

**2018**  
**Manufacturing Enhancement Area**  
**Business Booklet**

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**3808**

California Forms & Instructions

Members of the Franchise Tax Board

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**This booklet contains:**

**Form FTB 3808**, Manufacturing Enhancement Area Credit Summary



STATE OF CALIFORNIA  
**Franchise Tax Board**

# 2018 Instructions for Form FTB 3808

## Manufacturing Enhancement Area Businesses

References in these instructions are to the Internal Revenue Code (IRC) as of **January 1, 2015**, and to the California Revenue and Taxation Code (R&TC).

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### General Information

In general, for taxable years beginning on or after January 1, 2015, California law conforms to the Internal Revenue Code (IRC) as of January 1, 2015. However, there are continuing differences between California and federal law. When California conforms to federal tax law changes, we do not always adopt all of the changes made at the federal level. For more information, go to [ftb.ca.gov](http://ftb.ca.gov) and search for **conformity**. Additional information can be found in FTB Pub. 1001, Supplemental Guidelines to California Adjustments, the instructions for California Schedule CA (540 or 540NR), and the Business Entity tax booklets. The instructions provided with California tax forms are a summary of California tax law and are only intended to aid taxpayers in preparing their state income tax returns. We include information that is most useful to the greatest number of taxpayers in the limited space available. It is not possible to include all requirements of the California Revenue and Taxation Code (R&TC) in the instructions. Taxpayers should not consider the instructions as authoritative law.

#### Repeal of Geographically Targeted Economic Development Area Tax Incentives

The California legislature repealed and made changes to all of the Geographically Targeted Economic Development Area Tax Incentives. Enterprise Zones (EZ) and Local Agency Military Base Recovery Areas (LAMBRA) were repealed on January 1, 2014. The Targeted Tax Areas (TTA) and Manufacturing Enhancement Areas both expired on December 31, 2012. For more information, go to [ftb.ca.gov](http://ftb.ca.gov) and search for **repeal tax incentives**.

#### Expired Manufacturing Enhancement Area (MEA)

The MEA has expired as of December 31, 2012. Taxpayers can no longer generate/incur MEA hiring credits for employees hired on or after January 1, 2013. The credit has expired.

The taxpayer can claim the credit carryover from prior years. For more information, see R&TC Sections 17053.47(b)(1)(D) and 23622.8(b)(1)(D).

#### Expired Manufacturing Enhancement Area Credits Carryover Period

The portion of any MEA hiring credit remaining for carryover to taxable years beginning on or after January 1, 2014, shall be carried over only to the succeeding 10 taxable years if necessary, or until the credit is exhausted, whichever occurs first. Any hiring credits generated for employees hired on or before December 31, 2012, may be carried over to the succeeding 10 taxable years.

#### Single-Sales Factor Formula

R&TC Section 25128.7 requires all business income of an apportioning trade or business, other than an apportioning trade or business under R&TC Section 25128(b), to apportion its business income to California using the single-sales factor formula. For more information, get Schedule R, Apportionment and Allocation of Income, or go to [ftb.ca.gov](http://ftb.ca.gov) and search for **single sales factor**. However, business income apportioned to the MEA continues to be apportioned based on the property and payroll factors.

#### Assignment of Credits

Credit earned by members of a combined reporting group may be assigned to an affiliated corporation that is an eligible member of the same combined reporting group. A credit assigned may only be claimed by the affiliated corporation against its tax liability. For more information, see instructions for Schedule Z, Computation of Credit Carryover Limitations, on page 8, Assignment of Credit, or get form FTB 3544, Election to Assign Credit Within Combined Reporting Group, or form FTB 3544A, List of Assigned Credit Received and/or Claimed by Assignee, or go to [ftb.ca.gov](http://ftb.ca.gov) and search for **credit assignment**.

**Important:** Affiliated corporations that received credits assigned under R&TC Section 23663, do not include the assigned credits received on this worksheet. Those credits are entered and tracked on form FTB 3544A.

#### Pass-Through Entities

For purposes of this booklet, the term “pass-through entity” refers to an S corporation, estate, trust, partnership, and limited liability company (LLC). References to “partnerships” include LLCs classified as partnerships.

### Introduction

#### Economic Development Area (EDA) Tax Incentives

California established four types of EDAs that have related tax incentives. These incentives were established to stimulate growth and development in selected areas that are economically depressed. EDA tax incentives applied only to certain business transactions that were undertaken after an EDA had received final designation from the California Department of Housing & Community Development (HCD). Final designation was when the HCD designated an area to be an EDA. Tax incentives were available to individuals and businesses operating or investing within the geographic boundaries of the following EDAs:

- Enterprise Zones (repealed on January 1, 2014)
- Local Agency Military Base Recovery Areas (repealed on January 1, 2014)
- Manufacturing Enhancement Areas (designation expired on December 31, 2012)
- Targeted Tax Areas (designation expired on December 31, 2012)

Additional information on the EDAs can be found in the following FTB tax booklets:

- EZ tax incentives, FTB 3805Z, Enterprise Zone Business Booklet
- LAMBRA tax incentives, FTB 3807, Local Agency Military Base Recovery Area Business Booklet
- TTA tax incentives, FTB 3809, Targeted Tax Area Business Booklet

References in this booklet to the “MEA” are interpreted as “the boundaries of the former MEA as it existed on December 31, 2012.”

#### Reporting Requirement

California statutes require the Franchise Tax Board (FTB) to provide information to the California Legislature regarding the number of businesses using the EDA tax incentives, types of EDA tax incentives being used, and the EDAs in which the businesses are claiming the tax incentives.

Complete items A through H on Side 1 of form FTB 3808, Manufacturing Enhancement Area Credit Summary, as applicable. This information will be used to meet the FTB’s statutory reporting requirement.

## Purpose

This booklet provides specific information on the available MEA tax incentive. Taxpayers investing or operating within a former MEA may claim a hiring credit carryover. For more information see R&TC Sections 17053.47 and 23622.8. Use this booklet to determine the correct amount of hiring credit carryover deduction that a business may claim for operating or investing in a trade or business within a former MEA. Complete the worksheets and Schedule Z in this booklet for the MEA hiring credit carryover. Then enter the hiring credit carryover amount on form FTB 3808.

## Former Manufacturing Enhancement Area Designation

California's two former MEAs were the cities of **Brawley** and **Calexico**, located in Imperial County. These cities received their final designation as MEAs effective January 1, 1998. The MEA designation expired on December 31, 2012. The program offered a special tax incentive to encourage business and stimulate job creation in the area.

The geographic boundaries of a former MEA were used to determine whether the tax incentive was available to a business in a specified location. For business eligibility or zone related information, including questions regarding former MEA geographic boundaries, contact the local zone program manager in which the business is located. Go to [hcd.ca.gov](http://hcd.ca.gov) and search for **directory of zone contacts** for Directory of Economic Development Areas.

For information that is zone-specific, but not tax-specific, you may contact the HCD. See page 18 for the HCD contact information.

## Forms List

Forms referred to in this booklet include:

Form 100	California Corporation Franchise or Income Tax Return
Form 100S	California S Corporation Franchise or Income Tax Return
Form 100W	California Corporation Franchise or Income Tax Return — Water's-Edge Filers
Form 109	California Exempt Organization Business Income Tax Return
Form 540	California Resident Income Tax Return
Long Form 540NR	California Nonresident or Part-Year Resident Income Tax Return
Form 541	California Fiduciary Income Tax Return
Form 565	Partnership Return of Income
Form 568	Limited Liability Company Return of Income
Schedule CA (540)	California Adjustments — Residents

Schedule CA (540NR)	California Adjustments — Nonresidents or Part-Year Residents
Schedule P	Alternative Minimum Tax and Credit Limitations
FTB Pub. 1061	Guidelines for Corporations filing a Combined Report S Corporation Tax Credits
Schedule C (100S)	Shareholder's Share of Income, Deductions, Credits, etc.
Schedule K-1 (100S)	Beneficiary's Share of Income, Deductions, Credits, etc.
Schedule K-1 (541)	Partner's Share of Income, Deductions, Credits, etc.
Schedule K-1 (565)	Member's Share of Income, Deductions, Credits, etc.
Schedule K-1 (568)	Member's Share of Income, Deductions, Credits, etc.
Schedule R	Apportionment and Allocation of Income
FTB 3544	Election to Assign Credit Within Combined Reporting Group
FTB 3544A	List of Assigned Credit Received and/or Claimed by Assignee

## Who Can Claim the Former MEA Tax Incentive?

The MEA hiring credit carryover was available to individuals, sole proprietors, corporations, estates, trusts, and partnerships operating or investing in a business located within the designated former MEA.

## How to Claim the Credit Carryover

To claim the MEA hiring credit carryover, complete form FTB 3808 and attach it to your California tax return.

Attach a separate form FTB 3808 for each business you operate or invest in that is located within a former MEA. Also, complete the following schedule and/or worksheets to report credit carryovers incurred:

- Corporations complete Schedule Z and all the worksheets, except for Worksheet I, Section B.
- Sole proprietors complete Schedule Z and all the worksheets.
- Trusts, estates and partnerships, complete Worksheet I, Section A.
- Individual investors receiving pass-through MEA credits, complete Worksheet I, Section B and Schedule Z. All other investors, complete Worksheet I, Section A and Schedule Z.

Schedule Z is on Side 2 of form FTB 3808.

To assist with the processing of the tax return, indicate that the business operates or invests within a former MEA by doing the following:

- Form 540 filers:** Claim the MEA tax incentive on Form 540, lines 43 through 45, as applicable.
- Long Form 540NR filers:** Claim the MEA tax incentive on Long Form 540NR, lines 58 through 60, as applicable.

**Form 100 filers:** Claim the MEA tax incentive on Form 100, line 20, lines 24 through 26, as applicable.

**Form 100S filers:** Claim the MEA tax incentive on Form 100S, line 18 and lines 22 through 24, as applicable.

**Form 100W filers:** Claim the MEA tax incentive on Form 100W, line 20 and lines 24 through 26, as applicable.

**Form 109 filers:** Check the "Yes" box for the MEA question I at the top of Form 109, Side 1.

Be sure to keep all completed worksheets and supporting documents for your records.

## Form FTB 3808 – Instructions for items A through H

- For corporations, estates, trusts, partnerships, LLCs classified as partnerships, exempt organizations, and sole proprietors, complete items A through H.
- Investors of pass-through entities, complete items A through D. See form FTB 3808, Side 1 for more information.

### Standard Industrial Classification (SIC) and Principal Business Activity (PBA) Codes

To qualify for the MEA hiring credit, you must be engaged in a trade or business within the selected SIC listed on pages 13 and 14 of this booklet. Enter the SIC code of the establishment that qualifies you to take this credit on form FTB 3808, Side 1. If your business has more than one establishment, and if more than one of them qualifies you to take this credit, enter the SIC code that best represents your primary qualifying establishment.

The PBA codes are based on the North American Industry Classification System published by the United States Office of Management and Budget. The PBA codes are listed on pages 15 through 17. Enter the PBA code of your principal activity on form FTB 3808, Side 1.

## Part I – Hiring Credit Carryover

### Line 1 Hiring Credit Carryover

The MEA has expired as of December 31, 2012. Taxpayers can no longer generate/incure MEA hiring credits for employees hired on or after January 1, 2013. Although qualified taxpayers can no longer generate/incure MEA hiring credits for qualified employees hired prior to the MEA expiration date for wages paid or incurred within the 60-month period of the MEA hiring credit, they can claim the hiring credit carryover from prior years.

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## Credit Limitations

- The amount of hiring credit carryover claimed may not exceed the amount of tax on the MEA business income in any year. Use Schedule Z to compute the credit limitation.
- The portion of any MEA hiring credit remaining for carryover to taxable years beginning on or after January 1, 2014, shall be carried over only to the succeeding 10 taxable years if necessary, or until the credit is exhausted, whichever occurs first. Any hiring credits generated for employees hired on or before December 31, 2012, may be carried over to the succeeding 10 taxable years.

## Record Keeping

Retain a copy of the VoucherCert 10-7 and the documentation given to the vouchering agency. In addition, for each qualified employee, keep records and a schedule of the first 60 months of employment showing (at least) the following:

- Employee's name.
- Date the employee was hired.
- The employee's address at the time of hire.
- Number of hours the employee worked for each month of employment.
- Smaller of the hourly rate of pay for each month of employment or 150% of the minimum wage.
- Location of the employee's job site and duties performed.
- Total qualified wages per month for each month of employment.

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## Part II – Portion of Business Attributable to the Manufacturing Enhancement Area

The MEA tax incentive is limited to the tax on business income attributable to operations within the former MEA area. If the business is located within and outside a former MEA, or in more than one former MEA, you must determine the portion of total business income that is attributable to each former MEA.

## Business Income vs. Nonbusiness Income

Only business income is apportioned to the former MEA to determine the incentive limitation.

Business income is defined as income arising from transactions and activities in the regular course of the trade or business. Business income includes income from tangible and intangible property if the acquisition, management, and disposition of the property constitute integral parts of the regular trade or business operations. Nonbusiness income is all income other than business income. See Cal. Code Regs., tit. 18 section 25120 for further references and examples of nonbusiness income.

**For corporations and entities doing business in and outside of the former Manufacturing Enhancement Area**, use Worksheet I, Section A, to determine the MEA apportionment factor to determine the amount of business income attributable to the former MEA.

Pass-through entities must report to their shareholders, beneficiaries, partners, and members the following items:

1. The distributive (or pro-rata for S corporations) share of the business income apportioned to the former MEA.
2. The distributive (or pro-rata for S corporations) share of the business capital gains and losses apportioned to the former MEA included in item 1.
3. The distributive (or pro-rata for S corporation) share of the former MEA property and payroll to corporate partners, members, shareholders, beneficiaries.

Report these items as other income on Schedule K-1 (100S, 541, 565, or 568).

**For an individual**, use Worksheet I, Section B to determine business income attributable to the former MEA. Business income includes but is not limited to, California business income or loss from federal Form 1040, Schedules C,D,E,F, and California Schedule D-1, Sales of Business Property, (or federal Form 4797, Sales of Business Property, if California Schedule D-1 is not needed), as well as wages. Be sure to include casualty losses, disaster losses, and any business deductions reported on federal Form 1040, Schedule A as itemized deductions.

Generally, all income which arises from the conduct of trade or business operations of a taxpayer is business income.

If you elected to claim part or all of your current year disaster loss under IRC Section 165(i)(1) on prior year's tax return, do not include the amount of the loss that was claimed on prior year's tax return in your current year business income from the former MEA.

## Apportionment

Business income is apportioned to a former MEA by multiplying the total California business income of the taxpayer by a fraction. The fraction consists of the numerator which is the property factor plus the payroll factor, and the denominator, which is two. If a taxpayer conducts business in more than one former MEA, the MEA apportionment factor and credit limitations are computed separately for each former MEA.

### Property Factor

Property is defined as the average value of all real and tangible personal property owned or rented by the business and used during the taxable year to produce business income.

Property owned by the business is valued at its original cost. Original cost is the basis of the property for federal income tax purposes (prior to any federal adjustment) at the time

of acquisition by the business, adjusted for subsequent capital additions or improvements and partial dispositions because of sale or exchange. Allowance for depreciation is not considered.

Rented property is valued at eight times the net annual rental rate. The net annual rental rate for any item of rented property is the total rent paid for the property, less aggregate annual subrental rates paid by subtenants.

### Payroll Factor

Payroll is defined as the total amount paid to the business's employees for compensation for the production of business income during the taxable year.

Compensation means wages, salaries, commissions, and any other form of payment paid directly to employees for personal services.

Payments made to independent contractors or any other person not properly classified as an employee are excluded.

### Compensation Within the former MEA

Compensation is considered to be within the former MEA if any of the following tests are met:

1. The employee's services are performed within the geographical boundaries of the former MEA.
2. The employee's services are performed within and outside the former MEA, but the services performed outside the former MEA are incidental to the employee's service within the former MEA.

**Incidental** means any temporary or transitory service rendered in connection with an isolated transaction.

3. If the employee's services are performed within and outside the former MEA, the employee's compensation is attributed to the former MEA if any of the following tests are met:

- A. The employee's base of operations is within the former MEA.
- B. There is no base of operations in any other part of the state in which some part of the service is performed, and the place from which the service is directed or controlled is within the former MEA.
- C. The base of operations or the place from which the service is directed or controlled is not in any other part of the state in which some part of the service is performed and the employee's residence is within the former MEA.

**Base of operations** is the permanent place from which the employees start work and customarily return in order to receive instruction from the taxpayer or communications from their customers or persons; to replenish stock or other material; to repair equipment; or to perform any other functions necessary in the exercise of their trade or profession at some other point or points.



## Corporations Filing a Combined Report

When determining the income attributable to the former MEA, the business income of each corporation doing business in the former MEA is the business income apportioned to California as determined under combined report mechanics. For more information on combined reports, get FTB Pub. 1061. Each corporation computes the income attributable to the former MEA by multiplying California business by the MEA apportionment factor computed in Worksheet I, Section A. The MEA property and payroll factors used in the determination of MEA business income includes only the taxpayer's California amounts in the denominator.

Each corporation doing business in the former MEA compute the business income attributable to the former MEA according to their own apportioned California business income and interstate apportionment factors.

### Example: Computation of MEA business income apportioned to each entity operating within the former MEA

Parent Corporation A has two subsidiaries, B and C. Corporations A and B operate within a former MEA. The combined group operates within and outside California and apportions its income to California using Schedule R. Assume the combined group's business income apportioned to California was \$1,000,000 and Corporation A and B's share of California business income is \$228,000 and \$250,000 respectively. Corporation A and B's separate MEA and separate California property and payroll factor amounts are shown in the example below.

Business income apportioned to the former MEA was determined as follows:

	A	B
<b>Property Factor</b>		
MEA Property	\$1,000,000	\$ 800,000
California Property	\$1,000,000	\$1,200,000
<b>Apportionment %</b>	100%	66.66%
<b>Payroll Factor</b>		
MEA Payroll	\$ 800,000	\$ 800,000
California Payroll	\$ 800,000	\$1,000,000
<b>Apportionment %</b>	100%	80%
<b>Average Apport. %</b>	100%	73.33%
<small>(Property + Payroll Factors)</small>		
	$\frac{100}{2}$	
<b>Apportioned Business Income</b>	\$ 228,000	\$ 250,000
<b>MEA Business Income</b>	\$ 228,000	\$ 183,325

## Instructions for Worksheet I Income or Loss Apportionment – Manufacturing Enhancement Area

If the business operates solely within a single former MEA and all its property and payroll are solely within that single former MEA, enter 100% (1.00) on Section A, line 4, column (c). Do not complete the rest of Worksheet I.

## Section A – Income Apportionment

Use Worksheet I, Section A, Income Apportionment, to determine the amount of business income apportioned to the former MEA. The apportioned MEA business income determines the amount of the tax incentive that can be used. A taxpayer's MEA business income is its **California business income** multiplied by the specific MEA apportionment percentage computed in Worksheet I, Section A.

### Property Factor

When determining the income apportioned to the former MEA, the numerator of the property factor is the average value of the real and tangible personal property owned or rented by the business and used within the former MEA during the taxable year to produce MEA business income, see Worksheet I, Section A, column (b). The denominator of the property factor is the total average value of all the taxpayer's real and tangible personal property owned or rented and used during the taxable year within California, see Worksheet I, Section A, column (a).

### Payroll Factor

When determining income apportioned to the former MEA, the numerator of the payroll factor is the taxpayer's total compensation paid to the employees for working within the former MEA during the taxable year, see Worksheet I, Section A, column (b). The denominator of the payroll factor is the taxpayer's total compensation paid to **employees working in California**. See Worksheet I, Section A, column (a).

## Section B – Income or Loss Apportionment

Form 540 and Long Form 540NR filers, use Worksheet I, Section B to determine the amount to enter on Schedule Z, Part I, line 1 and line 3.

Do not include disaster losses in any amounts used in the table.

Only California source business income is apportioned to the former MEA.

The first step is to determine which portion of the taxpayer's net income is "business income" and which portion is "nonbusiness income," since only business income is apportioned to the former MEA. See Part II on page 4, Portion of Business Attributable to the Manufacturing Enhancement Area, for a complete discussion of business and nonbusiness income.

Business income or loss reported on federal Form 1040 Schedules C, C-EZ, E, F, and other schedules are reported on lines 6 through line 9. Line 11 and line 12 report business gains or losses reported on Schedule D, California Capital Gain or Loss Adjustment, and California Schedule D-1 (or federal Form 4797, if California Schedule D-1 is not needed). All business income and losses should be adjusted for any differences between

California and federal amounts as shown on the Schedule CA (540 or 540NR).

## Part I – Individual Income and Expense Items

### Wages

Taxpayers with wages from a company located within and outside the former MEA must determine the MEA wage income by entering the percentage of the time that they worked within the former MEA in column (b). The percentage of time should be for the same period the wages entered on line 1 were earned. This percentage must be determined based on their record of time and events such as a travel log or entries in a daily planner.

## Part II – Pass-Through Income or Loss

### Individuals with a K-1

The individual partner, member, or shareholder completes Worksheet I, Section B, Part II, Pass-Through Income or Loss, and Schedule Z, Computation of Credit Limitation.

### Multiple Pass-Through Entities

If you are a shareholder, beneficiary, partner, or member in multiple pass-through entities with businesses located within and outside the former MEA from which you received a MEA tax incentive, see the example below for computing business income in the former MEA.

### Example:

Pass-through entity	Trade or business income from Schedule K-1 (100S, 541, 565, or 568)	Entity's MEA apportionment percentage	MEA apportioned income
ABC, Inc.	\$40,000	80%	\$32,000
A, B, & C	30,000	10%	3,000
ABC, LLC	10,000	50%	5,000
<b>Total</b>			<b>\$40,000</b>

## Part III – Taxpayer's Trade or Business

### Business Income or Loss

Use business income or loss from federal Form 1040 Schedules C, C-EZ, E, and F, plus California adjustments from Schedule CA (540 or 540NR) for each trade or business. Also, include business capital gains and losses from Schedule D and business gains and losses from Schedule D-1 as adjusted on Schedule CA (540 or 540NR).

### Income Computation Located Entirely Within the former MEA

**Line 6 – Line 9:** If your business operation reported on federal Form 1040 Schedule C, C-EZ, E, F, or other schedule is entirely within the former MEA, enter the income or loss from this activity in column (a) and enter 1.00 in column (b).

**Worksheet I Income or Loss Apportionment – Manufacturing Enhancement Area**

**Section A Income Apportionment**

Use Worksheet I, Section A, if your business has net income from sources within and outside the former MEA.

	(a) Total within California	(b) Total within the former MEA	(c) Percentage within the former MEA column (b) ÷ column (a)
<b>PROPERTY FACTOR</b>			
<b>1 Average</b> yearly value of owned real and tangible personal property used in the business (at original cost). See instructions for more information. Exclude property not connected with the business and the value of construction in progress.			
Inventory . . . . .			
Buildings . . . . .			
Machinery and equipment . . . . .			
Furniture and fixtures . . . . .			
Delivery equipment . . . . .			
Land . . . . .			
Other tangible assets (attach schedule). . . . .			
Rented property used in the business. See instructions			
<b>Total property values</b> . . . . .			
<b>PAYROLL FACTOR</b>			
<b>2</b> Employees' wages, salaries, commissions, and other compensation related to business income included in the tax return.			
<b>Total payroll</b> . . . . .			
<b>3</b> Total percentage - sum of the percentages in column (c)			
<b>4</b> Average apportionment percentage (1/2 of line 3). Enter here and on form FTB 3808, Side 1, line 2 . . . . .			

The average apportionment percentage shown on line 4 represents the portion of the taxpayer's total business that is attributable to activities conducted within the former MEA. Factors with zero balances in the totals of column (a) will not be included in the computation of the average apportionment percentage. For example, if the taxpayer does not have any payroll within or outside the former MEA, the average apportionment percentage would be computed by dividing line 3 by one instead of by two as normally instructed.

**Line 11 and Line 12:** If the gain or loss reported on Schedule D or Schedule D-1 as adjusted on Schedule CA (540 or 540NR) was attributed to an asset used in an activity conducted entirely within the former MEA, enter the gain or loss reported in column (a) and enter 1.00 in column (b).

**Located Entirely Within California**

**Line 6 – Line 9:** If your business operation reported on federal Form 1040 Schedule C, C-EZ, E, F, or other schedule is entirely within California, enter the income or loss from this activity in column (a). To determine the apportionment percentage in column (b), complete Worksheet I, Section A.

Enter the percentage from Worksheet I, Section A, line 4, column (c) on Worksheet I, Section B, column (b).

**Line 11 and Line 12:** If the gain or loss reported on Schedule D or Schedule D-1 as adjusted on Schedule CA (540 or 540NR) was attributed to an asset used in an activity conducted entirely within California, enter the gain or loss reported in column (a). To determine the apportionment percentage in column (b), complete Worksheet I, Section A. Enter the percentage from Worksheet I, Section A, line 4, column (c) on Worksheet I, Section B, column (b).

**Located Within and Outside California and the former MEA**

**Line 6 – Line 9:** If your business operation reported on federal Form 1040 Schedule C, C-EZ, E, F, or other schedule is within and outside the former MEA and California, get California Schedule R and complete line 1 through line 18b and line 28 through line 31. Enter the amount from Schedule R, line 18b and line 31 on column (a) of this worksheet. To determine the apportionment percentage in column (b), complete Worksheet I, Section A. Enter the percentage from Worksheet I, Section A, line 4, column (c) on Worksheet I, Section B, column (b).

When computing Schedule R, disregard any reference to Form 100, Form 100W, Form 565, or Form 568. Also, disregard any reference to Schedules R-3, R-4, or R-5.

Nonresidents that have an apportioning business that operates within the former MEA should have already computed Schedule R, and can use those amounts when that schedule is referenced. Residents must complete a Schedule R in order to determine their California source business income.

**Line 11 and Line 12:** If the gain or loss reported on Schedule D or Schedule D-1 as adjusted on Schedule CA (540 or 540NR)

was attributed to an asset used in an activity conducted within and outside the former MEA and California, get Schedule R and complete Schedule R-1. Multiply the gain or loss reported by the apportionment percentage on Schedule R-1, Part A, line 2 or Part B, line 5 and enter the result in column (a). To determine the apportionment percentage in column (b), complete Worksheet I, Section A. Enter the percentage from Worksheet I, Section A, line 4, column (c) on Worksheet I, Section B, column (b).

**Line 14 –** If, in computing your income or loss, the result on line 14, column (c), is a **negative** amount, you do not have any business income attributable to the former MEA. You cannot use any of the MEA hiring credit carryover in the current taxable year.

If the amount on line 14, column (c), is a **positive** amount, enter the amount on Schedule Z, Part I, line 1 and line 3 (skip line 2).

**Worksheet I Income or Loss Apportionment – Manufacturing Enhancement Area (continued)**

**Section B Income or Loss Apportionment**

**Part I Individual Income and Expense Items.** See instructions.

	(a) Amount	(b) Percentage of time providing services in the former MEA	(c) Apportioned amount (a) x (b)
1 Wages.....			
2 Employee business expenses.....			
3 Total. Combine line 1, column (c) and line 2, column (c).....			

**Part II Pass-Through Income or Loss.** See instructions.

(a) Name of entity	(b) Distributive or pro-rata share of business income or loss apportioned to the former MEA from Schedule K-1 (100S, 541, 565, or 568) including capital gains and losses
4	
5 Total. Add line 4, column (b).....	

**Part III Taxpayer's Trade or Business.** See instructions.

	(a) Business income or loss	(b) Apportionment percentage for the former MEA	(c) Apportioned income or loss (a) x (b)
6 Schedule C or C-EZ.....			
7 Schedule E (Rentals).....			
8 Schedule F.....			
9 Other business income or loss.....			
10 Total. Add line 6 through line 9, column (c).....			
	(a) Business gain or loss	(b) Apportionment percentage for the former MEA	(c) Apportioned gain or loss (a) x (b)
11 Schedule D.....			
12 Schedule D-1.....			
13 Total. Add line 11, column (c) and line 12, column (c).....			
14 Total. Add line 3, line 10, and line 13, column (c), and line 5, column (b). See instructions.....			

## Schedule Z – Computation of Credit Carryover Limitations

### Credit Carryover Limitations

The amount of the MEA hiring credit carryover you can claim on your California tax return is limited by the amount of tax attributable to the MEA business income. The amount of tax attributable to the MEA business income is computed in this schedule. For corporations and other entities doing business in the MEA, the MEA business income is computed in this schedule using the MEA apportionment factor formula computed on Worksheet I, Section A. For individuals, the MEA business income is computed on Worksheet I, Section B.

### Assignment of Credit

Credit earned by members of a combined reporting group may be assigned to an affiliated corporation that is an eligible member of the same combined reporting group. A credit assigned may only be claimed by the affiliated corporation against its tax liability.

The eligible assignee shall be treated as if it originally generated the assigned credit. Any credit limitations or restrictions that applied to the assignor will also apply to the eligible assignee. The amount of MEA credit carryover you may claim on your California tax return is limited to the tax attributable to a specific former MEA. For zone credits assigned, the assignee must have a tax liability as a result of income generated in the same zone that the original credit was generated. For example, if the original credit was generated in the former Calexico MEA of the assignor, the assignee must have a tax liability on the income attributable to the former Calexico MEA in order to use the assigned credit. For more information, get form FTB 3544, or form FTB 3544A, or go to [ftb.ca.gov](http://ftb.ca.gov) and search for **credit assignment**.

### Other Limitations

If a taxpayer owns an interest in a disregarded business entity, the amount of the credit carryover that can be utilized is limited to the difference between the taxpayer's regular tax computed with the income of the disregarded entity, and the taxpayer's regular tax computed without the income of the disregarded entity. Partnerships allocate the credit among the partners according to the partner's distributive share as determined in a written partnership agreement. See R&TC Section 17039(e)(2).

The MEA hiring credit carryover you are otherwise eligible to claim may be limited. Do not apply the credit against the minimum franchise tax (corporations and S corporations), the annual tax (partnerships and QSub) the alternative minimum tax (corporations, exempt organizations, individuals, and fiduciaries), the built-in gains tax (S corporations), or the excess net passive income tax (S corporations).

Refer to the credit instructions in your tax booklet for more information.

### S Corporations and the Application of the MEA Hiring Credit

An S corporation may use its MEA hiring credit carryover to reduce the MEA tax at both the corporate and shareholder levels.

### Carryover

If the amount of hiring credit carryover available this year exceeds your MEA tax, you may carry over any excess credit to future years. For taxable years beginning on or after January 1, 2014, the carryover period is 10 years if necessary, or until the credit is exhausted, whichever occurs first. Apply the carryover to the earliest taxable year possible. In no event can the credit be carried back and applied against a prior year's tax. Generally, the credit cannot be transferred to another taxpayer, unless:

- There was a qualifying merger.
- The credit qualifies under R&TC Section 23663 for assignment to an affiliated corporation. For additional information, get form FTB 3544, or form FTB 3544A.

If a C corporation had unused credit carryovers when it elected S corporation status, the carryovers were reduced to 1/3 and transferred to the S corporation. The remaining 2/3 were disregarded. The allowable carryovers may be used to offset the 1.5% tax on net income in accordance with the respective carryover rules. These C corporation carryovers may not be passed through to shareholders. For more information, get Schedule C (100S), S Corporation Tax Credits.

### Credit Code

Use credit code **211** to claim the MEA hiring credit carryover on your tax return. Using an incorrect code may cause a delay in allowing the credit.

## Instructions for Schedule Z – Computation of Credit Carryover Limitations

### Reporting Requirements of S Corporations, Estates, Trusts, and Partnerships

- Partnerships and LLC's treated as partnerships do not complete Schedule Z. However, the partners and members of these types of entities should compute their MEA income from all sources by completing the Schedule Z in order to determine the amount of the MEA hiring credit carryover that they may claim on their California tax return. For individual partners, report the distributive share of all the business income apportioned to the former MEA. For corporate partners, report the distributive share of the MEA property and payroll. Report these items as other information on Schedule K-1 (565).
- S corporations and their shareholders must complete Schedule Z.
- Report to shareholders, beneficiaries, partners, and members, the distributive or pro-rata share of business income, loss,

and deductions apportioned to the former MEA; and

- Separately state any distributive or pro-rata share of business capital gains and losses apportioned to the former MEA included in the amount above.

### S Corporations

Complete only Part I and Part III of Schedule Z if your entity-level tax before credits is more than the minimum franchise tax.

### Corporations and S Corporations subject to the minimum franchise tax only

Complete only Part IV of Schedule Z.

**All others:** Complete Part I and Part II of Schedule Z.

## Part I – Computation of Credit Limitations

**Line 1** – Enter all trade or business income. See Part II, Portion of Business Attributable to the former MEA, for the definition of business income.

**Line 2** – If your business is located entirely within the former MEA, enter 1.

Specifically, this percentage is the apportionment percentage computed by the entity using Worksheet I, Section A, and it represents the percentage of the entity's business income attributable to the former MEA.

**Line 4a** – Compute the tax as if the former MEA taxable income represented all of your taxable income.

### Individuals

Use the tax table or tax rate schedule in your tax booklet for your filing status.

### Exempt Organizations

Use the applicable tax rate in your tax booklet.

### Corporations and S Corporations

Use the applicable tax rate.

If the amount on line 4a is the minimum franchise tax (\$800), you cannot use your MEA hiring credit carryover this year. You should complete Part IV of Schedule Z to compute the amount of credit carryover.

### Example: Determination of MEA Income for Shareholders, Partners, or Members of Pass-Through Entities

John Anderson is vice president of ABC, Inc., an S corporation that has two locations: one within a former MEA and one outside a former MEA. Eighty percent (80%) of the S corporation's business income is attributable to the former MEA.

This percentage was determined by ABC, Inc. using Worksheet I, Section A, when ABC's S corporation tax return (Form 100S) was prepared.

John divides his time equally (50/50) between the two offices of ABC, Inc. Jackie Anderson (John's spouse/RDP) works for ABC, Inc. at its office located in the former MEA.

John and Jackie Anderson have the following items of California income and expense for the 2018 taxable year:



John's salary from ABC, Inc. . . . . \$100,000  
 Jackie's salary from ABC, Inc. . . . . 75,000  
 Interest on savings account . . . . . 1,000  
 Dividends . . . . . 3,000  
 Schedule K-1 (100S) from ABC, Inc.:  
 Ordinary income . . . . . 40,000

John's unreimbursed employee expenses from Schedule A . . . . . (2,000)

The Anderson's MEA income (total amount to be reported on Schedule Z, Part I, line 3) is computed as follows:

John's MEA salary (\$100,000 x 50%) . . . . . \$50,000  
 Jackie's MEA salary (\$75,000 x 100%) . . . . . 75,000  
 Pass-through ordinary income from ABC, Inc. (\$40,000 x 80%) . . . . . 32,000  
 John's unreimbursed employee business expenses (\$2,000 x 50%) . . . . . (1,000)  
 Total MEA income (Schedule Z, Part I, line 3) . . . . . \$156,000

The standard deduction and personal or dependency exemptions are not included in the computation of MEA business income since they are not related to trade or business activities.

John and Jackie must compute the tax (to be entered on Schedule Z, Part I, line 4a) on the total MEA income of \$156,000 (as if it represents all of their income).

**Line 4b – Corporations and S Corporations:**  
 If the amount on line 4b is the minimum franchise tax (\$800), you cannot use your MEA hiring credit carryover this year. You should complete Part IV of Schedule Z to compute the amount of credit carryover.

**Part II – Limitation of Credits for Corporations, Individuals, Estates, and Trusts**

Individuals that received a Schedule K-1, complete Schedule Z, Part II, using the information from the Schedule K-1.

Corporations, individuals, estates, or trusts, use Schedule Z, Part II. Corporations and S corporations that are subject to paying only the minimum franchise tax, use Schedule Z, Part IV.

**Example: Part II**

The ABC Business has \$8,000 of tax. The business computed a credit limitation based on the MEA income of \$7,000 on Schedule Z, line 5. The business has the following credits:

Hiring credit — a \$300 carryover from a prior year  
 Schedule Z, Part II would be computed as follows:

**Part II Limitation of Credits for Corporations, Individuals, Estates, and Trusts.** See instructions.

	(a) Credit name	(b) Total prior year carryover	(c) Total credit assigned from form FTB 3544, col. (g)	(d) Total credit col. (b) minus col. (c)	(e) Limitation based on MEA business income	(f) Credit used on Sch. P can never be greater than col. (d) or col. (e)	(g) Total credit carryover col. (d) minus col. (e)
6	Hiring credit				7,000	300	
		A					
		B	300	-0-	300		-0-

**Line 6A, column (e)** – Enter the amount from line 5. This is the amount of limitation based on the tax on MEA business income.

**Line 6A, column (f)** – Enter the amount of credit carryover that is used on Schedule P (100, 100W, 540, 540NR, or 541), column (b). The amount cannot be greater than the amount on line 6A, column (e) or the amount computed on line 6B, column (d). Enter this amount on form FTB 3808, Side 1, line 1.

**Line 6B, column (b)** – Enter the amount of the total prior year carryover credit. This is the amount of credit that was previously figured on Worksheet I in the prior year, minus the amount that was allowed to be taken on the prior year tax return.

**Line 6B, column (c)** – Enter the amount of credit assigned to affiliated corporations that are members of the same combined reporting group from form FTB 3544, column (g). Only C corporations who completed the form will enter an amount in this column. Individuals, and Estates and Trusts, leave blank and go to column (d) instructions.

**Line 6B, column (d)** – Add the amount of the total prior year carryover on line 6B, column (b), then subtract the amount of the total credit assigned on line 6B, column (c), if any.

**Line 6B, column (e)** – Compare the amounts on line 6A, column (e) and line 6A, column (f). Enter the smaller amount.

**Line 6B, column (g)** – Subtract the amount on line 6B, column (e) from the amount on line 6B, column (d). Enter the result on line 6B, column (g). This is the amount of credit that can be carried over to future years. This carryover includes both the Schedule P (100, 100W, 540, 540NR, or 541) limitation and the limitation based on MEA business income.

**Part III – Limitation of Credits for S Corporations Only**

Use Part III of Schedule Z only if you are an S corporation.

**Line 7, column (b)** – Enter the amount of the total prior year carryover of the credit (this is the amount of credit that was previously

figured on Worksheet I in the prior year, minus the amount that was allowed to be taken on the prior year tax return).

**Line 7, column (c)** – Enter the amount of credit carryover that was used by the S corporation in the current year to offset its 1.5% entity-level tax (3.5% for financial S corporations). Enter this amount on form FTB 3808, Side 1, line 1.

**Line 7, column (d)** – Subtract the amount in column (c) from the amount in column (b). This is the amount of credit that can be carried over to future years and used by the S corporation.

**Part IV – Limitation of Credits for Corporations and S Corporations Subject to Paying Only the Minimum Franchise Tax**

Use Part IV of Schedule Z if you are a corporation or S corporation subject to paying only the minimum franchise tax.

**Line 8, column (b)** – Enter the amount of the total prior year carryover of the credit. This is the amount of credit that was previously figured on Worksheet I in the prior year, minus the amount that was allowed to be taken on the prior year tax return.

**Line 8, column (c)** – Enter the amounts of credits assigned to affiliated corporations that are members of the same combined reporting group from form FTB 3544, column (g). Only C corporations who completed the form will enter an amount in this column. S corporations, leave blank and go to column (d) instructions.

**Line 8, column (d)** – Add the amount of the total prior year carryover on line 8, column (b), then subtract the amount of credit assigned on line 8, column (c). This is the amount of credit that can be carried over to future years.

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# Standard Industrial Classification Manual, 1987 Edition (Partial Listing)

The Standard Industrial Classification (SIC) Manual classifies business activities based upon establishments, which are defined in the SIC Manual as an economic unit, generally at a single physical location, where business is conducted, or where services or industrial operations are performed. A taxpayer's enterprise may consist of more than one establishment. The SIC Manual provides the following examples of establishments: A factory, mill, store, hotel, movie theater, mine, farm, ranch, bank, railroad depot, airline terminal, sales office, warehouse, or central administrative office. Where distinct and separate economic activities are performed at a single physical location (such as construction activities operated out of the same physical location as a lumber yard), each activity should be treated as a separate establishment where: (1) No one industry description in the SIC Manual includes such combined activities; (2) The employment in each economic activity is significant; and (3) Separate reports are prepared on the number of employees, their wages and salaries, sales or receipts, property and equipment, and other types of

financial data, such as financial statements, job costing, and profit center accounting.

The SIC Manual is organized using a hierarchical structure. First by division, next by two-digit major groups within each division, then by three-digit industry groups within each major group, and finally by four-digit industry codes within each industry group.

For purposes of this publication, SIC Codes 0211 through 0291, Code 0723, or Codes 2011 through 3999 are listed since only taxpayers with establishments in these industry codes qualify for the MEA hiring credit.

The complete Standard Industrial Classification Manual, 1987 Edition, is available for purchase from:

NATIONAL TECHNICAL INFORMATION SERVICE  
5301 Shawnee Road  
Alexandria, Virginia 22312  
Order No. PB 87-100012

Or to view this manual, go to [osha.gov](http://osha.gov) and search for **SIC code**.

## The four-digit industry codes within Division D of the SIC Manual are: (nec means "not elsewhere classified")

3291	Abrasive products	0251	Broiler, fryer, and roaster chickens	2298	Cordage & twine	3069	Fabricated rubber products, nec
2891	Adhesives & sealants	2231	Broadwoven fabric mills, wool	2653	Corrugated & solid fiber boxes	3441	Fabricated structural metal
2879	Agricultural chemicals, nec	3991	Brooms & brushes	3961	Costume jewelry	2399	Fabricated textile products, nec
3563	Air & gas compressors	3995	Burial caskets	2074	Cottonseed oil	3523	Farm machinery & equipment
3728	Aircraft parts & equipment, nec	3578	Calculating & accounting equipment	2021	Creamery butter	3965	Fasteners, buttons, needles, & pins
3724	Aircraft engines & engine parts			0723	Crop preparation services for market	2875	Fertilizers, mixing only
3721	Aircraft	2064	Candy & other confectionery products	3466	Crowns & closures	2655	Fiber cans, drums, & similar products
2812	Alkalies & chlorine			3643	Current-carrying wiring devices	2262	Finishing plants, manmade
3354	Aluminum extruded products	2062	Cane sugar refining	2391	Curtains & draperies	2261	Finishing plants, cotton
3355	Aluminum rolling & drawing, nec	2033	Canned fruits & vegetables	3087	Custom compound purchased resins	2269	Finishing plants, nec
3365	Aluminum foundries	2091	Canned & cured fish & seafood			3211	Flat glass
3353	Aluminum sheet, plate, & foil	2032	Canned specialties	3281	Cut stone & stone products	2087	Flavoring extracts & syrups, nec
3363	Aluminum die-casting	2394	Canvas & related products	3421	Cutlery	2041	Flour & other grain mill products
3483	Ammunition, except for small arms, nec	3955	Carbon paper & inked ribbons	2865	Cyclic crudes & intermediates	3824	Fluid meters & counting devices
		2895	Carbon black	0241	Dairy farms	3492	Fluid power valves & hose fittings
3826	Analytical instruments	3624	Carbon & graphite products	2034	Dehydrated fruits, vegetables, & soups	2026	Fluid milk
0273	Animal aquaculture	3592	Carburetors, pistons, rings, & valves	3843	Dental equipment & supplies	3594	Fluid power pumps & motors
0279	Animal specialties, nec	2273	Carpets & rugs	2675	Die-cut paper products	3593	Fluid power cylinders & actuators
2077	Animal & marine fats & oils	2823	Cellulosic manmade fiber	2085	Distilled & blended liquors	2657	Folding paperboard boxes
2387	Apparel belts	3241	Cement, hydraulic	2085	Distilled & blended liquors	2099	Food preparations, nec
2389	Apparel & accessories, nec	3253	Ceramic wall & floor tile	2047	Dog & cat food	3556	Food products machinery
3446	Architectural metal work	2043	Cereal breakfast foods	3942	Dolls & stuffed toys	3131	Footwear cut stock
3292	Asbestos products	2022	Cheese, natural & processed	2591	Drapery hardware & blinds & shades	3149	Footwear, except rubber, nec
2952	Asphalt felts & coatings	2899	Chemical preparations, nec			2092	Fresh/frozen prepared fish/seafood
2951	Asphalt paving mixtures & blocks	2067	Chewing gum	2023	Dry, condensed, & evaporated dairy products	2053	Frozen bakery products, except bread
3581	Automatic vending machines	2131	Chewing & smoking tobacco	2079	Edible fats & oils, nec	2038	Frozen specialties, nec
2396	Automotive & apparel trimmings	0252	Chicken eggs	3641	Electric lamps	2037	Frozen fruits & vegetables
3465	Automotive stampings	2066	Chocolate & cocoa products	3634	Electric housewares & fans	0271	Fur-bearing animals and rabbits
2673	Bags: plastic, laminated, & coated	2111	Cigarettes	3699	Electrical equipment & supplies, nec	2371	Fur goods
2674	Bags: uncoated paper & multiwall	2121	Cigars	3629	Electrical industrial apparatus, nec	2599	Furniture & fixtures, nec
3562	Ball & roller bearings	3255	Clay refractories	3845	Electromedical equipment	3944	Games, toys, & children's vehicles
0211	Beef cattle feedlots	2295	Coated fabrics, not rubberized	3313	Electrometallurgical products	3053	Gaskets, packing, & sealing devices
0212	Beef cattle, except feedlots	3316	Cold finishing of steel shapes	3679	Electronic components, nec	0291	General farms, primarily animal
2063	Beet sugar	2754	Commercial printing, gravure	3678	Electronic connectors	3569	General industrial machinery, nec
2836	Biological products except diagnostic substances	2752	Commercial printing, lithographic	3671	Electron tubes	0219	General livestock, nec
		2759	Commercial printing, nec	3675	Electronic capacitors	2369	Girls' & children's outerwear, nec
2782	Blankbooks & looseleaf binders	3582	Commercial laundry equipment	3676	Electronic resistors	2361	Girls' & children's dresses, blouses
3312	Blast furnace & steel mills	3646	Commercial lighting fixtures	3677	Electronic coils & transformers	3221	Glass containers
3564	Blowers & fans	3669	Communication equipment	3571	Electronic computers	3321	Gray & ductile iron foundries
3732	Boat building & repairing	3577	Computer peripheral equipment, nec	3534	Elevators & moving stairways	2771	Greeting cards
3452	Bolts, nuts, rivets, & washers	3575	Computer terminals	3694	Engine electrical equipment	3764	Guided missile & space vehicle parts
2731	Book publishing	3572	Computer storage devices	2677	Envelopes		
2732	Book printing	3271	Concrete block & brick	3822	Environmental controls		
2789	Bookbinding & related work	3272	Concrete products, nec	2892	Explosives		
2086	Bottled & canned soft drinks	3531	Construction machinery	2381	Fabric dress & work gloves		
2342	Bras, girdles, & allied garments	2679	Converted paper products, nec	3499	Fabricated metal products, nec		
2051	Bread, cake, & related products	3535	Conveyors & conveying equipment	3443	Fabricated plate work (boiler shops)		
3251	Brick & structural clay tile	2052	Cookies & crackers	3498	Fabricated pipe & fittings		
2211	Broadwoven fabric mills, cotton	3351	Copper rolling & drawing				
2221	Broadwoven fabric mills, manmade	3366	Copper foundries				

(continued on next page)

3761	Guided missiles & space vehicles	2322	Men's & boys' underwear & nightwear	3269	Pottery products, nec	3841	Surgical & medical instruments
2861	Gum & wood chemicals			0254	Poultry hatcheries	3842	Surgical appliances & supplies
3275	Gypsum products	2326	Men's & boys' work clothing	0259	Poultry and eggs, nec	3613	Switchgear & switchboard apparatus
3423	Hand & edge tools, nec	2311	Men's & boys' suits & coats	2015	Poultry slaughtering & processing	2822	Synthetic rubber
3996	Hardsurface floor coverings, nec	2514	Metal household furniture	3568	Power transmission equipment, nec	3795	Tanks & tank components
2429	Hardware, nec	3549	Metalworking machinery, nec	3546	Power-driven handtools	3661	Telephone & telegraph apparatus
2426	Hardwood dimensions & flooring mills	3398	Metal heat treating	3448	Prefabricated metal buildings	3552	Textile machinery
		3411	Metal cans	2452	Prefabricated wood buildings	2393	Textile bags
2435	Hardwood veneer & plywood	3412	Metal barrels, drums, & pails	2045	Prepared flour mixes & doughs	2299	Textile goods, nec
2353	Hats, caps, & millinery	3431	Metal sanitary ware	2048	Prepared feeds, nec	2284	Thread mills
3433	Heating equip, except electric	3497	Metal foil & leaf	3652	Prerecorded records & tapes	2282	Throwing & winding mills
0213	Hogs	3479	Metal coating & allied services	3229	Pressed & blown glass, nec	2296	Tire cord & fabrics
3536	Hoists, cranes, & monorails	3469	Metal stampings, nec	3399	Primary metal products, nec	3011	Tires & inner tubes
0272	Horses and other equines	3442	Metal door, sash, & trim	3339	Primary nonferrous metals, nec	2141	Tobacco stemming & redrying
2252	Hosiery, nec	2431	Millwork	3334	Primary aluminum	2844	Toilet preparations
2392	House furnishings, nec	3296	Mineral wool	3331	Primary copper	3612	Transformers, except electronic
3142	House slippers	3295	Minerals, ground or treated	3692	Primary batteries, dry & wet	3799	Transportation equipment, nec
3651	Household audio & video equipment	3523	Mining machinery	3672	Printed circuit boards	3792	Travel trailers & campers
		2741	Misc publishing	2893	Printing ink	3713	Truck & bus bodies
3635	Household vacuum cleaners	3449	Misc metal work	3555	Printing trades machinery	3715	Truck trailers
3631	Household cooking appliances	3496	Misc fabricated wire products	3823	Process control instruments	3511	Turbines & turbines generator sets
3633	Household laundry equipment	2451	Mobile homes	3231	Products of purchased glass	0253	Turkey and turkey eggs
3639	Household appliances, nec	3716	Motor homes	2531	Public building & related furniture	2791	Typesetting
2519	Household furniture, nec	3711	Motor vehicles & car bodies	2611	Pulp mills	3082	Unsupported plastic profile shapes
3632	Household refrigerators & freezers	3621	Motor & generators	3561	Pumps & pumping equipment	3081	Unsupported plastic film & sheet
2024	Ice cream & frozen desserts	3714	Motor vehicle parts & accessories	3663	Radio, TV, & communications equipment	2512	Upholstered household furniture
3491	Industrial valves	3751	Motorcycles, bicycles, & parts			3494	Valves & pipe fittings, nec
2819	Industrial inorganic chem, nec	3931	Musical instruments	3743	Railroad equipment	2076	Vegetable oil mills, nec
3599	Industrial machinery, nec	2441	Nailed wood boxes & shook	2061	Raw sugar cane	3647	Vehicular lighting equipment
2869	Industrial organic chem, nec	2241	Narrow fabric mills	3273	Ready-mixed concrete	3261	Vitreous plumbing fixtures
3537	Industrial trucks & tractors	2711	Newspapers	2493	Reconstituted wood products	3262	Vitreous china table & kitchenware
2813	Industrial gases	2873	Nitrogenous fertilizers	3585	Refrigeration & heating equipment	3873	Watches, clocks, & parts
3543	Industrial patterns	3297	Nonclay refractories	3625	Relays & industrial controls	2385	Waterproof outerwear
3567	Industrial furnaces & ovens	3644	Noncurrent-carrying wiring devices	3645	Residential lighting fixtures	2257	Weft knit fabric mills
2816	Inorganic pigments	3369	Nonferrous foundries, nec	2044	Rice milling	3548	Welding apparatus
3825	Instruments to measure electricity	3364	Nonferrous die-casting, except aluminum	2095	Roasted coffee	2046	Wet corn milling
3519	Internal combustion engines, nec			2384	Robes & dressing gowns	2084	Wines, brandy, & brandy spirits
2835	In vitro & in vivo diagnostic substances	3357	Nonferrous wiredrawing & insulating	3547	Rolling mill machinery	3495	Wire springs
				3021	Rubber & plastic footwear	2337	Women's & misses' suits & coats
3462	Iron & steel forging	3356	Nonferrous rolling & drawing, nec	2068	Salted & roasted nuts & seeds	2335	Women's, juniors', & misses' dresses
3915	Jewelers' materials & lapidary work	3341	Nonferrous metals	2656	Sanitary food containers	2341	Women's & children's underwear
3911	Jewelry, precious metal	3463	Nonferrous forging	2676	Sanitary paper products	2251	Women's hosiery, except socks
2253	Knit outerwear mills	3299	Nonmetallic mineral products, nec	2013	Sausages & other prepared meats	2339	Women's & misses' outerwear, nec
2254	Knit underwear mills	2297	Nonwoven fabrics	3425	Saw blades & handsaws	2331	Women's & misses' blouses & shirts
2259	Knitting mills, nec	3579	Office machines, nec	2421	Sawmills & planing mills, general	3171	Women's handbags and purses
3821	Laboratory apparatus & furniture	2522	Office furniture, except wood	3596	Scales & balances, except laboratory	3144	Women's footwear, except athletic
2258	Lace & warp knit fabric mills	3533	Oil & gas field machinery			2491	Wood preserving
3083	Laminated plastic plate & sheet	3851	Ophthalmic goods	2397	Schiffli machine embroideries	2499	Wood products, nec
3524	Lawn & garden equipment	3827	Optical instruments & lenses	3451	Screw machine products	2434	Wood kitchen cabinets
3952	Lead pencils & art goods	3489	Ordnance & accessories, nec	3812	Search & navigation equipment	2541	Wood partitions & fixtures
3199	Leather goods, nec	2824	Organic fibers, noncellulosic	3674	Semiconductors & related devices	2521	Wood office furniture
2386	Leather & sheep-lined clothing	3565	Packaging machinery	3263	Semivitreous table & kitchenware	2517	Wood TV & radio cabinets
3111	Leather tanning & finishing	2851	Paints & allied products	3589	Service industry machinery, nec	2449	Wood containers, nec
3151	Leather gloves & mittens	3554	Paper industries machinery	2652	Setup paperboard boxes	2511	Wood household furniture
3648	Lighting equipment	2621	Paper mills	0214	Sheep and goats	2448	Wood pallets & skids
3274	Lime	2671	Paper coated & laminated, packaging	3444	Sheet metal work	3553	Woodworking machinery
2411	Logging			3731	Ship building & repairing	3844	X-ray apparatus & tubes
2992	Lubricating oils & greases	2672	Paper coated & laminated, nec	3993	Signs & advertising specialties	2281	Yarn spinning mills
3161	Luggage	2631	Paperboard mills	3914	Silverware and plate ware		
2098	Macaroni, spaghetti, & noodles	2542	Partitions & fixtures, except wood	3484	Small arms		
3541	Machine tools, metal cutting types	3951	Pens & mechanical pencils	3482	Small arms ammunition		
3545	Machine tool accessories	2721	Periodicals	2841	Soap & other detergents		
3542	Machine tools, metal forming type	3172	Personal leather goods, nec	2436	Softwood veneer & plywood		
3695	Magnetic & optical recording media	2911	Petroleum refining	2075	Soybean oil mills		
3322	Malleable iron foundries	2999	Petroleum & coal products, nec	3769	Space vehicle equipment & parts		
2083	Malt	2834	Pharmaceutical preparations	3764	Space propulsion units & parts		
2082	Malt beverages	2874	Phosphatic fertilizers	2429	Special product sawmills, nec		
2761	Manifold business forms	3861	Photographic equipment & supplies	3544	Special dies, tools, jigs, & fixtures		
2097	Manufactured ice	2035	Pickles, sauces, & salad dressing	3559	Special industry machinery, nec		
3999	Manufacturing industries, nec	3085	Plastic bottles	3566	Speed changers, drives, & gears		
3953	Marking devices	3086	Plastic foam products	3949	Sporting & athletic goods, nec		
2515	Mattresses & bedsprings	2821	Plastic materials & resins	2678	Stationery products		
3586	Measuring & dispensing pumps	3084	Plastic pipe	3493	Steel springs, except wire		
3829	Measuring & controlling devices, nec	3088	Plastic plumbing fixtures	3315	Steel wire & related products		
2011	Meat packing plants	3089	Plastic products, nec	3317	Steel pipe & tubes		
3061	Mechanical rubber goods	2796	Platemaking service	3325	Steel foundries, nec		
2833	Medicinal & botanicals	3471	Plating & polishing	3324	Steel investment foundries		
2325	Men's & boys' trousers & slacks	2395	Pleating & stitching	3691	Storage batteries		
3143	Men's footwear, except athletic	3432	Plumbing fixture fittings & trim	3259	Structural clay products, nec		
2323	Men's & boys' neckwear	2842	Polishes & sanitation goods	2439	Structural wood members, nec		
2329	Men's & boys' clothing, nec	3264	Porcelain electrical supplies	2843	Surface active agents		
2321	Men's & boys' shirts	2096	Potato chips & similar snacks				



**FTB 3808****Principal Business Activity Codes**

This list of principal business activities and their associated codes is designed to classify a business by the type of activity in which it is engaged to facilitate the administration of the California Revenue and Taxation Code. These principal business activity codes are based on the North American Industry Classification System published by the United States Office of Management and Budget, 1997 Edition.

For purposes of qualifying for the MEA tax incentive, refer to the Standard Industrial Classification Manual, 1987 Edition and the partial listing on pages 13 and 14 of this booklet.

**Agriculture, Forestry, Fishing, and Hunting***Code***Crop Production**

- 111100 Oilseed & Grain Farming
- 111210 Vegetable & Melon Farming (including potatoes & yams)
- 111300 Fruit & Tree Nut Farming
- 111400 Greenhouse, Nursery, & Floriculture Production
- 111900 Other Crop Farming (including tobacco, cotton, sugarcane, hay, peanut, sugar beet, & all other crop farming)

**Animal Production**

- 112111 Beef Cattle Ranching & Farming
- 112112 Cattle Feedlots
- 112120 Dairy Cattle & Milk Production
- 112210 Hog & Pig Farming
- 112300 Poultry & Egg Production
- 112400 Sheep & Goat Farming
- 112510 Aquaculture (including shellfish & finfish farms & hatcheries)
- 112900 Other Animal Production

**Forestry and Logging**

- 113110 Timber Tract Operations
- 113210 Forest Nurseries & Gathering of Forest Products
- 113310 Logging

**Fishing, Hunting and Trapping**

- 114110 Fishing
- 114210 Hunting & Trapping

**Support Activities for Agriculture and Forestry**

- 115110 Support Activities for Crop Production (including cotton ginning, soil preparation, planting, & cultivating)
- 115210 Support Activities for Animal Production
- 115310 Support Activities for Forestry

**Mining**

- 211120 Crude Petroleum Extraction
- 211130 Natural Gas Extraction
- 212110 Coal Mining
- 212200 Metal Ore Mining
- 212310 Stone Mining & Quarrying
- 212320 Sand, Gravel, Clay, & Ceramic & Refractory Minerals Mining & Quarrying
- 212390 Other Nonmetallic Mineral Mining & Quarrying
- 213110 Support Activities for Mining

**Utilities**

- 221100 Electric Power Generation, Transmission & Distribution
- 221210 Natural Gas Distribution
- 221300 Water, Sewage, & Other Systems
- 221500 Combination Gas & Electric

**Construction***Code***Construction of Buildings**

- 236110 Residential Building Construction
- 236200 Nonresidential Building Construction

**Heavy and Civil Engineering Construction**

- 237100 Utility System Construction
- 237210 Land Subdivision
- 237310 Highway, Street, & Bridge Construction
- 237990 Other Heavy & Civil Engineering Construction

**Specialty Trade Contractors**

- 238100 Foundation, Structure, & Building Exterior Contractors (including framing carpentry, masonry, glass, roofing, & siding)
- 238210 Electrical Contractors
- 238220 Plumbing, Heating, & Air-Conditioning Contractors
- 238290 Other Building Equipment Contractors
- 238300 Building Finishing Contractors (including drywall, insulation, painting, wallcovering, flooring, tile, & finish carpentry)
- 238900 Other Specialty Trade Contractors (including site preparation)

**Manufacturing****Food Manufacturing**

- 311110 Animal Food Mfg
- 311200 Grain & Oilseed Milling
- 311300 Sugar & Confectionery Product Mfg
- 311400 Fruit & Vegetable Preserving & Specialty Food Mfg
- 311500 Dairy Product Mfg
- 311610 Animal Slaughtering and Processing
- 311710 Seafood Product Preparation & Packaging
- 311800 Bakeries, Tortilla & Dry Pasta Mfg
- 311900 Other Food Mfg (including coffee, tea, flavorings, & seasonings)

**Beverage and Tobacco Product Manufacturing**

- 312110 Soft Drink & Ice Mfg
- 312120 Breweries
- 312130 Wineries
- 312140 Distilleries
- 312200 Tobacco Manufacturing

**Textile Mills and Textile Product Mills**

- 313000 Textile Mills
- 314000 Textile Product Mills

**Apparel Manufacturing**

- 315100 Apparel Knitting Mills

*Code*

- 315210 Cut & Sew Apparel Contractors
- 315220 Men's & Boys' Cut & Sew Apparel Mfg
- 315240 Women's, Girls' and Infants' Cut and Sew Apparel Mfg
- 315280 Other Cut & Sew Apparel Mfg
- 315990 Apparel Accessories & Other Apparel Mfg

**Leather and Allied Product Manufacturing**

- 316110 Leather & Hide Tanning & Finishing
- 316210 Footwear Mfg (including rubber & plastics)
- 316990 Other Leather & Allied Product Mfg

**Wood Product Manufacturing**

- 321110 Sawmills & Wood Preservation
- 321210 Veneer, Plywood, & Engineered Wood Product Mfg
- 321900 Other Wood Product Mfg

**Paper Manufacturing**

- 322100 Pulp, Paper, & Paperboard Mills
- 322200 Converted Paper Product Mfg

**Printing and Related Support Activities**

- 323100 Printing & Related Support Activities

**Petroleum and Coal Products Manufacturing**

- 324110 Petroleum Refineries (including integrated)
- 324120 Asphalt Paving, Roofing, & Saturated Materials Mfg
- 324190 Other Petroleum & Coal Products Mfg

**Chemical Manufacturing**

- 325100 Basic Chemical Mfg
- 325200 Resin, Synthetic Rubber, & Artificial & Synthetic Fibers & Filaments Mfg
- 325300 Pesticide, Fertilizer, & Other Agricultural Chemical Mfg
- 325410 Pharmaceutical & Medicine Mfg
- 325500 Paint, Coating, & Adhesive Mfg
- 325600 Soap, Cleaning Compound, & Toilet Preparation Mfg
- 325900 Other Chemical Product & Preparation Mfg

**Plastics and Rubber Products Manufacturing**

- 326100 Plastics Product Mfg
- 326200 Rubber Product Mfg

**Nonmetallic Mineral Product Manufacturing**

- 327100 Clay Product & Refractory Mfg
- 327210 Glass & Glass Product Mfg
- 327300 Cement & Concrete Product Mfg
- 327400 Lime & Gypsum Product Mfg
- 327900 Other Nonmetallic Mineral Product Mfg

**Primary Metal Manufacturing**

- 331110 Iron & Steel Mills & Ferroalloy Mfg
- 331200 Steel Product Mfg from Purchased Steel
- 331310 Alumina & Aluminum Production & Processing
- 331400 Nonferrous Metal (except Aluminum) Production & Processing
- 331500 Foundries

**Fabricated Metal Product Manufacturing**

- 332110 Forging & Stamping
- 332210 Cutlery & Handtool Mfg
- 332300 Architectural & Structural Metals Mfg
- 332400 Boiler, Tank, & Shipping Container Mfg
- 332510 Hardware Mfg
- 332610 Spring & Wire Product Mfg
- 332700 Machine Shops; Turned Product; & Screw, Nut, & Bolt Mfg

*Code*

- 332810 Coating, Engraving, Heat Treating, & Allied Activities
- 332900 Other Fabricated Metal Product Mfg

**Machinery Manufacturing**

- 333100 Agriculture, Construction, & Mining Machinery Mfg
- 333200 Industrial Machinery Mfg
- 333310 Commercial & Service Industry Machinery Mfg
- 333410 Ventilation, Heating, Air-Conditioning, & Commercial Refrigeration Equipment Mfg
- 333510 Metalworking Machinery Mfg
- 333610 Engine, Turbine, & Power Transmission Equipment Mfg
- 333900 Other General Purpose Machinery Mfg

**Computer and Electronic Product Manufacturing**

- 334110 Computer & Peripheral Equipment Mfg
- 334200 Communications Equipment Mfg
- 334310 Audio & Video Equipment Mfg
- 334410 Semiconductor & Other Electronic Component Mfg
- 334500 Navigational, Measuring, Electromedical, & Control Instruments Mfg
- 334610 Manufacturing & Reproducing Magnetic & Optical Media

**Electrical Equipment, Appliance, and Component Manufacturing**

- 335100 Electric Lighting Equipment Mfg
- 335200 Major Household Appliance Mfg
- 335310 Electrical Equipment Mfg
- 335900 Other Electrical Equipment & Component Mfg

**Transportation Equipment Manufacturing**

- 336100 Motor Vehicle Mfg
- 336210 Motor Vehicle Body & Trailer Mfg
- 336300 Motor Vehicle Parts Mfg
- 336410 Aerospace Product & Parts Mfg
- 336510 Railroad Rolling Stock Mfg
- 336610 Ship & Boat Building
- 336990 Other Transportation Equipment Mfg

**Furniture and Related Product Manufacturing**

- 337000 Furniture & Related Product Manufacturing

**Miscellaneous Manufacturing**

- 339110 Medical Equipment & Supplies Mfg
- 339900 Other Miscellaneous Manufacturing

**Wholesale Trade****Merchant Wholesalers, Durable Goods**

- 423100 Motor Vehicle & Motor Vehicle Parts & Supplies
- 423200 Furniture & Home Furnishings
- 423300 Lumber & Other Construction Materials
- 423400 Professional & Commercial Equipment & Supplies
- 423500 Metal & Mineral (except Petroleum)
- 423600 Household Appliances and Electrical & Electronic Goods
- 423700 Hardware, & Plumbing & Heating Equipment & Supplies
- 423800 Machinery, Equipment, & Supplies
- 423910 Sporting & Recreational Goods & Supplies
- 423920 Toy & Hobby Goods & Supplies
- 423930 Recyclable Materials
- 423940 Jewelry, Watch, Precious Stone, & Precious Metals
- 423990 Other Miscellaneous Durable Goods

<b>Code</b>	
<b>Merchant Wholesalers, Nondurable Goods</b>	
424100	Paper & Paper Products
424210	Drugs & Druggists' Sundries
424300	Apparel, Piece Goods, & Notions
424400	Grocery & Related Products
424500	Farm Product Raw Materials
424600	Chemical & Allied Products
424700	Petroleum & Petroleum Products
424800	Beer, Wine, & Distilled Alcoholic Beverages
424910	Farm Supplies
424920	Book, Periodical, & Newspapers
424930	Flower, Nursery Stock, & Florists' Supplies
424940	Tobacco & Tobacco Products
424950	Paint, Varnish, & Supplies
424990	Other Miscellaneous Nondurable Goods
<b>Wholesale Electronic Markets and Agents and Brokers</b>	
425110	Business to Business Electronic Markets
425120	Wholesale Trade Agents & Brokers
<b>Retail Trade</b>	
<b>Motor Vehicle and Parts Dealers</b>	
441110	New Car Dealers
441120	Used Car Dealers
441210	Recreational Vehicle Dealers
441222	Boat Dealers
441228	Motorcycle, ATV, and All Other Motor Vehicle Dealers
441300	Automotive Parts, Accessories, & Tire Stores
<b>Furniture and Home Furnishings Stores</b>	
442110	Furniture Stores
442210	Floor Covering Stores
442291	Window Treatment Stores
442299	All Other Home Furnishings Stores
<b>Electronics and Appliance Stores</b>	
443141	Household Appliance Stores
443142	Electronics Stores (including Audio, Video, Computer, and Camera Stores)
<b>Building Material and Garden Equipment and Supplies Dealers</b>	
444110	Home Centers
444120	Paint & Wallpaper Stores
444130	Hardware Stores
444190	Other Building Material Dealers
444200	Lawn & Garden Equipment & Supplies Stores
<b>Food and Beverage Stores</b>	
445110	Supermarkets and Other Grocery (except Convenience) Stores
445120	Convenience Stores
445210	Meat Markets
445220	Fish & Seafood Markets
445230	Fruit & Vegetable Markets
445291	Baked Goods Stores
445292	Confectionery & Nut Stores
445299	All Other Specialty Food Stores
445310	Beer, Wine, & Liquor Stores
<b>Health and Personal Care Stores</b>	
446110	Pharmacies & Drug Stores
446120	Cosmetics, Beauty Supplies, & Perfume Stores
446130	Optical Goods Stores
446190	Other Health & Personal Care Stores
<b>Gasoline Stations</b>	
447100	Gasoline Stations (including convenience stores with gas)

<b>Code</b>	
<b>Clothing and Clothing Accessories Stores</b>	
448110	Men's Clothing Stores
448120	Women's Clothing Stores
448130	Children's & Infants' Clothing Stores
448140	Family Clothing Stores
448150	Clothing Accessories Stores
448190	Other Clothing Stores
448210	Shoe Stores
448310	Jewelry Stores
448320	Luggage & Leather Goods Stores
<b>Sporting Goods, Hobby, Book, and Music Stores</b>	
451110	Sporting Goods Stores
451120	Hobby, Toy, & Game Stores
451130	Sewing, Needlework, & Piece Goods Stores
451140	Musical Instrument & Supplies Stores
451211	Book Stores
451212	News Dealers & Newsstands
<b>General Merchandise Stores</b>	
452200	Department Stores
452300	General Merchandise Stores, incl. Warehouse Clubs and Supercenters
<b>Miscellaneous Store Retailers</b>	
453110	Florists
452300	Office Supplies & Stationery Stores
453220	Gift, Novelty, & Souvenir Stores
453310	Used Merchandise Stores
453910	Pet & Pet Supplies Stores
453920	Art Dealers
453930	Manufactured (Mobile) Home Dealers
453990	All Other Miscellaneous Store Retailers (including tobacco, candle, & trophy shops)
<b>Nonstore Retailers</b>	
454110	Electronic Shopping & Mail-Order Houses
454210	Vending Machine Operators
454310	Fuel Dealers (including Heating Oil and Liquefied Petroleum)
454390	Other Direct Selling Establishments (including door-to-door retailing, frozen food plan providers, party plan merchandisers, & coffee-break service providers)
<b>Transportation and Warehousing</b>	
<b>Air, Rail, and Water Transportation</b>	
481000	Air Transportation
482110	Rail Transportation
483000	Water Transportation
<b>Truck Transportation</b>	
484110	General Freight Trucking, Local
484120	General Freight Trucking, Long-distance
484200	Specialized Freight Trucking
<b>Transit and Ground Passenger Transportation</b>	
485110	Urban Transit Systems
485210	Interurban & Rural Bus Transportation
485310	Taxi Service
485320	Limousine Service
485410	School & Employee Bus Transportation
485510	Charter Bus Industry
485990	Other Transit & Ground Passenger Transportation
<b>Pipeline Transportation</b>	
486000	Pipeline Transportation
<b>Scenic &amp; Sightseeing Transportation</b>	
487000	Scenic & Sightseeing Transportation

<b>Code</b>	
<b>Support Activities for Transportation</b>	
488100	Support Activities for Air Transportation
488210	Support Activities for Rail Transportation
488300	Support Activities for Water Transportation
488410	Motor Vehicle Towing
488490	Other Support Activities for Road Transportation
488510	Freight Transportation Arrangement
488990	Other Support Activities for Transportation
<b>Couriers and Messengers</b>	
492110	Couriers
492210	Local Messengers & Local Delivery
<b>Warehousing and Storage</b>	
493100	Warehousing & Storage (except lessors of miniwarehouses & self-storage units)
<b>Information</b>	
<b>Publishing Industries (except Internet)</b>	
511110	Newspaper Publishers
511120	Periodical Publishers
511130	Book Publishers
511140	Directory & mailing list Publishers
511190	Other Publishers
511210	Software Publishers
<b>Motion Picture and Sound Recording Industries</b>	
512100	Motion Picture & Video Industries (except video rental)
512200	Sound Recording Industries
<b>Broadcasting (except Internet)</b>	
515100	Radio & Television Broadcasting
515210	Cable & Other Subscription Programming
<b>Telecommunications</b>	
517000	Telecommunications (including paging, cellular, satellite, cable & other program distribution, resellers, other telecommunications, & internet service providers)
<b>Data Processing Services</b>	
518210	Data Processing, Hosting, & Related Services
<b>Other Information Services</b>	
519100	Other Information Services (including news syndicates libraries, internet publishing & broadcasting)
<b>Finance and Insurance</b>	
<b>Depository Credit Intermediation</b>	
522110	Commercial Banking
522120	Savings Institutions
522130	Credit Unions
522190	Other Depository Credit Intermediation
<b>Nondepository Credit Intermediation</b>	
522210	Credit Card Issuing
522220	Sales Financing
522291	Consumer Lending
522292	Real Estate Credit (including mortgage bankers & originators)
522293	International Trade Financing
522294	Secondary Market Financing
522298	All Other Nondepository Credit Intermediation
<b>Activities Related to Credit Intermediation</b>	
522300	Activities Related to Credit Intermediation (including loan brokers, checks, clearing, & money transmitting)

<b>Code</b>	
<b>Securities, Commodity Contracts, and Other Financial Investments and Related Activities</b>	
523110	Investment Banking & Securities Dealing
523120	Securities Brokerage
523130	Commodity Contracts Dealing
523140	Commodity Contracts Brokerage
523210	Securities & Commodity Exchanges
523900	Other Financial Investment Activities (including portfolio management & investment advice)
<b>Insurance Carriers and Related Activities</b>	
524140	Direct Life, Health, & Medical Insurance Carriers
524150	Direct Insurance & Reinsurance (except Life, Health, & Medical) Carriers
524210	Insurance Agencies & Brokerages
524290	Other Insurance Related Activities (including third-party administration of insurance and pension funds)
<b>Funds, Trusts, and Other Financial Vehicles</b>	
525100	Insurance & Employee Benefit Funds
525910	Open-End Investment Funds (Form 1120-RIC)
525920	Trusts, Estates, & Agency Accounts
525990	Other Financial Vehicles (including mortgage REITs & closed-end investment funds)
"Offices of Bank Holding Companies" and "Offices of Other Holding Companies" are located under <b>Management of Companies (Holding Companies)</b> below.	
<b>Real Estate and Rental and Leasing</b>	
<b>Real Estate</b>	
531110	Lessors of Residential Buildings & Dwellings (including equity REITs)
531120	Lessors of Nonresidential Buildings (except Miniwarehouses) (including equity REITs)
531130	Lessors of Miniwarehouses & Self-Storage Units (including equity REITs)
531190	Lessors of Other Real Estate Property (including equity REITs)
531210	Offices of Real Estate Agents & Brokers
531310	Real Estate Property Managers
531320	Offices of Real Estate Appraisers
531390	Other Activities Related to Real Estate
<b>Rental and Leasing Services</b>	
532100	Automotive Equipment Rental & Leasing
532210	Consumer Electronics & Appliances Rental
532281	Formal Wear & Costume Rental
532282	Video Tape & Disc Rental
532283	Home Health Equipment Rental
532284	Recreational Goods Rental
532289	All Other Consumer Goods Rental
532310	General Rental Centers
532400	Commercial & Industrial Machinery & Equipment Rental & Leasing
<b>Lessors of Nonfinancial Intangible Assets (except copyrighted works)</b>	
533110	Lessors of Nonfinancial Intangible Assets (except copyrighted works)

Code

**Professional, Scientific, and Technical Services**

**Legal Services**

- 541110 Offices of Lawyers
- 541190 Other Legal Services

**Accounting, Tax Preparation, Bookkeeping, and Payroll Services**

- 541211 Offices of Certified Public Accountants
- 541213 Tax Preparation Services
- 541214 Payroll Services
- 541219 Other Accounting Services

**Architectural, Engineering, and Related Services**

- 541310 Architectural Services
- 541320 Landscape Architecture Services
- 541330 Engineering Services
- 541340 Drafting Services
- 541350 Building Inspection Services
- 541360 Geophysical Surveying & Mapping Services
- 541370 Surveying & Mapping (except Geophysical) Services
- 541380 Testing Laboratories

**Specialized Design Services**

- 541400 Specialized Design Services (including interior, industrial, graphic, & fashion design)

**Computer Systems Design and Related Services**

- 541511 Custom Computer Programming Services
- 541512 Computer Systems Design Services
- 541513 Computer Facilities Management Services
- 541519 Other Computer Related Services

**Other Professional, Scientific, and Technical Services**

- 541600 Management, Scientific, & Technical Consulting Services
- 541700 Scientific Research & Development Services
- 541800 Advertising & Related Services
- 541910 Marketing Research & Public Opinion Polling
- 541920 Photographic Services
- 541930 Translation & Interpretation Services
- 541940 Veterinary Services
- 541990 All Other Professional, Scientific, & Technical Services

**Management of Companies (Holding Companies)**

- 551111 Offices of Bank Holding Companies
- 551112 Offices of Other Holding Companies

**Administrative and Support and Waste Management and Remediation Services**

**Administrative and Support Services**

- 561110 Office Administrative Services
- 561210 Facilities Support Services
- 561300 Employment Services
- 561410 Document Preparation Services
- 561420 Telephone Call Centers
- 561430 Business Service Centers (including private mail centers & copy shops)
- 561440 Collection Agencies
- 561450 Credit Bureaus
- 561490 Other Business Support Services (including repossession services, court reporting, & stenotype services)

Code

- 561500 Travel Arrangement & Reservation Services
- 561600 Investigation & Security Services
- 561710 Exterminating & Pest Control Services
- 561720 Janitorial Services
- 561730 Landscaping Services
- 561740 Carpet & Upholstery Cleaning Services
- 561790 Other Services to Buildings & Dwellings
- 561900 Other Support Services (including packaging & labeling services, & convention & trade show organizers)

**Waste Management and Remediation Services**

- 562000 Waste Management & Remediation Services

**Educational Services**

- 611000 Educational Services (including schools, colleges, & universities)

**Health Care and Social Assistance**

**Offices of Physicians and Dentists**

- 621111 Offices of Physicians (except mental health specialists)
- 621112 Offices of Physicians, Mental Health Specialists
- 621210 Offices of Dentists

**Offices of Other Health Practitioners**

- 621310 Offices of Chiropractors
- 621320 Offices of Optometrists
- 621330 Offices of Mental Health Practitioners (except Physicians)
- 621340 Offices of Physical, Occupational & Speech Therapists, & Audiologists
- 621391 Offices of Podiatrists
- 621399 Offices of All Other Miscellaneous Health Practitioners

**Outpatient Care Centers**

- 621410 Family Planning Centers
- 621420 Outpatient Mental Health & Substance Abuse Centers
- 621491 HMO Medical Centers
- 621492 Kidney Dialysis Centers
- 621493 Freestanding Ambulatory Surgical & Emergency Centers
- 621498 All Other Outpatient Care Centers

**Medical and Diagnostic Laboratories**

- 621510 Medical & Diagnostic Laboratories

**Home Health Care Services**

- 621610 Home Health Care Services

Code

**Other Ambulatory Health Care Services**

- 621900 Other Ambulatory Health Care Services (including ambulance services & blood & organ banks)

**Hospitals**

- 622000 Hospitals

**Nursing and Residential Care Facilities**

- 623000 Nursing & Residential Care Facilities

**Social Assistance**

- 624100 Individual & Family Services
- 624200 Community Food & Housing, & Emergency & Other Relief Services
- 624310 Vocational Rehabilitation Services
- 624410 Child Day Care Services

**Arts, Entertainment, and Recreation**

**Performing Arts, Spectator Sports, and Related Industries**

- 711100 Performing Arts Companies
- 711210 Spectator Sports (including sports clubs & racetracks)
- 711300 Promoters of Performing Arts, Sports, & Similar Events
- 711410 Agents & Managers for Artists, Athletes, Entertainers, & Other Public Figures
- 711510 Independent Artists, Writers, & Performers

**Museums, Historical Sites, and Similar Institutions**

- 712100 Museums, Historical Sites, & Similar Institutions

**Amusement, Gambling, and Recreation Industries**

- 713100 Amusement Parks & Arcades
- 713200 Gambling Industries
- 713900 Other Amusement & Recreation Industries (including golf courses, skiing facilities, marinas, fitness centers, & bowling centers)

**Accommodation and Food Services**

**Accommodation**

- 721110 Hotels (except Casino Hotels) & Motels
- 721120 Casino Hotels (except casino hotels)
- 721191 Bed & Breakfast Inns
- 721199 All Other Traveler Accommodation
- 721210 RV (Recreational Vehicle) Parks & Recreational Camps
- 721310 Rooming & Boarding Houses, Dormitories, & Workers' Camps

Code

**Food Services and Drinking Places**

- 722300 Special Food Services (including food service contractors & caterers)
- 722410 Drinking Places (Alcoholic Beverages)
- 722511 Full-Service Restaurants
- 722513 Limited Service Restaurants
- 722514 Cafeterias and Buffets
- 722515 Snack and Non-alcoholic Beverage Bars

**Other Services**

**Repair and Maintenance**

- 811110 Automotive Mechanical & Electrical Repair & Maintenance
- 811120 Automotive Body, Paint, Interior, & Glass Repair
- 811190 Other Automotive Repair & Maintenance (including oil change & lubrication shops & car washes)
- 811210 Electronic & Precision Equipment Repair & Maintenance
- 811310 Commercial & Industrial Machinery & Equipment (except Automotive & Electronic) Repair & Maintenance
- 811410 Home & Garden Equipment & Appliance Repair & Maintenance
- 811420 Reupholstery & Furniture Repair
- 811430 Footwear & Leather Goods Repair
- 811490 Other Personal & Household Goods Repair & Maintenance

**Personal and Laundry Services**

- 812111 Barber Shops
- 812112 Beauty Salons
- 812113 Nail Salons
- 812190 Other Personal Care Services (including diet & weight reducing centers)
- 812210 Funeral Homes & Funeral Services
- 812220 Cemeteries & Crematories
- 812310 Coin-Operated Laundries & Drycleaners
- 812320 Drycleaning & Laundry Services (except Coin-Operated)
- 812330 Linen & Uniform Supply
- 812910 Pet Care (except Veterinary) Services
- 812920 Photofinishing
- 812930 Parking Lots & Garages
- 812990 All Other Personal Services

**Religious, Grantmaking, Civic, Professional, and Similar Organizations (including condominium and homeowners associations)**

- 813000 Religious, Grantmaking, Civic, Professional, & Similar Organizations



# How to Get California Tax Information

**(Keep This Page For Future Use)**

## Your Rights as a Taxpayer

Our goal at the FTB 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 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 FTB on whether a particular transaction is taxable. See "Where to Get Tax Forms and Publications" below.

## Where to Get Tax Forms and Publications

**By Internet** – You can download, view, and print California tax forms and publications at [ftb.ca.gov/forms](http://ftb.ca.gov/forms).

Access other state agencies' websites at [ca.gov](http://ca.gov).

**By phone** – To order current year California tax forms and publications, call our automated phone service. Refer to the list in your tax booklet and find the code for the form you want to order. Call 800.338.0505 and follow the recorded instructions.

Allow two weeks to receive your order. If you live outside California, allow three weeks to receive your order.

**In person** – Many post offices and libraries provide free California personal income tax booklets during the filing season.

Employees at post offices and libraries cannot provide tax information or assistance.

**By mail** – Write to:

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

## Letters

If you write to us, be sure your letter includes your federal employer identification number (FEIN), California Secretary of State (SOS) file number, California corporation number, social security number (SSN) or individual taxpayer identification number (ITIN), your daytime and evening telephone numbers, and a copy of the notice (if applicable). Send your letter to:

CORRESPONDENCE, ANALYSIS, SUPPORT  
AND EDUCATION SECTION MS F-283  
FRANCHISE TAX BOARD  
PO BOX 1468  
SACRAMENTO CA 95812-1468

We will respond to your letter within ten weeks. In some cases, we may need to call you for additional information.

Do not attach correspondence to your tax return unless the correspondence relates to an item on your tax return.

## Internet and Telephone Assistance

Telephone assistance is available year-round from 7 a.m. until 5 p.m. Monday through Friday, except holidays. Hours subject to change.

Website: [ftb.ca.gov](http://ftb.ca.gov)  
Telephone: 800.852.5711  
from within the United States  
916.845.6500  
from outside the United States  
800.822.6268  
for persons with hearing or  
speech disability  
711 or 800.735.2929 California  
relay service

### Asistencia Por Internet y Teléfono

Asistencia telefónica está disponible durante todo el año desde las 7 a.m. hasta las 5 p.m. de lunes a viernes, excepto días feriados. Las horas están sujetas a cambios.

Sitio web: [ftb.ca.gov](http://ftb.ca.gov)  
Teléfono: 800.852.5711  
dentro de los Estados Unidos  
916.845.6500  
fuera de los Estados Unidos  
800.822.6268  
para personas con discapacidades  
auditivas o del habla  
711 ó 800.735.2929 servicio de  
relevo de California

## MEA Contact Information

For business eligibility or zone related information, including questions regarding MEA geographic boundaries and vouchering, contact the HCD or the local zone program manager in which the business is located. Go to [hcd.ca.gov](http://hcd.ca.gov) and search for **directory of zone contacts** for Directory of Economic Development Areas.

For information that is zone-specific but not tax-specific, contact the HCD at:

DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT  
DIVISION OF FINANCIAL ASSISTANCE  
ENTERPRISE ZONE PROGRAMS  
2020 WEST EL CAMINO AVENUE,  
SUITE 650  
SACRAMENTO CA 95833

**Mailing address**  
PO BOX 952054  
SACRAMENTO CA 94252-2054

Website: [hcd.ca.gov](http://hcd.ca.gov)  
Telephone: 916.274.0575  
Fax: 916.263.2764

or for tax-specific information contact:

FRANCHISE TAX BOARD  
Website: [ftb.ca.gov](http://ftb.ca.gov)  
Telephone: 916.845.3464