach a schedule summarizing these adjustments.

**Note:** California does not allow a business expense deduction for payments made to a club that restricts membership or the use of its services or facilities on the basis of age, sex, race, religion, color, ancestry or national origin. If you claimed a deduction for such payments on your federal Form 1040, Schedule A, C, E or F, enter the amount on Schedule CA, line 22b as an "Other Addition."

## Other Adjustments

The following is a list of other subtraction and addition items. The determination of whether the adjustment is an addition or subtraction will depend on whether the California amount is more than or less than the federal amount. For more information, get FTB Pub. 1001, Supplemental Guidelines to California Adjustments.

### Interest and Dividends

Interest, dividends and miscellaneous differences to be reported as an "other subtraction" (Schedule CA, line 14b) or as an "other addition" (Schedule CA, line 22b):

- noncash patronage dividends from farmers' cooperatives or mutual associations;
- net interest income from loans made in an enterprise zone, program area or the Los Angeles Revitalization Zone (see form FTB 3805Z or form FTB 3806);

# California Resident Income Tax Return 1992

FORM

**540**

## Step 1 Name and Address

Use the California mailing label. Otherwise, please print or type. Fiscal year beginning , 1992, ending , 19

Your first name and initial	Last name	Your social security number
If joint return, also give spouse's name and initial	Last name	Spouse's social security number
Present home address — number and street including P.O. Box or rural route		Apt. no.
City, town or post office, state and ZIP code		

**Do Not Write  
In These Spaces**

P
M
A
R
E

## Step 2 Filing Status

Check only one.

- 1  Single
- 2  Married filing joint return (even if only one had income)
- 3  Married filing separate return. Enter spouse's social security number above and full name here \_\_\_\_\_
- 4  Head of household (with qualifying person). If the qualifying person is your child but not your dependent, enter child's name here \_\_\_\_\_
- 5  Qualifying widow(er) with dependent child. Enter year spouse died 19 \_\_\_\_\_

## Step 3 Exemptions

Do not enter dollar amounts in the boxes.

Attach check or money order here.

- 6 If someone (such as your parent) can claim you as a dependent on his or her tax return, check the box here, skip lines 7 through 10 and enter -0- on line 11. • 6
  - 7 Personal: If you checked box 1, 3 or 4 above, enter 1. If you checked box 2 or 5, enter 2. 7
  - 8 Blind: If you or your spouse is visually impaired, enter 1. If both are visually impaired, enter 2. 8
  - 9 Senior: If you or your spouse is 65 or older, enter 1. If both are 65 or older, enter 2. • 9
  - 10 Dependents: Enter name and relationship. Do not include yourself, your spouse or the person listed on line 4. 10
- Enter the total number of dependents 11
- 11 Total number of exemptions. Add lines 7 through 10. 11

## Step 4 Taxable Income

Attach copy of your Form(s) W-2, W-2G and 1099-R here.

- 12 State wages from your Form W-2, box 25 • 12 300.00
- 13 Federal adjusted gross income from your Form 1040, line 31, your Form 1040A, line 16 or your Form 1040EZ, line 3. 13 *com new (02)*
- 14 California adjustments — subtractions. Enter the amount from Schedule CA, line 15 • 14
- 15 Subtract line 14 from line 13. If less than zero, enter the result in brackets. See instructions 15
- 16 California adjustments — additions. Enter the amount from Schedule CA, line 23 • 16
- 17 California adjusted gross income. Combine line 15 and line 16. • 17
- 18 Enter the { } • 18 2000
  - Your **standard deduction** (see instructions), **OR**
  - Your **itemized deductions** (from Schedule CA, line 29).
- 19 Taxable income. Subtract line 18 from line 17. If less than zero, enter -0- 19

## Step 5 Tax

- 20 Enter tax. Check if from  Tax Table or Tax Rate Schedule  FTB 3800 or  FTB 3803. • 20
- Caution:** If under age 14 and you have more than \$1,200 of investment income, read the line 20 instructions to see if you must attach form FTB 3800.
- 21 Exemption credits. 21
  - Caution:** See the instructions for line 21 and the worksheet and instructions in Step 6 before entering an amount on line 21.
  - Check if from  line 21 instructions  line 21 worksheet or  Schedule P (540) • 21
- 22 Subtract line 21 from line 20. If less than zero, enter -0- 22
- 23 Tax from  Schedule G-1 and from  form FTB 5870A • 23
- 24 Add line 22 and line 23. Continue to Side 2 24

**Step 6****Credits**

25	Amount from Side 1, line 24		25	_____
26	Credit for child and dependent care expenses. See instructions	●	26	_____
28	Enter credit name _____ code no. _____ and amount	▶	28	_____
29	Enter credit name _____ code no. _____ and amount	▶	29	_____
30	Enter credit name _____ code no. _____ and amount	▶	30	_____
31	To claim more than three credits, see instructions	●	31	_____
33	Total credits. Add lines 26 through 31		33	_____
34	Subtract line 33 from line 25. If less than zero, enter -0-		34	_____

**Step 7****Other Taxes**

35	Alternative minimum tax. Attach Schedule P (540)	●	35	_____
36	Other taxes and credit recapture. See instructions	●	36	_____
37	Total tax. Add lines 34 through 36	●	37	_____

**Step 8****Payments**

38	California income tax withheld. Enter total from your 1992 Form(s) W-2 and 1099-R	■	38	_____
39	1992 California estimated tax and amount applied from your 1991 return. Include the amount paid with extension payment voucher (form FTB 3519).	■	39	_____
40	Renter's credit. Enter the amount from Schedule H (540), line 9	■	40	_____
41	Excess California SDI withheld. See instructions	■	41	_____
42	Total payments. Add lines 38 through 41		42	_____

**Step 9****Overpaid Tax or Tax Due**

43	Overpaid tax. If line 42 is larger than line 37, subtract line 37 from line 42		43	_____
44	Amount of line 43 to be applied to your 1993 estimated tax	■	44	_____
45	Amount of overpaid tax available this year. Subtract line 44 from line 43	■	45	_____
46	Tax due. If line 37 is larger than line 42, subtract line 42 from line 37		46	_____

**Step 10****Contributions**

47	Contribution to California Seniors Special Fund. See instructions You may make a contribution of \$1 or more to:	●	47	_____
48	Alzheimer's Disease/Related Disorders Fund	●	48	_____
49	California Fund for Senior Citizens	●	49	_____
50	Rare and Endangered Species Preservation Program	●	50	_____
51	State Children's Trust Fund for the Prevention of Child Abuse	●	51	_____
52	California Breast Cancer Research Fund	●	52	_____
53	Veterans Memorial Account	●	53	_____
	California Election } 54 Your political party _____ amt. (\$25 max)	▶	54	_____
	Campaign Fund } 55 Spouse's political party _____ amt. (\$25 max)	▶	55	_____
56	Total contributions. Add lines 47 through 55	●	56	_____

**Step 11****Refund or Amount You Owe**

57	<b>REFUND OR NO AMOUNT DUE.</b> Subtract line 56 from line 45. Mail your return to: Franchise Tax Board, P.O. Box 942840, Sacramento, CA 94240-0000.	■	57	_____
58	<b>AMOUNT YOU OWE.</b> Add line 46 and line 56. Attach check or money order for full amount payable to "Franchise Tax Board." Write your social security number and "1992 Form 540" on it. Mail it with your return to: Franchise Tax Board, P.O. Box 942867, Sacramento, CA 94267-0001.	■	58	_____

**Step 12****Interest and Penalties**

59	Interest and late return and late payment penalties		59	_____
60	Underpayment of estimated tax. If form FTB 5805 or 5805F is attached, check here	<input type="checkbox"/>	60	_____
61	To reduce State printing costs, if you and your tax preparer do <b>not</b> need California income tax forms and instructions mailed to you next year, check here	●	61	<input type="checkbox"/>

**Sign Here**

It is unlawful to forge a spouse's signature.

**IMPORTANT: See the instructions for information on who must attach a copy of their federal income tax return and federal schedules.**  
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.

Your signature	Spouse's signature (if filing jointly, both must sign)	Date
X _____	X _____	_____
Signature of paid preparer (declaration of preparer is based on all information of which preparer has any knowledge)		Preparer's SSN/FEIN
_____		_____
Firm's name (or yours if self-employed)	Firm's address	
_____	_____	



- interest income from merchant marine construction fund deposits;
- interest income from Community Energy Authority bonds;
- original issue discount (OID) for debt instruments issued in 1985 or 1986;
- original issue discount (OID) for bonds issued by Poland; and
- distributions of pre-1987 earnings from S corporations.

**Miscellaneous Items**

- employer-sponsored pensions and annuities (for annuity starting dates after July 1, 1986, and before January 1, 1987) if you elected the "three-year rule" for California;
- income from a living benefits contract;
- income received from a recycling center or location for empty beverage containers;
- rebates from water agencies or suppliers;
- income exempted by U.S. tax treaties;
- abandonment or tax recoupment fees for open-space easements and timberland preserves;
- expenses related to nontaxable income;
- indirect political contributions;
- income or loss from a federal S corporation which is a California C corporation;
- pass-through of income and deductions from partnerships, S corporations, estates and trusts;
- accumulation distributions to beneficiaries on which the required taxes have not been paid by the trust;
- accumulation distributions on which the trust was not required to pay California tax because the beneficiaries interest was contingent;
- foreign income of nonresident aliens;
- foreign earned income and housing expense exclusion;
- amounts included in gross income of United States shareholders from foreign corporations;
- percentage depletion for oil and gas wells and geothermal deposits;
- accounting for long-term contracts;
- employee income exclusions for ridesharing programs;
- ridesharing credits — employer-sponsored ridesharing programs;
- enterprise zone, program area and the Los Angeles Revitalization Zone hiring credits;
- business expense deduction for payments made to a club that restricts membership or the use of its services or facilities on the basis of age, sex, race, religion, color, ancestry or national origin;
- employer wage expense deduction for federal Jobs Credit; and
- research credit.

**Specific Line Instructions for Part II**

**Adjustments to Federal Itemized Deductions**

**Line 24 – Federal Itemized Deductions**

Enter the total amount of itemized deductions from your federal Schedule A, lines 4, 8, 12, 16, 17, 18, 24 and 25.

**Important:** If you did not itemize deductions on your federal tax return, and if you want to itemize on your California tax return, you must first complete federal Schedule A even though you did not file it with your federal tax return.

**Line 25 – State, Local And Foreign Income Taxes**

Enter the amount from federal Schedule A, line 5 and only the portion relating to foreign income taxes from line 7. Be sure to include state disability insurance (SDI), limited partnership tax and income or franchise tax paid by S corporations.

**Line 27 – Other Adjustments**

**Mortgage Interest Credit**

If you reduced your federal miscellaneous itemized deductions by the amount of your mortgage interest credit (from federal Form 8396, Mortgage Interest Credit), be sure to increase your California itemized deductions by the same amount. Enter the amount of your federal mortgage interest credit as an addition on Schedule CA, line 27.

**Nontaxable Income Expenses**

If you claim expenses related to producing income taxed under federal law but not taxed by California on federal Schedule A, enter the amount as a subtraction on Schedule CA, line 27.

You may claim expenses related to producing income taxed by California but not taxed under federal law by entering the amount as an addition on Schedule CA, line 27.

**Employee Business Expenses**

If you had assets placed in service before January 1, 1987, and if you completed federal Form 2106, Employee Business Expenses, also complete Form 2106 for California purposes using California amounts. Compare line 11 on both Forms 2106 and enter the difference as either a subtraction or an addition on Schedule CA, line 27.

**Investment Interest Expenses**

Your California deduction for investment interest expense may be different from your federal deduction. You must use form FTB 3526, Investment Interest Expense Deduction, to figure the difference as either a subtraction or an addition on Schedule CA, line 27.

**Gambling Losses**

California Lottery losses are not deductible for California. Enter the amount of California Lottery losses shown on federal Schedule A as a subtraction on Schedule CA, line 27.

**Federal Estate Tax**

Federal estate tax paid on income in respect of a decedent is not deductible for California. Enter the amount of federal estate tax shown on federal Schedule A, as a subtraction on Schedule CA, line 27.

**Generation Skipping Transfer Tax**

Tax paid on generation skipping transfers is not deductible for California. Enter the amount of generation skipping tax shown on federal Schedule A, as a subtraction on Schedule CA, line 27.

**State Legislator's Travel Expenses**

State legislator's travel expenses while away from home are not deductible for California. Enter the amount of expenses shown on federal Schedule A, line 21, as a subtraction on Schedule CA, line 27.

**Line 29 – California Itemized Deductions**

Use the worksheet below to figure the amount you may deduct if your federal adjusted gross income on Form 540, line 13 is more than:

- \$103,600 if single or married filing separate;
- \$155,400 if head of household; or
- \$207,200 if married filing joint or qualifying widow(er).

Otherwise, transfer the amount from line 28 to line 29.

**Itemized Deductions Worksheet**

1. Enter the amount from Schedule CA, line 28. *x 100%*
2. Add the amounts on federal Schedule A, line 4, line 11 and line 17 plus any gambling losses included on line 25: *date (19) - 038 + comm new (2) + date 52 - date 1-2*
3. Subtract line 2 from line 1. *1-2*  
**Note:** If the result is zero, **stop here**; enter the amount from line 1 above on Schedule CA, line 29.
4. Multiply line 3 by 80% (.80) *.8 x (1-2)*
5. Enter the amount from Form 540, line 13. *comm new (2)*
6. Enter on line 6 the amount shown below for your filing status. *103600 for example*
  - Single or married filing separate, enter \$103,600
  - Head of household, enter \$155,400
  - Married filing joint or qualifying widow(er), enter \$207,200.
7. Subtract line 6 from line 5. *comm new (2) - 103600*  
**Note:** If the result is zero or less, **stop here**; enter the amount from line 1 above on Schedule CA, line 29.
8. Multiply line 7 by 6% (.06) *.06 x (7)*
9. Compare the amounts on line 4 and line 8 above. Enter the smaller of the two amounts here. *min (4, 8)*
10. Total itemized deductions. Subtract line 9 from line 1. Enter the result here and on Schedule CA, line 29 \_\_\_\_\_

# Instructions for Form FTB 3885A

## Depreciation And Amortization Adjustments

### General Information

#### Purpose Of This Form

Use form FTB 3885A to figure the difference between the amount of depreciation and amortization allowed as a deduction on your California return and the amount allowed as a deduction on your federal return. Review the list of depreciation and amortization items in the instructions for Schedule CA, line 11. If any of these adjustments apply to you, get FTB Pub. 1001, Supplemental Guidelines to California Adjustments, for more information.

Depreciation is the annual deduction allowed to recover the cost or other basis of business or income producing property with a determinable useful life of more than one year. However, land and goodwill are not depreciable. Depreciation starts when you first use the property in your business. It ends when you take the property out of service, deduct all your depreciable cost, or no longer use the property in your business. Amortization is an amount you may deduct for certain capital expenses over a fixed period. In general, California tax law follows federal tax law for assets (property) placed in service on or after January 1, 1987.

Complete form FTB 3885A if:

- all or part of your assets were placed in service before January 1, 1987; or
- assets placed in service on or after January 1, 1987, require a basis adjustment.

You should prepare and file a separate form FTB 3885A for each business or activity on your return that has a difference between California and federal depreciation or amortization. If you need more space, attach additional sheets. However, complete only one federal Form 4562, Depreciation and Amortization, Part I, when computing your allowable IRC Section 179 expense deduction.

#### Assets (Property) With A Federal Basis Different From California Basis

Some assets (property) placed in service on or after January 1, 1987, will have a different basis for California due to credits claimed or accelerated write offs. Review the list of depreciation and amortization items in the instructions for Schedule CA, line 11. If any of these adjustments apply to you, get FTB Pub. 1001, Supplemental Guidelines to California Adjustments, for more information.

#### Calculation Methods

California did not allow depreciation under the federal accelerated cost recovery system (ACRS) for years prior to 1987. You must continue figuring your California depreciation deduction for assets placed in service before January 1, 1987, in the same manner as prior years.

#### Election To Expense Certain Tangible Property

You may choose to expense part of the cost of depreciable personal property used in your trade or business and certain other property described in federal Pub. 534, Depreciation. To do so, you must have purchased property, as defined in the Internal Revenue Code (IRC) Section 179(d)(2), and placed it in service during 1992, or have a carryover of unused cost from 1991. If you elect this deduction, you must reduce the amount on which you figure your depreciation or amortization

deduction by the IRC Section 179 expense. Complete federal Form 4562, lines 1 through 12, using California amounts. Also, see the instructions for form FTB 3885A, line 3.

#### Employee Business Expenses

If you completed federal Form 2106, Employee Business Expenses, also complete Form 2106 using California amounts. Do not use form FTB 3885A to report employee business depreciation. See Schedule CA, line 27 instructions.

### Specific Line Instructions

**Line 1** – Check whether the activity is passive or nonpassive. A passive activity is any activity involving the conduct of any trade or business in which you did not materially participate. Get form FTB 3801, Passive Activity Loss Limitations, for more information on passive and nonpassive activities.

If the activity is passive and included on form FTB 3801, do not complete form FTB 3885A for the passive activity. However, if you have depreciation from a passive activity, but you do not have to complete form FTB 3801 because you have an overall gain from all your passive activities, or you have met the exception for rental real estate, use form FTB 3885A to figure your depreciation adjustment to enter on Schedule CA, line 11 or line 19.

**Line 2** – Complete columns (a) through (j) for each asset or group of assets placed in service before January 1, 1987 (depreciation), and for property placed in service before January 1, 1992 (amortization). Add the column (g) amounts of line 2 and enter the totals on line 2(g). Add column (j) amounts of line 2 and enter the totals on line 2(j).

**Line 3** – Use federal Form 4562 to complete the worksheet below to figure the amount to enter on line 3.

**Note:** You may not have been required to complete federal Form 4562. However, to properly compute your California depreciation, you may need to complete the federal form.

1. Amount from federal Form 4562, lines 14 through 19 \_\_\_\_\_
2. Amount from federal Form 4562, lines 16, 17, 18 and 19, to the extent applicable to asset acquired before January 1, 1987 \_\_\_\_\_
3. Subtract line 2 from line 1 \_\_\_\_\_
4. Amount from federal Form 4562, line 12, using California amounts \_\_\_\_\_
5. Add line 3 and line 4. Enter the result here and on form FTB 3885A, line 3 \_\_\_\_\_

**Line 4** – If you have depreciation from passive activities and if you are not subject to the passive activity loss rules, refer to the instructions for line 1 above.

**Line 6** – Compare line 4 to line 5. If line 4 is larger than line 5, subtract line 5 from line 4 and enter the result on line 6a and on Schedule CA, line 11. If line 4 is less than line 5, subtract line 4 from line 5 and enter the result on line 6b and on Schedule CA, line 19.

**Line 10** – Compare line 8 and line 9. If line 8 is larger than line 9, subtract line 9 from line 8 and enter the result on line 10a and on Schedule CA, line 11. If line 8 is less than line 9, subtract line 8 from line 9 and enter the result on line 10b and on Schedule CA, line 19.

# Instructions for California Schedule D

## California Capital Gain Or Loss Adjustment

### General Information

#### Purpose Of This Schedule

Use Schedule D to figure the difference between your federal gains and losses and your California gains and losses due to:

- gains and losses on stock and bond transactions;
- gains from installment sales from form FTB 3805E, Installment Sale Income;
- taxable gain on the sale/exchange of your home;
- gains and losses from partnerships, S corporations and fiduciaries;
- distributed capital gain dividends;
- capital gain election for lump-sum distributions;
- gains from involuntary conversions of capital assets that are not held for business profit; and
- capital loss carryover from your 1991 California Schedule D.

Also review the list of capital gain and loss items in the instructions for Schedule CA, line 12. If any of these adjustments apply to you, get FTB Pub. 1001, Supplemental Guidelines to California Adjustments, for more information.

**Note:** If you do not have a difference between your California and federal capital gain or loss, you do not have an adjustment and do not need to complete Schedule D.

#### California And Federal Basis Differences

Prior to 1987, California depreciation rules for many types of property were different from federal rules. For example, you could depreciate real estate using the Accelerated Cost Recovery System (ACRS) for federal purposes, but California did not allow the ACRS depreciation method for most types of real estate. The difference in depreciation methods results in a federal basis which differs from the California basis for the same property. As a result, when the property is sold, the gain or loss for federal purposes will be different than the California gain or loss. Review the list of depreciation and amortization items in the instructions for Schedule CA, line 11. If any of these adjustments apply to you, get FTB Pub. 1001.

#### Capital Gain Distributions

If you receive federal Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains, from a mutual fund, do not include on Schedule D the undistributed capital gain dividends. However, if you receive federal Form 1099-DIV, Dividends and Distributions, you must enter the amount of distributed capital gain dividends on Schedule D, line 1, column (e). Do not complete columns (b), (c) and (d) for these dividends. Follow the instructions for the remainder of Schedule D.

#### Installment Sales

If you sold property at a gain (other than publicly traded stocks or securities), and you will receive a payment in a tax year after the year of sale, you must report the sale on the installment method unless you elect not to do so. Use form FTB 3805E, Installment Sale Income. Also use that form if you received a payment in 1992 for a sale made in an earlier year on the installment method.

#### At-Risk Rules And Passive Activity Limitations

If you dispose of (1) an asset used in an activity to which the at-risk rules apply, or (2) any part of your interest in an activity to which the at-risk rules apply, and you have amounts in the activity for which you are not at risk, get the instructions for federal Form 6198, At-Risk Limitations. Complete federal Form 6198 using California amounts to figure your California deductible loss under the at-risk rules. When the

loss becomes allowable under the at-risk rules, it is then subject to the passive activity rules. Get form FTB 3801 to see how to report capital gains and losses from a passive activity.

Once you have determined your net California capital gain or loss, compare that amount to your federal capital gain and loss, and report the difference as an adjustment on Schedule CA.

### Specific Line Instructions

#### Line 1 – Show information for each capital asset transaction.

**Column a – Kind Of Property And Description**  
Describe the asset you sold or exchanged.

#### Column b – Sales Price

Enter in this column either the gross sales price or the net sales price from the sale. If you received a Form 1099-B, 1099-S or similar statement that shows the gross sales price, enter that amount in column (b). However, if box 2 of Form 1099-B indicates that gross proceeds less commissions and option premiums were reported to IRS, enter that net amount in column (b). If the net amount is entered in column (b), do not include the commissions and option premiums in column (c).

#### Column c – Cost Or Other Basis

In general, the cost or other basis is the cost of the property plus purchase commissions and improvements minus depreciation, amortization and depletion. Enter the cost or adjusted basis of the asset for California purposes. Use your records and California tax returns for years before 1987 to determine the California amount to enter in column (c). In addition, the following general information will help you to figure your California basis.

If you used an amount other than cost as the original basis, your federal basis may be different from your California basis. Review the list of depreciation and amortization items in the instructions for Schedule CA, line 11. Other factors that produce a California basis that is different from federal basis are:

- **Depreciation Methods And Property Expensing**  
Before 1987, California law did not allow the use of ACRS to depreciate most assets. California did not allow the use of an asset depreciation range 20% above or below the standard rate. However, California law has permitted rapid write-offs of property including solar energy systems, pollution control devices and property used in an enterprise zone, program area or the LA Zone.
- **Inherited Property** – If you inherit property from a decedent, the amount you may use as the original California basis is generally fair market value (FMV) at the time of death. If you acquired community property as a surviving spouse before January 1, 1987, the basis of your deceased spouse's one-half interest in the property is generally FMV at the time of death, while the basis of your one-half interest is usually cost.  
If the death of your spouse occurred on or after January 1, 1987, the entire basis of the community property you inherit is FMV at the time of death. Get FTB Pub. 1039, Basis of Property – Decedent/Surviving Spouse, for more information.
- **Subchapter S Corporation Stock** – Prior to 1987, California law did not recognize Subchapter S corporations. As a result, your California basis in Subchapter S corporation stock may differ from your federal basis. In general, your California basis will be cost, adjusted for income, loss and distributions received after 1986, while your

federal basis must be adjusted for income, loss and distributions received during your entire ownership of the stock.

- **Special Credits** – California law has special tax credits not allowed or computed differently under federal law. If you claimed special credits related to capital assets, you must reduce your basis in the property by the amount of credit.

Other adjustments may apply differently to the federal and California basis of your capital assets. The original basis of your asset will be figured using the California law at the time the asset was acquired, and must be adjusted according to provisions of California law in effect during the period of your ownership.

#### Line 5 – 1991 California Capital Loss Carryover

Enter the amount of your 1991 California net capital loss that was more than the loss limitation. This is your capital loss carryover from 1991.

#### Line 7 – Net Gain Or Loss

If the amount on line 3 is more than the amount on line 6, subtract line 6 from line 3. Enter the difference as a gain on line 7 and on line 10.

If the amount on line 6 is more than the amount on line 3, subtract line 3 from line 6 and enter the result as a loss on line 7.

If the loss on line 7 is more than \$3,000 (\$1,500, if married filing a separate return) OR if your taxable income on Form 540, line 19, is less than \$3,000 (\$1,500 if married filing separate) before considering your capital loss, your capital loss carryover to 1993 may be limited. Complete federal Schedule D (Form 1040), Part V, using California amounts.

**Line 8** – If line 7 is a net capital loss, enter the lesser of the loss or \$3,000 (\$1,500 if you are married filing a separate return) on line 8 and line 10. The amount of your 1992 loss that is more than the loss limitation, if any, may be used as a carryover on your 1993 return.

#### Line 11a – Adjustment Decrease

Enter the decrease on line 11a and on Schedule CA, line 12. **EXAMPLES:**

#### Gain on line 9 is more than gain on line 10.

Federal gain on line 9 is . . . . .	\$10,000
California gain on line 10 is . . . . .	\$ 6,000
Subtract line 10 from line 9 . . . . .	\$ 4,000

#### Loss on line 9 is less than loss on line 10.

Federal loss on line 9 is . . . . .	\$1,000
California loss on line 10 is . . . . .	\$2,000
Subtract line 9 from line 10 . . . . .	\$1,000

#### Gain on line 9 and loss on line 10.

Federal gain on line 9 is . . . . .	\$3,000
California loss on line 10 is . . . . .	\$3,000
Add line 9 and line 10 . . . . .	\$6,000

#### Line 11b – Adjustment Increase

Enter the increase on line 11b and on Schedule CA, line 20. **EXAMPLES:**

#### Gain on line 9 is less than gain on line 10.

Federal gain on line 9 is . . . . .	\$ 6,000
California gain on line 10 is . . . . .	\$11,000
Subtract line 9 from line 10 . . . . .	\$ 5,000

#### Loss on line 9 is more than loss on line 10.

Federal loss on line 9 is . . . . .	\$2,000
California loss on line 10 is . . . . .	\$1,000
Subtract line 10 from line 9 . . . . .	\$1,000

#### Loss on line 9 and gain on line 10.

Federal loss on line 9 is . . . . .	\$2,000
California gain on line 10 is . . . . .	\$5,000
Add line 9 and line 10 . . . . .	\$7,000





# California Tax Table — Continued

If Your Taxable Income Is . . .		The Tax For Filing Status			If Your Taxable Income Is . . .		The Tax For Filing Status			If Your Taxable Income Is . . .		The Tax For Filing Status		
At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is	At Least	But Not Over	1 Or 3 Is	2 Or 5 Is	4 Is
40,451	40,550	2,304	1,226	1,473	43,951	44,050	2,629	1,436	1,796	47,451	47,550	2,955	1,651	2,121
40,551	40,650	2,313	1,232	1,481	44,051	44,150	2,638	1,442	1,805	47,551	47,650	2,964	1,659	2,131
40,651	40,750	2,322	1,238	1,489	44,151	44,250	2,648	1,448	1,815	47,651	47,750	2,973	1,667	2,140
40,751	40,850	2,331	1,244	1,498	44,251	44,350	2,657	1,454	1,824	47,751	47,850	2,982	1,675	2,149
40,851	40,950	2,341	1,250	1,508	44,351	44,450	2,666	1,460	1,833	47,851	47,950	2,992	1,683	2,159
40,951	41,050	2,350	1,256	1,517	44,451	44,550	2,676	1,466	1,842	47,951	48,050	3,001	1,691	2,168
41,051	41,150	2,359	1,262	1,526	44,551	44,650	2,685	1,472	1,852	48,051	48,150	3,010	1,699	2,177
41,151	41,250	2,369	1,268	1,536	44,651	44,750	2,694	1,478	1,861	48,151	48,250	3,020	1,707	2,187
41,251	41,350	2,378	1,274	1,545	44,751	44,850	2,703	1,484	1,870	48,251	48,350	3,029	1,715	2,196
41,351	41,450	2,387	1,280	1,554	44,851	44,950	2,713	1,490	1,880	48,351	48,450	3,038	1,723	2,205
41,451	41,550	2,397	1,286	1,563	44,951	45,050	2,722	1,496	1,889	48,451	48,550	3,048	1,731	2,214
41,551	41,650	2,406	1,292	1,573	45,051	45,150	2,731	1,502	1,898	48,551	48,650	3,057	1,739	2,224
41,651	41,750	2,415	1,298	1,582	45,151	45,250	2,741	1,508	1,908	48,651	48,750	3,066	1,747	2,233
41,751	41,850	2,424	1,304	1,591	45,251	45,350	2,750	1,514	1,917	48,751	48,850	3,075	1,755	2,242
41,851	41,950	2,434	1,310	1,601	45,351	45,450	2,759	1,520	1,926	48,851	48,950	3,085	1,763	2,252
41,951	42,050	2,443	1,316	1,610	45,451	45,550	2,769	1,526	1,935	48,951	49,050	3,094	1,771	2,261
42,051	42,150	2,452	1,322	1,619	45,551	45,650	2,778	1,532	1,945	49,051	49,150	3,103	1,779	2,270
42,151	42,250	2,462	1,328	1,629	45,651	45,750	2,787	1,538	1,954	49,151	49,250	3,113	1,787	2,280
42,251	42,350	2,471	1,334	1,638	45,751	45,850	2,796	1,544	1,963	49,251	49,350	3,122	1,795	2,289
42,351	42,450	2,480	1,340	1,647	45,851	45,950	2,806	1,550	1,973	49,351	49,450	3,131	1,803	2,298
42,451	42,550	2,490	1,346	1,656	45,951	46,050	2,815	1,556	1,982	49,451	49,550	3,141	1,811	2,307
42,551	42,650	2,499	1,352	1,666	46,051	46,150	2,824	1,562	1,991	49,551	49,650	3,150	1,819	2,317
42,651	42,750	2,508	1,358	1,675	46,151	46,250	2,834	1,568	2,001	49,651	49,750	3,159	1,827	2,326
42,751	42,850	2,517	1,364	1,684	46,251	46,350	2,843	1,574	2,010	49,751	49,850	3,168	1,835	2,335
42,851	42,950	2,527	1,370	1,694	46,351	46,450	2,852	1,580	2,019	49,851	49,950	3,178	1,843	2,345
42,951	43,050	2,536	1,376	1,703	46,451	46,550	2,862	1,586	2,028	49,951	50,000	3,185	1,849	2,352
43,051	43,150	2,545	1,382	1,712	46,551	46,650	2,871	1,592	2,038	OVER \$50,000 YOU MUST COMPUTE YOUR TAX USING THE TAX RATE SCHEDULES BELOW.				
43,151	43,250	2,555	1,388	1,722	46,651	46,750	2,880	1,598	2,047					
43,251	43,350	2,564	1,394	1,731	46,751	46,850	2,889	1,604	2,056					
43,351	43,450	2,573	1,400	1,740	46,851	46,950	2,899	1,610	2,066					
43,451	43,550	2,583	1,406	1,749	46,951	47,050	2,908	1,616	2,075					
43,551	43,650	2,592	1,412	1,759	47,051	47,150	2,917	1,622	2,084					
43,651	43,750	2,601	1,418	1,768	47,151	47,250	2,927	1,628	2,094					
43,751	43,850	2,610	1,424	1,777	47,251	47,350	2,936	1,635	2,103					
43,851	43,950	2,620	1,430	1,787	47,351	47,450	2,945	1,643	2,112					

**Caution:** Use only if taxable income (Form 540A, line 16 or Form 540, line 19) is more than \$50,000. If \$50,000 or less; use the Tax Table.

## 1992 Tax Rate Schedules

If the amount on Form 540A, line 16 or Form 540, line 19, is: **over—** **But not over—** Enter on Form 540A, line 17 or Form 540, line 20, of the amount over—

### Schedule X -

Use if your filing status is **Single or Married Filing Separate**

\$ 0	\$ 4,552	\$ 0	+ 1.0%	\$ 0
4,552	10,789	45.52	+ 2.0%	4,552
10,789	17,027	170.26	+ 4.0%	10,789
17,027	23,637	419.78	+ 6.0%	17,027
23,637	29,873	816.38	+ 8.0%	23,637
29,873	103,600	1,315.26	+ 9.3%	29,873
103,600	207,200	8,171.87	+ 10.0%	103,600
207,200	and over	18,531.87	+ 11.0%	207,200

### Schedule Y -

Use if your filing status is **Married Filing Joint or Qualifying Widow(er) with Dependent Child**

\$ 0	\$ 9,104	\$ 0	+ 1.0%	\$ 0
9,104	21,578	91.04	+ 2.0%	9,104
21,578	34,054	340.52	+ 4.0%	21,578
34,054	47,274	839.56	+ 6.0%	34,054
47,274	59,746	1,632.76	+ 8.0%	47,274
59,746	207,200	2,630.52	+ 9.3%	59,746
207,200	414,400	16,343.74	+ 10.0%	207,200
414,400	and over	37,063.74	+ 11.0%	414,400

### Schedule Z -

Use if your filing status is **Head of Household**

\$ 0	\$ 9,105	\$ 0	+ 1.0%	\$ 0
9,105	21,579	91.05	+ 2.0%	9,105
21,579	27,815	340.53	+ 4.0%	21,579
27,815	34,425	589.97	+ 6.0%	27,815
34,425	40,662	986.57	+ 8.0%	34,425
40,662	141,015	1,485.53	+ 9.3%	40,662
141,015	282,030	10,818.36	+ 10.0%	141,015
282,030	and over	24,919.86	+ 11.0%	282,030

# How To Get California Tax Information

(Keep This Booklet For Future Use)

**In Person** Addresses of Franchise Tax Board district offices are shown below. You can get information, California tax forms, and you can resolve problems on your account. Our district offices are open Monday through Friday from 8:00 a.m. to 5:00 p.m.

District Offices	Address
Bakersfield . . . . .	1430 Truxtun Avenue
Fresno . . . . .	2550 Mariposa Street
Long Beach . . . . .	245 West Broadway
Los Angeles . . . . .	300 South Spring Street
Oakland . . . . .	1970 Broadway
Sacramento . . . . .	Office to be relocated*
San Bernardino . . . . .	215 North D Street
San Diego . . . . .	5353 Mission Center Road
San Francisco . . . . .	345 Larkin Street
San Jose . . . . .	96 North Third Street
Santa Ana . . . . .	600 West Santa Ana Blvd.
Santa Barbara . . . . .	360 South Hope Avenue
Santa Rosa . . . . .	50 D Street
Stockton . . . . .	31 East Channel Street
Van Nuys . . . . .	6150 Van Nuys Blvd.
West Covina . . . . .	100 North Barranca Street

\*For address information, call our F.A.S.T. toll-free phone number at 1-800-338-0505 (enter code 214 after you reach the number).



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## Letters

We can serve you quickly if you call us or visit a district office for information to complete your California income tax return, or to find out about your tax refund. However, you may want to write to us if you are replying to a notice we sent you, or to get a reply in writing.

If you write to us, be sure to include your social security number and your daytime and evening telephone numbers in your letter. Send your letter to:

**Franchise Tax Board**  
P.O. Box 942840  
Sacramento, CA 94240-0040

We will acknowledge your letter within six to eight weeks. In some cases, we may need to call you for additional information.

## Your Rights As A Taxpayer

Our goal at the Franchise Tax Board is to make certain that your rights are protected so that you will have the highest confidence in the integrity, efficiency and fairness of our state tax system. FTB Pub. 4058, California Taxpayers' Bill of Rights, includes information on your rights as a California taxpayer, the Taxpayers' Rights Advocate Program and how you can request written advice from the Franchise Tax Board on whether a

particular transaction is taxable. You can order FTB Pub. 4058 by calling or writing the Franchise Tax Board using the address to the left for letters.

## Where To Get Income Tax Forms

**In person** – You can get California tax forms at the Franchise Tax Board district offices listed at left. Most libraries, post offices and banks also provide free California tax booklets during the filing season. Many libraries and some quick print businesses have forms and schedules for you to photocopy (you may have to pay a nominal fee). Note that employees at libraries, post offices, banks and quick print businesses cannot provide tax information or assistance.

**By phone** – For 1992 California tax forms, call our toll-free number listed under "F.A.S.T. Toll-Free Phone Service" on the back cover. For prior year California tax forms, call our toll-free number listed below.

**By mail** – Use the order blank below to request forms. Print or type your name and address on the lines below. On the back of the order blank, check the boxes for those forms you need. We will send you two copies of each tax form and one copy of each set of instructions you order. Please allow two weeks to receive your order. Address your envelope to: **Franchise Tax Board, Tax Forms Request Unit, P.O. Box 307, Rancho Cordova, CA 95741-0307.**

## Regular Toll-Free Phone Service

Our regular toll-free phone service is available 7:00 a.m. to 8:00 p.m. Monday–Friday beginning January 4, 1993. The best time to call is before 10:00 a.m. and between 6:00 p.m. and 8:00 p.m. Service is also available on Saturday, April 3 and April 10 from 8:00 a.m. to 5:00 p.m. After April 15, service is available between 8:00 a.m. and 5:00 p.m.

From within the United States, call . . . . . 1-800-852-5711  
From outside the United States, call (not toll-free) . . . . . 1-916-854-6500

For federal tax questions, call the IRS.

### Bilingual Assistance

Para obtener servicio bilingüe de información sobre impuestos o formularios, llame al número de teléfono (anotado arriba) que le corresponde.

### Hearing Impaired

Toll-free phone service is provided for the hearing impaired with a Telecommunications Device (TDD). Call 1-800-822-6268. Franchise Tax Board will also accept calls for, and relay messages to, any California state agency.

Franchise Tax Board  
Tax Forms Request  
P.O. Box 307  
Rancho Cordova, CA 95741-0307

Name \_\_\_\_\_

Number and street \_\_\_\_\_

City or town, State and ZIP code \_\_\_\_\_

### FORMS REQUEST

Enter your name and address on this label. It will be used to speed your order for forms to you.





# F.A.S.T. Toll-Free Phone Service

(Keep This Booklet For Future Use)

Call Fast Answers about State Taxes, the F.A.S.T. toll-free phone service you can use to:

1. get recorded answers to many of your questions about California taxes;
2. order California or federal tax forms; and
3. find out about your tax refund.

You must have a push-button tone phone to use F.A.S.T. If you have a rotary dial or other non-tone phone, see the "Regular Toll-Free Phone Service" on page 47.

### When Is F.A.S.T. Available?

To answer questions, F.A.S.T. is available 24 hours a day, seven days a week. To order forms or to find out about your tax refund, F.A.S.T. is available:

- January 2 - June 30, 1993 . . . . . 6:00 a.m. to 10:00 p.m.  
Monday - Saturday
- July 1 - December 31, 1993 . . . . . 6:00 a.m. to 10:00 p.m.  
Monday - Friday

### How To Use F.A.S.T.

1. Have paper and pencil handy to take notes.
2. Call the F.A.S.T. toll-free number.
  - From within the United States . . . . . 1-800-338-0505
  - From outside the United States (not toll-free) . . . . . 1-916-854-6600

### To Order Forms

Use F.A.S.T. to order forms listed on the order blank below. To order a listed form, press the form's entry code (shown in parenthesis on the order blank below) in response to recorded instructions. If you have moved in the last year, you must call 1-800-852-5711 to get forms.

You may also order the following 1992 federal forms:

- (902) Form 1040      (904) Form 1040A      (906) Form 1040X  
(915) Form 1040EZ      (931) Form 1040-ES

### To Find Out About Your Tax Refund

You should wait at least eight weeks after you file your tax return before you call to find out about your refund. To use F.A.S.T., you must know the first social security number shown on your tax return and the exact dollars and cents amount of your refund.

### To Get Information

If you need an answer to any of the following questions, enter the correct code after you reach the F.A.S.T. number.

#### Code-Filing Assistance:

- 200 - Where can I pick up a form today?
- 201 - How can I get an extension to file?
- 202 - There is no envelope in the booklet. Where do I send my return?
- 203 - How much do I get for renter's credit?
- 204 - I never received a Form W-2. What do I do?
- 205 - I have no withholding taken out. What do I do?
- 206 - Do I have to attach a copy of my federal return?
- 207 - Should I file my return even though I do not have the money to pay?
- 208 - How do I figure my estimate tax payments?
- 209 - I lived in California for part of the year. Do I have to file a return?
- 210 - I do not live in California. Why do I have to file a return?
- 211 - How do I figure my IRA deduction?

- 212 - How do I claim my disaster related loss?
- 213 - How do I file using Form 540-ADS?
- 215 - Who is the qualifying individual for the purpose of head of household filing status?
- 216 - I'm due a refund. Do I still need to file a return?
- 217 - I am currently or was in the military. Do I have to file a California return?
- 218 - I'm in the military. Do I have to use the same filing status as federal?
- 219 - I sold my personal residence. How do I report the sale to California?
- 220 - There is no difference in my state and federal depreciation, business income and capital gain income. What do I do?
- 221 - What is community property for residents or nonresidents, including military personnel?
- 222 - How much can I deduct for vehicle license fees?

#### Refunds:

- 300 - My spouse has passed away. You sent a refund with both our names on it. What do I do?
- 301 - I got a letter saying you sent my refund to another agency. Why?

#### Penalties:

- 400 - I have an extension of time to file my return. Why did I get a penalty?
- 401 - I filed my return on time. Why did I get a penalty?
- 402 - How can I protest a penalty?

#### Notices And Bills:

- 500 - I received a bill and I cannot pay it in full. What do I do?
- 501 - Why didn't you give me credit for my withholding?
- 502 - You didn't give me credit for my child as a dependent. What do I do?
- 503 - I don't have a homeowner's exemption. Why did you deny my renter's credit?
- 504 - I'm head of my house. Why was I denied head of household filing status?
- 505 - Why was my IRA denied?
- 506 - How do I get my Form 1099-G corrected?
- 507 - Why did I receive a questionnaire?
- 508 - I received a notice that didn't show all payments made. How do I get credit for them?

#### Tax For Children Under 14:

- 600 - My child has to file a return. Does he or she get the credit for tax-payers with limited income?
- 601 - Can my child take a personal exemption credit when I claim her or him as a dependent on my return?
- 602 - Federal law limits the standard deduction. Is the state law the same?

#### Miscellaneous:

- 610 - Can I pay my taxes with a credit card?
- 611 - What address do I send my payment to?
- 612 - I mailed my return and haven't heard anything. Should I send a copy of my return?
- 613 - I forgot to attach my Form(s) W-2 when I mailed my return. What do I do?
- 614 - I forgot to attach a copy of my federal return. What do I do?
- 615 - How do I get a copy of my state tax return?
- 616 - What should I do if my federal tax return was examined or changed by the IRS?

**To Order 1992 Tax Forms By Mail** — Cut along the dotted line and write or type your name and address on the other side. Mail to: **Franchise Tax Board, Tax Forms Request Unit, P.O. Box 307, Rancho Cordova, California 95741-0307.** Please allow two weeks for a reply. To order forms for taxable years prior to 1992, call the telephone assistance number or visit a district office.

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|---|---|--|
| <ul style="list-style-type: none"> <li><input type="checkbox"/> (900) California Resident Income Tax Forms and Instructions. This booklet contains:<br/>Form 540 Resident Income Tax Return<br/>Form 540A Resident Income Tax Return<br/>Form 540EZ Resident Income Tax Return<br/>For Single Filers With No Dependents</li> <li><input type="checkbox"/> (903) Schedule CA, California Adjustments (Including FTB 3885A, Depreciation &amp; Amortization Adjustments, and Schedule D California Capital Gain or Loss Adjustment)</li> <li><input type="checkbox"/> (905) Schedule H (540), Renter's Credit</li> <li><input type="checkbox"/> (907) 540-ES, Estimated Tax for Individuals</li> <li><input type="checkbox"/> (908) 540X, Amended Income Tax Return</li> <li><input type="checkbox"/> (909) Schedule D-1, Sales of Business Property</li> <li><input type="checkbox"/> (910) Schedule G-1, Tax on Lump-Sum Dist.</li> </ul> | <ul style="list-style-type: none"> <li><input type="checkbox"/> (911) Schedule P (540), Alternative Minimum Tax and Credit Limitations</li> <li><input type="checkbox"/> (913) Schedule S, Other State Tax Credit</li> <li><input type="checkbox"/> (914) California Nonresident Income Tax Forms and Instructions. This booklet contains:<br/>Form 540NR Nonresident or Part-Year Resident Income Tax Return</li> <li><input type="checkbox"/> (916) Schedule H (540NR), Renter's Credit</li> <li><input type="checkbox"/> (917) Schedule SI (540NR), California AGI</li> <li><input type="checkbox"/> (918) Schedule P (540NR), Alternative Minimum Tax and Credit Limitations</li> <li><input type="checkbox"/> (919) FTB Pub. 1001, Supplemental Guidelines to California Adjustments</li> <li><input type="checkbox"/> (920) FTB Pub. 1005, Pension and Annuity</li> <li><input type="checkbox"/> (921) FTB 3519, Payment Voucher for Automatic Extension for Individuals</li> </ul> | <ul style="list-style-type: none"> <li><input type="checkbox"/> (922) FTB 3525, Substitute W-2 Statement</li> <li><input type="checkbox"/> (923) FTB 3526, Investment Interest Expense</li> <li><input type="checkbox"/> (924) FTB 3800, Tax Computation for Children with Investment Income</li> <li><input type="checkbox"/> (929) FTB 3801, Passive Activity Loss Limitations</li> <li><input type="checkbox"/> (930) FTB 3803, Parent's Election to Report Child's Interest and Dividends</li> <li><input type="checkbox"/> (925) FTB 3805E, Installment Sales</li> <li><input type="checkbox"/> (928) FTB 3805P, Return for Add'l Tax from Qualified Retirement Plans</li> <li><input type="checkbox"/> (926) FTB 3805V, Net Operating Loss</li> <li><input type="checkbox"/> (901) FTB 3805Z, Enterprise Zone and Program Area Business Booklet</li> <li><input type="checkbox"/> (927) FTB 5805, Underpayment of Estimated Tax</li> <li><input type="checkbox"/> Other _____</li> </ul> |
|---|---|--|