

2021 Instructions for Form 592-A

Payment Voucher for Foreign Partner or Member Withholding

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

California Revenue and Taxation Code (R&TC) Section 18666 requires withholding on income from California sources, which is allocated to foreign partners. R&TC Section 18666 generally conforms to federal IRC Section 1446 to the extent that the income is from California sources. For foreign (non-U.S.) partners or members, the withholding rate is the maximum California tax rate applicable to the partner or member (currently, 8.84% for corporations, 10.84% for banks and financial institutions, and 12.3% for all others).

Purpose

Use Form 592-A, Payment Voucher for Foreign Partner or Member Withholding, to remit the following payments to the Franchise Tax Board (FTB), as reported on Form 592-F, Foreign Partner or Member Annual Withholding Return:

- Partnership or limited liability company (LLC) California source withholding payments made to foreign (non-U.S.) partners or members.
- The balance due on partnership or LLC California source income or gain allocable under Internal Revenue Code (IRC) Section 704 to foreign (non-U.S.) partners or members.
- Backup withholding payments. Backup withholding supersedes all types of withholding. For more information on backup withholding, go to ftb.ca.gov and search for **backup withholding**.

At the close of the taxable year, the partnership or LLC completes Form 592-F, to report the total withholding for the year and allocate the income or gain and related withholding to foreign partners or members. A completed Form(s) 592-B, Resident and Nonresident Withholding Tax Statement, must be provided to the payees.

Supplemental Payment Voucher – If there is a balance due on Form 592-F, submit the Supplemental Payment Voucher from Form 592-A and Form 592-F with the payment at the same time.

Do not use Form 592-A to report tax withheld on domestic nonresident partners or members. For more information regarding reporting tax withheld on domestic nonresident partners or members, get Form 592, Resident and Nonresident Withholding Statement.

Use the vouchers to remit payment by check or money order only.

When to Pay

Payments with Form 592-A are due to the FTB on the 15th day of the 4th, 6th, 9th, and 12th month of the partnership's or LLC's taxable year. If there is a balance due on Form 592-F, line 8, remit payment with the Supplemental Payment Voucher provided. The Supplemental Payment Voucher and payment are due by the original due date of Form 592-F, regardless of extension.

When a due date falls on a weekend or holiday, the deadline to file and pay is extended to the next business day.

Instructions

Form 592-A has five payment vouchers. The first four payment vouchers are submitted with each of the four withholding payments throughout the year. The fifth voucher is a supplemental payment voucher. The supplemental payment voucher is only submitted when Form 592-F has a balance due.

The withholding agent completes this form. The withholding agent information on Form 592-A must match the information reported to the FTB on Form 592-F.

Enter the beginning and ending dates of the partnership's or LLC's taxable year. The year at the top of the form should be the same as the ending taxable year.

Using black or blue ink, enter the withholding agent's name, and federal employer identification number (FEIN), California corporation number (CA Corp no.), or California Secretary of State (CA SOS) file number of the partnership or LLC in the spaces provided. To ensure timely and proper application of the payment, verify that all of the information entered is complete.

Check the appropriate box for **Electronic** or **Paper**, depending on how Form 592-F is submitted. **Check only one box.**

Private Mail Box (PMB) – Include the PMB in the address field. Write "PMB" first, then the box number. Example: 111 Main Street PMB 123.

Foreign Address – Follow the country's practice for entering the city, county, province, state, country, and postal code, as applicable, in the appropriate boxes. **Do not** abbreviate the country name.

Enter the payment amount that represents withholding on partnership or LLC income or gain allocable under IRC Section 704 to foreign (non-U.S.) partners or members. If you have withholding for domestic and foreign partners or members, you can use the Withholding Payment Worksheet that follows these instructions to figure the required payment amounts of withholding for foreign partners or members. For more information about withholding on foreign partners or members, get FTB Pub. 1017, Resident and Nonresident Withholding Guidelines.

Where to File

Using black or blue ink, make your check or money order payable to: "Franchise Tax Board." Write your FEIN, CA Corp no., or CA SOS file number, and "2021 Form 592-A" on it. Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

If you are remitting payment only, detach the appropriate payment voucher from Form 592-A and enclose, but **do not** staple, the payment with the voucher and mail to:

WITHHOLDING SERVICES AND COMPLIANCE MS F182
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

If you are submitting Form 592-F with a payment, enclose but **do not** staple, Form 592-F, the Supplemental Payment Voucher from Form 592-A, and your payment, and mail to the address above.

The withholding agent retains a copy of this form for a minimum of five years and must provide it to the FTB upon request.

Interest and Penalties

Interest and penalties will be assessed on late payments of withholding, unless failure was due to reasonable cause. Interest is computed from the due date of the withholding to the date paid. For more information, get FTB 1150, Withhold at Source Penalty Information.

**Withholding Payment Worksheet
for Foreign Partner or Member Withholding
(Keep for your records. Do not send to the FTB.)**

Complete only if the partnership or LLC has foreign (non-U.S.) partners or members.

Complete column (a) before going to the next column.		(a) 1st Payment	(b) 2nd Payment	(c) 3rd Payment	(d) 4th Payment
1 Enter the partnership's or LLC's California source taxable income for each period	1		First 3 months	First 6 months	First 9 months
2 Annualization amounts.	2		4	2	1.33333
3 Multiply line 1 by line 2	3				
4 Enter the partnership's or LLC's California source taxable income for each period	4		First 3 months	First 5 months	First 8 months
5 Annualization amounts.	5	4	2.4	1.5	1.09091
6 Multiply line 4 by line 5	6				
7 Annualized California source taxable income. In column (a), enter the amount from line 6, column (a). In columns (b), (c), and (d), enter the smaller of the amounts from line 3 or line 6 in each column	7				
8 Foreign partner's or member's share of line 7 (annualized California source taxable income)	8				
9 Multiply line 8 by maximum tax rate	9				
10 Applicable percentage	10	23.75%	47.5%	71.25%	95%
11 Multiply line 9 by the percentage on line 10	11				
12 (a)	12(a)	Zero			
(b) Enter the amount from line 13, column (a)	12(b)				
(c) Enter the sum of line 13, column (a) and line 13, column (b)	12(c)				
(d) Enter the sum of line 13, column (a); line 13, column (b); and line 13, column (c)	12(d)				
13 Payments of withholding tax due for foreign partners or members. Subtract line 12 from line 11. If less than zero, enter -0-	13				

Using this withholding payment worksheet and timely paying the calculated amounts protects you from penalties for underpayment. However, if there is a balance due on Form 592-F at the end of the year, submit the final payment using the Form 592-A Supplemental Payment Voucher, and the completed Form 592-F. If you know exactly what the foreign partner's or member's share of California source partnership or LLC income is, you can calculate the payment by multiplying the partner's or member's allocable share of California source taxable income by the maximum tax rate (currently, 8.84% for corporations, 10.84% for banks and financial institutions, and 12.3% for all others) instead of using this worksheet.