



STATE OF CALIFORNIA
Franchise Tax Board



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Non-Wage Withholding Updates

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Agenda

- Regulation Changes, California Code of Regulations (CCR) 18662-0 thru -6 & -8
- Form 589, *Non-Resident Reduced Withholding Request*
- 2020 Form 592-PTE, *Pass-Through Entity Annual Withholding Return (New)*
- 2020 Form 593, *Real Estate Withholding Statement*

Regulation Changes

- Why Change?
 - Stakeholder Feedback
 - Excessive Real Estate Withholding Forms
 - Confusing Forms
 - Credit Not Applied Correctly

Regulation Changes

- Actions Taken
 - 2 Interested Parties Meetings
 - Entered Regulatory Process
 - Education and Outreach

Regulation Changes

- Revised CCR Sections 18662-0 thru -6 & -8
 - Highlights
 - Clarifying Terms
 - Form 589 Threshold Change
 - New Forms: 592 PTE, 592Q, 593

Form 589, *Non-Resident Reduced Withholding Request*

- Today: can reduce withholding to \$0
- New: reduced withholding cannot exceed 50% of the gross CA source payment

Form 592-PTE, *Pass Through Entity Withholding Return*

Today

- Pass-Through Entities use Form 592
- Form Due Quarterly
- Remit Payment (Quarterly) with 592-V

New

- Pass-Through Entities use Form 592-PTE
- Form Due Annually
- Remit Payment (Quarterly) with 592-Q

Form 593, *Real Estate Withholding Statement*

Today

- Four Forms (593, 593-C, 593-E, 593-I)
- Various Due Dates
- Various Filing Requirements

New

- One Form: 593
- One Due Date
- One Filing Requirement

Things to Remember

- Regulations Effective Jan 1, 2020.
- New combined Form 593
 - Available Nov 15, 2019
 - New due date: 20th day/mo following close of escrow
- New Form 592-PTE
 - Available January 1, 2020
 - Due annually, payments are quarterly.

Additional Resources

Website: ftb.ca.gov

- Search Term: Subscriptions
- Search Term: Regulation
- Search Term: Forms
- Search Term: [Withholding](#)
- Pub 1017 <https://www.ftb.ca.gov/forms/misc/1017.html>

Coming soon

- Webinar
- Social Media
 - Facebook
 - YouTube

Thank You CalCPA!

