

YEAR

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## Withholding Exemption Certificate

CALIFORNIA FORM

590

(For use by individuals, corporations, partnerships, limited liability companies, estates, trusts, insurance companies, Individual Retirement Accounts (IRA), qualified pension/profit sharing plans, and tax-exempt entities)

File this form with your withholding agent.  
(Please type or print)

Withholding agent's name

Vendor/Payee's name

Vendor/Payee's  Social security number  
 California corp. no.  FEIN**Note:** Failure to furnish your identification number will make this certificate void.

Vendor/Payee's address (number and street)

PMB no.

Vendor/Payee's daytime telephone number

City

State

ZIP Code

I certify that for the reasons checked below, the entity or individual named on this form is exempt from the California income tax withholding requirement on payment(s) made to the entity or individual. Read the following carefully and check the box that applies to the vendor/payee:

 **Individuals — Certification of Residency:**

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly inform the withholding agent. See instructions for Form 590, General Information D, for the definition of a resident.

 **Corporations:**

The above-named corporation has a permanent place of business in California at the address shown above or is qualified through the Office of the California Secretary of State to do business in California. The corporation will withhold on payments of California source income to nonresidents when required. If this corporation ceases to have a permanent place of business in California or ceases to be qualified to do business in California, I will promptly inform the withholding agent. See instructions for Form 590, General Information E, for the definition of permanent place of business.

 **Partnerships:**

The above-named partnership has a permanent place of business in California at the address shown above and is subject to the laws of California. The partnership will file a California tax return and will withhold on foreign and domestic nonresident partners when required. If the partnership ceases to do any of the above, I will promptly inform the withholding agent.

**Note:** For withholding purposes, a Limited Liability Partnership is treated like any other partnership.

 **Limited Liability Companies (LLC):**

The above-named LLC has a permanent place of business in California at the address shown above or is registered with the Office of the California Secretary of State, and is subject to the laws of California. The LLC will file a California tax return and will withhold on foreign and domestic nonresident members when required. If the LLC ceases to do any of the above, I will promptly inform the withholding agent.

 **Tax-Exempt Entities:**

The above-named entity is exempt from tax under California or federal law. The tax-exempt entity will withhold on payments of California source income to nonresidents when required. If this entity ceases to be exempt from tax, I will promptly inform the withholding agent.

 **Insurance Companies, IRAs, or Qualified Pension/Profit Sharing Plans:**

The above-named entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

 **California Irrevocable Trusts:**

At least one trustee of the above-named irrevocable trust is a California resident. The trust will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required. If the trustee becomes a nonresident at any time, I will promptly inform the withholding agent.

 **Estates — Certification of Residency of Deceased Person:**

I am the executor of the above-named person's estate. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required.

**CERTIFICATE:** Please complete and sign below.

Under penalties of perjury, I hereby certify that the information provided herein is, to the best of my knowledge, true and correct. If conditions change, I will promptly inform the withholding agent.

Vendor/Payee's name and title (type or print) \_\_\_\_\_

Vendor/Payee's signature ► \_\_\_\_\_ Date \_\_\_\_\_

# Instructions for Form 590

## Withholding Exemption Certificate

References in these instructions are to the California Revenue and Taxation Code (R&TC).

### General Information

#### Private Mailbox (PMB) Numbers

If you lease a mailbox from a private business rather than from the United States Postal Service, enter your PMB number in the field labeled "PMB no."

### A Purpose

Use Form 590 to obtain an exemption from withholding. Complete and present Form 590 to the withholding agent. The withholding agent will then be relieved of the withholding requirements if the agent relies in good faith on a completed and signed Form 590.

#### Do not use Form 590:

- If you are a seller of California real estate. Sellers of California real estate should use Form 597-W, Withholding Exemption Certificate and Nonresident Waiver Request for Real Estate Sales; or
- To obtain a waiver from wage withholding administered by the Employment Development Department (EDD) under the Unemployment Insurance Code.

### B Law

R&TC Section 18662 and the related regulations require withholding of income or franchise tax on payments of California source income made to nonresidents of this state.

Withholding is required on:

- Payments to nonresidents for services rendered in California;
- Distributions of California source income made to domestic nonresident partners and members and allocations of California source income made to foreign partners and members;
- Payments to nonresidents for rents if the payments are made in the course of the withholding agent's business;
- Payments to nonresidents for royalties for the right to use natural resources located in California;
- Distributions of California source income to nonresident beneficiaries from an estate or trust; and
- Prizes and winnings received by nonresidents for contests in California.

For more information on withholding and waiver requests, get FTB Pub. 1017, Nonresident Withholding – Partnership Guidelines, and FTB Pub. 1023, Nonresident Withholding – Independent Contractor, Rent and Royalty Guidelines. To get a withholding publication see General Information G.

### C Who can Execute This Form

Form 590 can be executed by the entities listed on the face of this form.

**Note:** The grantor of a revocable/grantor trust shall be treated as the vendor/payee for withholding purposes. Therefore, if the vendor/payee is a revocable/grantor trust and one or

more of the grantors is a nonresident, withholding is required. If all of the grantors of a revocable/grantor trust are residents, no withholding is required. Resident grantors can check the box on Form 590 labeled "Individuals — Certification of Residency."

### D Who is a Resident

A California resident is any individual who is in California for other than a temporary or transitory purpose or any individual domiciled in California who is absent for a temporary or transitory purpose.

An individual domiciled in California who is absent from California for an uninterrupted period of at least 546 consecutive days under an employment-related contract is considered outside California for other than a temporary or transitory purpose.

**Note:** Return visits to California that do not total more than 45 days during any taxable year covered by the employment contract are considered temporary.

This provision does not apply if an individual has income from stocks, bonds, notes, or other intangible personal property in excess of \$200,000 in any taxable year in which the employment-related contract is in effect.

A spouse who is absent from California for an uninterrupted period of at least 546 days to accompany a spouse who is under an employment-related contract is considered outside of California for other than a temporary or transitory purpose.

Generally, an individual who comes to California for a purpose which will extend over a long or indefinite period will be considered a resident. However, an individual who comes to perform a particular contract of short duration will be considered a nonresident. For assistance in determining resident status, get FTB Pub. 1031, Guidelines for Determining Resident Status, or call the Franchise Tax Board (FTB), at the numbers listed in General Information G.

### E What is a Permanent Place of Business

A corporation has a permanent place of business in California if it is organized and existing under the laws of California or if it is a foreign corporation qualified to transact intrastate business by the Office of the California Secretary of State. A corporation that has not qualified to transact intrastate business (e.g., a corporation engaged exclusively in interstate commerce) will be considered as having a permanent place of business in California only if it maintains a permanent office in California that is permanently staffed by its employees.

### F Withholding Agent

Keep Form 590 for your records. Do not send this form to the FTB unless it has been specifically requested by the FTB. If the

withholding agent has received Form 594, Notice to Withhold Tax at Source, and the vendor/payee completes Form 590 indicating that he or she is not subject to withholding, send a copy of Form 590 with Form 594 to the FTB. For more information, contact the Nonresident Withholding Section. See General Information G.

The vendor/payee must notify the withholding agent if:

- The individual vendor/payee becomes a nonresident;
- The corporation ceases to have a permanent place of business in California or ceases to be qualified to do business in California;
- The partnership ceases to have a permanent place of business in California;
- The LLC ceases to have a permanent place of business in California; or
- The tax-exempt entity loses its tax-exempt status.

The withholding agent must then withhold the tax at source, remit the withholding using Form 592-A, Nonresident Withholding Remittance Statement, and complete Form 592, Nonresident Withholding Annual Return, and Form 592-B, Nonresident Withholding Tax Statement. Get Instructions for Forms 592, 592-A, and 592-B for due dates and other withholding information.

### G Where to get Publications, Forms, and Additional Information

You may download, view and print FTB Publications 1017, 1023, and 1024 and nonresident withholding forms, as well as other California tax forms and publications not related to nonresident withholding, on the FTB website at: [www.ftb.ca.gov](http://www.ftb.ca.gov)

You may also get nonresident withholding forms via Forms-by-Fax by calling (800) 998-3676. To order publications or forms or to get additional nonresident withholding information, please contact the Nonresident Withholding Section.

NONRESIDENT WITHHOLDING SECTION  
FRANCHISE TAX BOARD  
PO BOX 651  
SACRAMENTO CA 95812-0651  
Telephone: (888) 792-4900  
(916) 845-4900 (not toll-free)  
FAX: (916) 845-4831 (24 hours a day)

**Assistance for persons with disabilities:**  
We comply with provisions of the Americans with Disabilities Act. For persons with hearing or speech impairments: from voice phone call (800) 735-2922, or from TTY/TDD call (800) 822-6268.

**Asistencia bilingüe en español**  
Para obtener servicios en español y asistencia para completar su declaración de impuestos/formularios, llame al número de teléfono (anotado arriba) que le corresponde.