

# California Explanation of Amended Return Changes

Attach this schedule to amended Form 540, Form 540 2EZ, or Form 540NR.

Name(s) as shown on amended tax return

Your SSN or ITIN

## Part I Financial Adjustments – Reconciliation

- 1 Enter the amount you owe, as shown on the amended tax return . . . . .  1  .00
- 2 Overpaid tax, if any, as shown on original tax return or as previously adjusted by the FTB. See instructions . . . . .  2  .00
- 3 Add line 1 and line 2 . . . . .  3  .00
- 4 Enter the refund, as shown on the amended tax return. See instructions . . . . .  4  .00
- 5 Tax paid with original tax return plus additional tax paid after it was filed. Do not include penalties and interest . . . . .  5  .00
- 6 Add line 4 and line 5 . . . . .  6  .00
- 7 **AMOUNT YOU OWE.** If line 3 is more than line 6, subtract line 6 from line 3. See instructions. . . . .  7  .00
- 8 Penalties/Interest. See instructions: **Penalties 8a**  **Interest 8b**  . . . . .  8c  .00
- 9 **Refund subtotal.** If line 6 is more than line 3, subtract line 3 from line 6. . . . .  9  .00
- 10 Amount of line 9 you want applied to your 2025 estimated tax. See instructions. . . . .  10  .00
- 11 **REFUND.** See instructions. . . . .  11  .00

## Part II Reason(s) for Amending

1 Check all that apply:

- a  Protective claim for refund. See instructions.
- b  Reservation source income adjustments
- c  Pass-through entity adjustments
- d  Federal audit and/or adjustments
- e  FTB audit contact
- g  Error on original return
- h  Credit adjustment
- i  Earned income tax credit/ Young child tax credit/Foster youth tax credit
- j  Disaster loss
- k  Military HR 100
- l  Informal claim
- m  Other. See instructions.

2 Provide further explanation of reason(s) for amending below. If needed, attach a separate sheet that includes your name and SSN or ITIN. See instructions.

# 2024 Instructions for Schedule X

## California Explanation of Amended Return Changes

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).

### General Information

**Schedule X** – Beginning in taxable year 2023, the Schedule X, California Explanation of Amended Return Changes will be year specific. If you are amending a prior year tax return, get the Schedule X for the applicable tax year.

**Discharge of Student Fees** – For taxable years beginning on or after January 1, 2022, and before January 1, 2027, California law allows an exclusion from gross income for any amount of unpaid fees due or owed by a student to a community college that was discharged pursuant to California Education Code Section 32527. For more information, see California Revenue and Taxation Code (R&TC) Section 17131.21 and get FTB Pub. 1001, Supplemental Guidelines to California Adjustments.

**Emergency Financial Aid Grants** – For taxable years beginning on or after January 1, 2020, and before January 1, 2028, California law conforms to the federal law that allows an exclusion from gross income for amounts from certain emergency financial aid grants received by a student in postsecondary education pursuant to the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Consolidated Appropriations Act (CAA), 2021, or the American Rescue Plan Act (ARPA) of 2021. For more information, see R&TC Section 17131.22.

**ARPA Student Loans Forgiveness** – For taxable years beginning on or after January 1, 2021, and before January 1, 2026, California law conforms to the federal law that allows an exclusion from gross income for the amount of student loans discharged during these periods for the following: loans provided expressly for post-secondary educational expenses if the loans were made, insured, or guaranteed by a federal, state, or local government entity, or an eligible educational institution; private education loans; loans made by certain educational institutions/organizations or by tax-exempt organizations to refinance a loan. For more information, see R&TC Section 17144.8.

**Kincade Wildfire Exclusion** – For taxable years beginning on or after January 1, 2020, and before January 1, 2028, California law allows a qualified taxpayer an exclusion from gross income for any qualified amount received in a settlement from Pacific Gas and Electric (PG&E) Company or its subsidiary relating to the 2019 Kincade Fire. If a qualified taxpayer included income for a qualified amount received from this settlement in a prior taxable year, the taxpayer can file an amended tax return for that year within the normal statute of limitations. For more information, see R&TC Section 17139.2 and get FTB Pub. 1001.

**Zogg Wildfire Exclusion** – For taxable years beginning on or after January 1, 2020, and before January 1, 2028, California law allows a qualified taxpayer an exclusion from gross income for any qualified amount received in a settlement from PG&E Company or its subsidiary relating to the 2020 Zogg Fire. If a qualified taxpayer included income for a qualified amount received from this settlement in a prior taxable year, the taxpayer can file an amended tax return for that year within the normal statute of limitations. For more information, see R&TC Section 17139.3 and get FTB Pub. 1001.

**Thomas and Woolsey Wildfires Exclusion** – For taxable years beginning before January 1, 2027, California law allows a qualified taxpayer an exclusion from gross income for any amount received in a settlement from Southern California Edison for claims relating to the 2017 Thomas Fire or the 2018 Woolsey Fire. If a qualified taxpayer included income for an amount received from these settlements in a prior taxable year, the taxpayer can file an amended tax return for that year within the normal statute of limitations. For more information, see Specific Line Instructions, R&TC Section 17138.6 and get FTB Pub. 1001.

**Fire Victims Trust Exclusion** – For taxable years beginning before January 1, 2028, California law allows a qualified taxpayer an exclusion from gross income for any amount received from the Fire Victims Trust, established pursuant to the order of the United States Bankruptcy Court for the Northern District of California dated June 20, 2020, case number 19-30088, docket number 8053. If a qualified taxpayer included income for an amount received from the Fire Victims Trust in a prior taxable year, the taxpayer can file an amended tax return for that year within the normal statute of limitations. For more information, see Specific Line Instructions, R&TC Section 17138.5 and get FTB Pub. 1001.

**Small Business and Nonprofit COVID-19 Supplemental Paid Sick Leave Relief Grant** – For taxable years beginning on or after January 1, 2021, and before January 1, 2030, California law allows an exclusion from gross income for grant allocations received by a taxpayer pursuant to the California Small Business and Nonprofit COVID-19 Supplemental Paid Sick Leave Relief Grant Program that is established by Section 12100.975 of the Government Code. For more information, see R&TC Section 17158 and get FTB Pub. 1001.

**Dependent Exemption Credit with No ID** – For taxable years beginning on or after January 1, 2018, taxpayers claiming a dependent exemption credit for a dependent who is ineligible for a Social Security Number (SSN) and a federal Individual Taxpayer Identification Number (ITIN) may provide alternative information to the Franchise Tax Board (FTB) to identify the dependent. For more information, get form FTB 3568, Alternative Identifying Information for the Dependent Exemption Credit.

Taxpayers may amend their tax returns beginning with taxable year 2018 to claim the dependent exemption credit. If claiming a refund, taxpayers must amend their returns within the statute of limitations. For more information on how to amend your tax returns, see Specific Line Instructions, Part II, Reason(s) for Amending, and get 540 or 540 2EZ, Personal Income Tax Booklet, or 540NR, Nonresident or Part-Year Resident Booklet.

**California Microbusiness COVID-19 Relief Grant** – For taxable years beginning on or after January 1, 2020, and before January 1, 2025, California law allows an exclusion from gross income for grant allocations received by a taxpayer pursuant to the California Microbusiness COVID-19 Relief Program that is administered by the Office of Small Business Advocate (CalOSBA). For more information, get FTB Pub. 1001.

### Purpose

If you are an individual filing an amended personal income tax return, use Schedule X to determine any additional amount you owe or refund due to you, and to provide reason(s) for amending.

Attach Schedule X to your completed amended tax returns:

- Form 540, California Resident Income Tax Return,
- Form 540NR, California Nonresident or Part-Year Resident Income Tax Return, or
- Form 540 2EZ, California Resident Income Tax Return.

For additional information, see Instructions for Filing Amended Returns in the personal income tax booklets for the applicable taxable year.

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## Specific Line Instructions

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### Part I Financial Adjustments - Reconciliation

#### Line 1 – Amount You Owe

Enter the **amount you owe** from your amended tax return.

#### Line 2 – Overpaid Tax

Enter the overpaid tax (**refund + amount applied to your estimated tax, if any**) from your original tax return. If the FTB changed your original tax return and the result was an additional overpayment of tax, also include the amount on line 2. **Do not** include any interest you received on any refund.

#### Line 4 – Refund

Enter the **refund** from your amended tax return.

#### Line 5 – Tax Paid with Original Tax Return

Enter the amount actually paid with your original tax return. Also, include any additional payments of tax made after the original tax return was filed. **Do not** include payments of interest or penalties.

#### Line 7 – Amount You Owe

Pay online with Web Pay. Go to [ftb.ca.gov/pay](http://ftb.ca.gov/pay) for more information.

You may also pay by credit card. Call 800.272.9829 or go to the ACI Payments, Inc. (formerly Official Payments) website at [officialpayments.com](http://officialpayments.com) and use the jurisdiction code 1555. ACI Payments, Inc. charges a convenience fee for this service.

Or, if you are not required to remit all your payments electronically, make a check or money order payable to the “Franchise Tax Board” for the full amount you owe. Write your SSN or ITIN and the taxable year you are amending. Enclose, but **do not** staple, your check or money order to your amended tax return.

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution. A penalty may be imposed if your payment is returned by your bank for insufficient funds.

Mail your amended tax return and attached Schedule X to:

FRANCHISE TAX BOARD  
PO BOX 942867  
SACRAMENTO CA 94267-0001

#### Line 8a – Penalties

If you are including penalties with your payment, enter the amount of penalties on line 8a. Also, attach a statement to your tax return that shows the following information for each type of penalty included on line 8a: type of penalty (description); the Internal Revenue Code (IRC) or R&TC section that provides for assessment of the penalty (if possible); and how you computed the penalty.

#### Line 8b – Interest

If you owe additional tax (line 7) and are including interest with your payment, enter the interest on line 8b. If you do not include interest with your payment or include only a portion of it, the FTB will figure the interest and bill you for it.

#### Line 8c – Total Penalties and Interest

Enter the total of line 8a and line 8b.

#### Line 10 – Amount You Want Applied to Your 2025 Estimated Tax

Enter on line 10 the amount from line 9 you want applied to your estimated tax for 2025. You can apply all or part of the amount on line 9 to your 2025 estimated tax.

You will be notified if any of your overpayment was used to pay past due debts so that you will know how much was applied to your estimated tax.

#### Line 11 – Refund

If you are entitled to a refund greater than the amount claimed or allowed on your original tax return, your Schedule X should show only the additional amount due to you. This amount will be refunded separately from the amount allowed on your original tax return. The FTB will figure any interest owed to you and include it in your refund.

**Direct Deposit** – You can use direct deposit on your amended return. When filing an amended return, only complete the amended form as follows:

- Amended Form 540 2EZ through line 36
- Amended Form 540 through line 115
- Amended Form 540NR through line 125

Next, complete Schedule X. The refund amount on Schedule X, line 11 will be carried over to your amended tax return as your total direct deposit amount and will be entered as shown below:

- Amended Form 540 2EZ, line 37 and line 38
- Amended Form 540, line 116 and line 117
- Amended Form 540NR, line 126 and line 127

The total direct deposit amount on the amended return of the lines listed above must equal the total amount of your refund on Schedule X, line 11. If they are not equal, the FTB will issue a paper check.

**Adjusted Refunds** – If there is a change made to your refund, you will still receive your refund via direct deposit. For more information on direct deposit of adjusted refunds, go to [ftb.ca.gov](http://ftb.ca.gov) and search for **direct deposit**.

Mail your amended tax return and attached Schedule X to:

FRANCHISE TAX BOARD  
PO BOX 942840  
SACRAMENTO CA 94240-0001

Even after you receive a refund, the FTB may request additional information to substantiate your claim.

### Part II Reason(s) for Amending

For additional information, see Instructions for Filing Amended Returns in the personal income tax booklets for the applicable taxable year.

**Note:** The lines on Part II, line 1, are lettered with gaps in the line letter sequence. For example, letter “f” does not appear on Schedule X, so the line letter that follows letter “e” on Schedule X is letter “g”.

#### Line 1

**Thomas and Woolsey Wildfires Exclusion** – California law allows a qualified taxpayer an exclusion from gross income for any amount received in settlement from Southern California Edison for claims relating to the 2017 Thomas Fire or the 2018 Woolsey Fire. To complete Schedule X, check box m for “Other” on Part II, line 1, and write the explanation “2017 Thomas Fire” or “2018 Woolsey Fire” on Part II, line 2.

**Fire Victims Trust Exclusion** – California law allows a qualified taxpayer an exclusion from gross income for any amount received from the Fire Victims Trust. To complete Schedule X, check box m for “Other” on Part II, line 1, and write the explanation “Fire Victims Trust, Case Number 19-30088, Docket Number 8053” on Part II, line 2.

**Protective Claim** – If you are filing a claim for refund for a taxable year where an audit is being conducted by another state’s taxing agency, litigation is pending or where a final determination by the Internal Revenue Service is pending, check box a for “Protective claim for refund” on Part II, line 1. Specify the pending litigation or reference to the federal determination on Part II, line 2 so we can properly process your claim.

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**Dependent Exemption Credit with No ID** – If you are amending a return beginning with taxable year 2018 to claim the dependent exemption credit, complete an amended Form 540, Form 540NR, or Form 540 2EZ, and write “no id” in the SSN field on the Dependents line, and attach Schedule X. To complete Schedule X, check box m for “Other” on Part II, line 1, and write the explanation “Claim dependent exemption credit with no id and form FTB 3568 is attached” on Part II, line 2. Make sure to attach form FTB 3568 and the required supporting documents in addition to the amended return and Schedule X. If you do not claim the dependent exemption credit on the original 2024 tax return, you may amend the 2024 tax return following the same procedure used to amend your previous year amended tax returns beginning with taxable year 2018. If claiming a refund, taxpayers must amend their returns within the statute of limitations. For more information, get FTB Notice 2021-01.

**Line 2**

Provide further explanation on line 2. Explain each change separately and in detail. Include:

- Item being changed.
- Reason the change was needed. Include in your explanation the documents you have attached to support the changes made.

Attach to amended tax return:

- Federal schedules if you made a change to your federal tax return.
- Documents supporting each change, such as corrected federal Form(s) W-2, Wage and Tax Statement, or Form(s) 1099, California Schedule(s) K-1, Share of Income, Deductions, Credits, etc., escrow statements, court documents, contracts, etc.

Your refund may be denied or delayed if you did not explain in sufficient detail the changes made or did not attach the supporting documents and revised forms. Attach additional pages if needed to provide a clear, detailed explanation. Be sure to include your name and SSN or ITIN on each attachment.

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## **Franchise Tax Board Privacy Notice on Collection**

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Our privacy notice can be found in annual tax booklets or online. Go to [ftb.ca.gov/privacy](https://ftb.ca.gov/privacy) to learn about our privacy policy statement, or go to [ftb.ca.gov/forms](https://ftb.ca.gov/forms) and search for **1131** to locate FTB 1131 EN-SP, Franchise Tax Board Privacy Notice on Collection - Aviso de Privacidad del Franchise Tax Board sobre la Recaudación. To request this notice by mail, call 800.338.0505 and enter form code **948** when instructed.