



STATE OF CALIFORNIA
Franchise Tax Board



STATE OF CALIFORNIA
Franchise Tax Board

2019

Forms of Ownership



Presented by
Lucius Davis - Small Business Liaison
Education and Outreach Section



STATE OF CALIFORNIA
Franchise Tax Board

Sole Proprietorships



STATE OF CALIFORNIA
Franchise Tax Board

Sole Proprietorship Characteristics



The simplest form of doing business.

No formal transfer of assets to start business.

Business' taxable year is the same as the owner's taxable year.



Sole Proprietorship Characteristics

SCHEDULE C
(Form 1040)

Profit or Loss From Business
(Sole Proprietorship)

OMB No. 1545-0047
2018
Assessment
Sequence No. 09

Department of the Treasury
Internal Revenue Service (IRS)

Go to www.irs.gov/ScheduleC for instructions and the latest information.
Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor: _____ Social security number (SSN): _____

A Principal business or profession, including product or service (see instructions): _____

B Enter code from instructions: _____

C Business name. If no separate business name, leave blank: _____

D Employee ID number (SEE INSTRUCTIONS): _____

E Business address (including suite or room no.): _____
City, town or post office, state, and ZIP code: _____

F Accounting method: (a) ☐ Cash (b) ☐ Accrual (c) ☐ Other (specify): _____

G Did you "materially participate" in the operation of this business during 2018? If "No," see instructions for limit on losses: ☐ Yes ☐ No

H If you started or acquired this business during 2018, check here: ☐ Yes ☐ No

I Did you make any payments in 2018 that would require you to file Form(s) 1099? (see instructions): ☐ Yes ☐ No

J If "Yes," did you or will you file the required Form(s) 1099? ☐ Yes ☐ No

Part I Income

1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form 942 and the "Statutory employee" box on that form was checked: ☐ 1

2 Returns and allowances: ☐ 2

3 Subtract line 2 from line 1: ☐ 3

4 Cost of goods sold (from line 4): ☐ 4

5 Gross profit. Subtract line 4 from line 3: ☐ 5

6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions): ☐ 6

7 Gross income. Add lines 5 and 6: ☐ 7

Part II Expenses. Enter expenses for business use of your home only on line 30.

8 Advertising: ☐ 8

9 Car and truck expenses (see instructions): ☐ 9

10 Commissions and fees: ☐ 10

11 Contract labor (see instructions): ☐ 11

12 Depreciation: ☐ 12

13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions): ☐ 13

14 Employee benefit programs (other than on line 19): ☐ 14

15 Insurance (other than health): ☐ 15

16 Interest (see instructions): ☐ 16

17 Legal and professional services: ☐ 17

18 Office expense (see instructions): ☐ 18

19 Pension and profit-sharing plans: ☐ 19

20 Rent or lease (see instructions): ☐ 20

21 Repairs and maintenance: ☐ 21

22 Supplies (not included in Part III): ☐ 22

23 Taxes and licenses: ☐ 23

24 Travel and meals: ☐ 24

25 Travel: ☐ 25

26 Deductible meals (see instructions): ☐ 26

27 Utilities: ☐ 27

28 Wages (see employment credits): ☐ 28

29 Other expenses from line 48: ☐ 29

30 Total expenses before expense for business use of home. Add lines 8 through 29: ☐ 30

31 Tentative profit or (loss). Subtract line 30 from line 7: ☐ 31

32 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions).
Simplified method filers only enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____ Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30.
Net profit or (loss). Subtract line 30 from line 31: ☐ 32

33 If you have a loss, check the box that describes your investment in this activity (see instructions).
If you checked 33a, enter the loss on both Schedule 1 Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. If you checked the box on line 1, see the line 31 instructions.
Establish and track, enter on Form 1041, line 3.
If you checked 33b, you must attach Form 8196. Your loss may be limited.

33a ☐ All investment is at risk.
33b ☐ Some investment is at risk.

For Paperwork Reduction Act Notice, see the separate instructions. Cat. No. 11334P Schedule C (Form 1040)

- Sole proprietors use Federal Schedule C to report the business' profit or loss on their Form 540 income tax returns whether distributed or not.
- Losses generally offset other income.
- Sole proprietor is not considered to be an employee of the business.





STATE OF CALIFORNIA
Franchise Tax Board

General Partnerships



STATE OF CALIFORNIA
Franchise Tax Board

Partnership Characteristics

Two or more persons carrying on a business for profit.

Flexible form of business and relatively easy to set up.



Partners decide the organization's structure and distribution of profits and losses.

A formal written agreement is advisable.



Partnership Characteristics

TAXABLE YEAR 2018 **Partnership Return of Income** **CALIFORNIA** 565

For calendar year 2018 or fiscal year beginning (m/d/yyyy) and ending (m/d/yyyy)

Partnership name (type or print). Check box if name changed ☐ **A** FEIN ☐ **B** California Secretary of State (SOS) file # ☐

Additional information ☐

Street address (suite, room, PO box) ☐ FMS no. ☐ **C** Principal business activity name (same as federal) ☐

City (if the partnership has a foreign address, see instructions) ☐ State ☐ ZIP code ☐ **D** Principal product or service (same as 1) ☐

Foreign country name ☐ Foreign province/state/country ☐ Foreign postal code ☐

E Check accounting method ☐ **F** Date business started in CA (m/d/yyyy) ☐ **G** Enter total assets at end of year. See instructions. ☐

H Check the applicable box ☐ (1) Cash (2) Accrual (3) Other (attach explanation) ☐

I Principal business a code (same as federal) ☐

J (1) During this taxable year, did another person or legal entity acquire control or majority ownership (more than a 50% interest) of this partnership or any legal entity in which the partnership holds a controlling or majority interest that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ☐ Yes ☐ No

(2) During this taxable year, did this partnership acquire control or majority ownership (more than a 50% interest) in another legal entity that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ☐ Yes ☐ No

(3) During this taxable year, has more than 50% of the partnership's ownership interests cumulatively transferred in one or more transactions after an interest in California real property (i.e., land, buildings) was transferred to it that was excluded from property tax reassessment under Revenue and Taxation Code Section 67(a)(2) and it was not reported on a previous year's tax return? ☐ Yes ☐ No

(Yes requires filing of statement, penalties may apply - see instructions.)

Caution: Include only trade or business income and expenses on line 1a through line 22. See the instructions for more information.

Income	1 a Gross receipts or sales \$	b Less returns and allowances \$	c Balance	16
	2 Cost of goods sold (Schedule A, line 8)			2
	3 GROSS PROFIT. Subtract line 2 from line 1c			3
	4 Total ordinary income from other partnerships and fiduciaries. Attach schedule			4
	5 Total ordinary loss from other partnerships and fiduciaries. Attach schedule			5
	6 Total term profit. Attach federal Schedule F (Form 1040)			6
	7 Total term loss. Attach federal Schedule F (Form 1040)			7
	8 Total gains included on Schedule D-1, Part II, line 17 (gain only)			8
	9 Total losses included on Schedule D-1, Part II, line 17 (loss only)			9
	10 Other income. Attach schedule			10
	11 Other loss. Attach schedule			11
	12 Total income (loss). Combine line 3 through line 11			12
Deductions	13 Salaries and wages (other than to partners)			13
	14 Guaranteed payments to partners			14
	15 Bad debts			15
	16 Deductible interest expense not claimed elsewhere on return			16
	17 a Depreciation and amortization. Attach form FTB 3885P \$			17
	b Less depreciation reported on Schedule A and elsewhere on return \$			17c

3661183 Form 565 2018 Side 1

- Not a separate taxable entity.
- Partnership files informational return using Form 565.
- Partners report profit or loss on their individual Form 540 income tax returns whether distributed or not.
- Losses may be limited.



Most Commonly Used Legal Entities

Corporations

Limited
Liability
Companies

There are other less common legal entities types available. For more information see our publication FTB 1123, *Common Forms of Ownership*.



STATE OF CALIFORNIA
Franchise Tax Board

California Legal Entities

Formed by filing the appropriate documents or forms with the California Secretary of State.

Corporation

- Articles of Incorporation
- Various Forms
- Minimum Tax

Limited Liability Company

- Articles of Organization
- Form LLC-1
- Annual Tax and Fee

*Taxed annually until formally dissolved or cancelled.





C Corporations



C Corporation Characteristics

A separate legal entity owned by shareholders.

Must register with SOS before conducting business.



Can be costly to set up and maintain.

Option of choosing an income year other than the calendar year.



C Corporation Characteristics

2018 California Corporation Franchise or Income Tax Return **100**

For calendar year 2018 or fiscal year beginning (mm/dd/yyyy) and ending (mm/dd/yyyy)

Corporation name California corporation number FEIN

Additional information: See instructions. California Secretary of State file number

Street address (suite/room no.) FME no.

City (if the corporation has a foreign address, see instructions.) State ZIP code

Foreign country name Foreign province/state/country Foreign postal code

Schedule Q Questions (continued on Side 2)

A FINAL RETURN? ☐ Dissolved ☐ Surrendered (withdrawn) ☐ Merged/Reorganized ☐ IRC Section 338 sale ☐ QSub election

Enter date (mm/dd/yyyy) •

B 1. Is income included in a combined report of a unitary group? ☐ Yes ☐ No

If "Yes," indicate: ☐ Wholly within CA (R&TC 25101.15) ☐ Within and outside of CA

2. Is there a change in the members listed in Schedule R-7 from the prior year? ☐ Yes ☐ No

3. Enter the number of members (including parent or key corporation) listed in the Schedule R-7, Part I, Section A, subject to income or franchise tax ☐ Yes ☐ No

4. Is form FTB 3544 and/or 3544A attached to the return? ☐ Yes ☐ No

C 1. During this taxable year, did another person or legal entity acquire control or majority ownership (more than a 50% interest) of this corporation or any of its subsidiaries that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ☐ Yes ☐ No

2. During this taxable year, did this corporation or any of its subsidiaries acquire control or majority ownership (more than a 50% interest) in another legal entity that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ☐ Yes ☐ No

3. During this taxable year, has more than 50% of the voting stock of this corporation cumulatively transferred in one or more transactions after an interest in California real property (i.e., land, buildings) was transferred to it that was excluded from property tax reassessment under R&TC Section 62(p)(2) and it was not reported on a previous year's tax return? ☐ Yes ☐ No

(Yes requires filing of statement, penalties may apply - see instructions.)

State Adjustments	1	2	3	4	5	6	7	8	9
1 Net income (loss) before state adjustments. See instructions.	1								
2 Amount deducted for foreign or domestic tax based on income or profits from Schedule A.	2								
3 Amount deducted for tax under the provisions of the Corporation Tax Law from Schedule A.	3								
4 Interest on government obligations.	4								
5 Net California capital gain from Side 6, Schedule D, line 11.	5								
6 Depreciation and amortization in excess of amount allowed under California law. Attach form FTB 3885.	6								
7 Net income from corporations not included in federal consolidated return. See instructions.	7								
8 Other additions. Attach schedule(s).	8								
9 Total. Add line 1 through line 8.	9								

- Files using Form 100.
- Taxed annually on its earnings at a rate of 8.84% on net income.
- Subject to \$800 minimum tax.
- Shareholders taxed on distributed dividends.





STATE OF CALIFORNIA
Franchise Tax Board

S Corporations



STATE OF CALIFORNIA
Franchise Tax Board

S Corporation Characteristics



A separate legal entity owned by shareholders.



Must register with SOS before conducting business.



Election is made for S corporation status.



STATE OF CALIFORNIA
Franchise Tax Board

S Corporation Characteristics



No more than 100 shareholders.



Only one class of stock.



Shareholders can only be individuals, estates, or certain trusts.



STATE OF CALIFORNIA
Franchise Tax Board

S Corporation Characteristics

California S Corporation Franchise or Income Tax Return **100S**

For calendar year 2018 or fiscal year beginning (m/d/yyyy) and ending (m/d/yyyy)

Corporation name California corporation number PERN

Additional information See instructions California Secretary of State file number

Street address (suite/room no.) PMS no.

City (if the corporation has a foreign address, see instructions) State ZIP code

Foreign country name Foreign province/state/country Foreign postal code

Schedule Q Questions (continued on Side 2)

A 1. FINAL RETURN? ☐ Dissolved ☐ Surrendered (withdrawn) ☐ Merged/Reorganized ☐ IRC Section 338 sale ☐ S Sub election

Enter date (mm/dd/yyyy)

2. Is the S corporation deferring any income from the disposition of assets? ☐ Yes ☐ No

If "Yes" enter the year of disposition (yyyy)

3. Is the S corporation reporting previously deferred income from: ☐ Installment sale ☐ IRC §1031 ☐ IRC §1033 ☐ Other

B 1. During this taxable year, did another person or legal entity acquire control or majority ownership (more than a 50% interest) of this corporation or any of its subsidiaries that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ☐ Yes ☐ No

2. During this taxable year, did this corporation or any of its subsidiaries acquire control or majority ownership (more than a 50% interest) in another legal entity that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ☐ Yes ☐ No

3. During this taxable year, has more than 50% of the voting stock of this corporation cumulatively transferred in one or more transactions after an interest in California real property (i.e., land, buildings) was transferred to it that was excluded from property tax assessment under Revenue and Taxation Code Section 62(a)(2) and it was not reported on a previous year's tax return? ☐ Yes ☐ No

(Yes requires filing of statement, penalties may apply - see instructions.)

1	Ordinary income (loss) from trade or business activities from Schedule F (Form 100S, Side 4), line 22 or federal Form 1120S, line 21. If Schedule F (Form 100S, Side 4) was not completed, attach federal Form 1120S, page 1, and supporting schedules.	1	00
2	Foreign or domestic tax based on income or profits and California franchise or income tax deducted	2	00
3	Interest on government obligations	3	00
4	Net capital gain from Schedule D (100S), Section A & Section B. Attach Schedule D (100S). See instructions.	4	00
5	Depreciation and amortization adjustments. Attach Schedule B (100S)	5	00
6	Portfolio income	6	00
7	Other additions. Attach schedule(s)	7	00
8	Total. Add line 1 through line 7	8	00

3611183 Form 100S 2018 Side 1

- A hybrid business entity.
- Files using Form 100S.
- State tax rate of 1.5% of net income. Not subject to federal tax.
- Subject to \$800 minimum tax.
- Shareholders report profit or loss on their individual Form 540 income tax returns whether distributed or not.





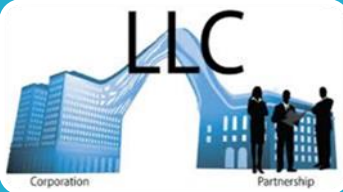
STATE OF CALIFORNIA
Franchise Tax Board

Limited Liability Companies (LLC)



STATE OF CALIFORNIA
Franchise Tax Board

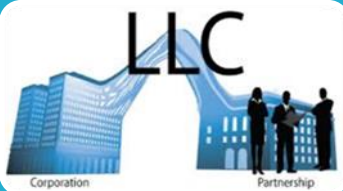
LLC Characteristics



A separate legal entity owned by members.



Must register with SOS before conducting business.



A hybrid business entity.



Restrictions may apply to professional services that require a license, certification, or registration.



LLC Characteristics



IRS partnership classification: follow partnership rules.



For California only. A single member classification: follow sole proprietor rules.



IRS corporation classification: follow corporation rules.



STATE OF CALIFORNIA
Franchise Tax Board

LLC Characteristics

Single Member and Partnership

2018 Limited Liability Company Return of Income **568**

For calendar year 2018 or fiscal year beginning (m/d/yyyy) and ending (m/d/yyyy)

Limited liability company name (type or print) _____ California Secretary of State (SOS) file number _____

Additional information _____

Street address (suite, room, PO box) _____ PMB no. _____ C Principal business activity name (same as federal) _____

City (if the LLC has a foreign address, see instructions) _____ State _____ ZIP code _____ D Principal product or service (same as federal) _____

Foreign country name _____ Foreign province/state/country _____ Foreign postal code _____

E Check accounting method _____ F Date business started in CA (m/d/yyyy) _____ G Enter total assets at end of year (See instructions) _____

H Check the applicable box _____ I Principal business activity code (same as federal) _____

J (1) ☐ Initial return (2) ☐ FINAL RETURN (3) ☐ Amended return (4) ☐ Protective claim

(1) During this taxable year, did another person or legal entity acquire control or majority ownership (more than a 50% interest) of this LLC or any legal entity in which the LLC holds a controlling or majority interest that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? _____ Yes _____ No

(2) During this taxable year, did this LLC acquire control or majority ownership (more than a 50% interest) in another legal entity that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? _____ Yes _____ No

(3) During this taxable year, has more than 50% of the LLC's ownership interests cumulatively transferred in one or more transactions after an interest in California real property (i.e., land, buildings) was transferred to it that was excluded from property tax reassessment under Revenue and Taxation Code Section 62(a)(2) and it was not reported on a previous year's tax return? _____ Yes _____ No

(Yes requires filing of statement, penalties may apply—see instructions.)

Complete Schedule NW, LLC Income Worksheet (on Side 7) first to determine line 1.	Whole dollars only
1 Total income from Schedule NW, Limited Liability Company Income Worksheet. See instructions.	1
2 Limited Liability Company fee. See instructions.	2
3 2018 annual Limited Liability Company tax. See instructions.	3
4 Nonconsenting nonresident members' tax liability from Schedule T (Side 4).	4
5 Partnership level tax. See instructions.	5
6 Total tax and fee. Add line 2, line 3, line 4, and line 5.	6
7 Amount paid with form FTB 3537 and 2018 form FTB 3522 and form FTB 3536.	7
8 Overpayment from prior year allowed as a credit.	8
9 Withholding (Form 592-B and/or 593).	9
10 Total payments. Add line 7, line 8, and line 9.	10
11 Use tax. This is not a total line. See instructions.	11
12 Payments balance. If line 10 is more than line 11, subtract line 11 from line 10.	12
13 Use tax balance. If line 11 is more than line 10, subtract line 10 from line 11.	13

3671183 Form 568 2018 Side 1

- Single or partnership classified LLCs file using Form 568.
- Subject to \$800 annual tax.
- Maybe subject to an LLC fee based on total income (gross income plus cost of goods).
- Members report their share of profit or loss on Form 540 income tax returns whether distributed or not.



LLC Characteristics

C Corporation Classification

2018 California Corporation Franchise or Income Tax Return **FORM 100**

For calendar year 2018 or fiscal year beginning (mm/dd/yyyy) and ending (mm/dd/yyyy)

Corporation name California corporation number FEIN

Additional information See instructions. California Secretary of State file number

Street address (author/room no.) PMB no.

City (if the corporation has a foreign address, see instructions.) State ZIP code

Foreign country name Foreign province/state/country Foreign postal code

Schedule Q Questions (continued on Side 2)

A FINAL RETURN? ☐ Dissolved ☐ Surrendered (withdrawn) ☐ Merged/Reorganized ☐ IRC Section 338 sale ☐ SSub election

Enter date (mm/dd/yyyy)

B 1. Is income included in a combined report of a unitary group? ☐ Yes ☐ No

If "Yes," indicate: ☐ Wholly within CA (R&TC 25101.15) ☐ Within and outside of CA

2. Is there a change in the members listed in Schedule R-7 from the prior year? ☐ Yes ☐ No

3. Enter the number of members (including parent or key corporation) listed in the Schedule R-7, Part I, Section A, subject to income or franchise tax

4. Is form FTB 3544 and/or 3544A attached to the return? ☐ Yes ☐ No

C 1. During this taxable year, did another person or legal entity acquire control or majority ownership (more than a 50% interest) of this corporation or any of its subsidiaries that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ☐ Yes ☐ No

2. During this taxable year, did this corporation or any of its subsidiaries acquire control or majority ownership (more than a 50% interest) in another legal entity that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ☐ Yes ☐ No

3. During this taxable year, has more than 50% of the voting stock of this corporation cumulatively transferred in one or more transactions after an interest in California real property (i.e., land, buildings) was transferred to it that was excluded from property tax reassessment under R&TC Section 62(a)(2) and it was not reported on a previous year's tax return? ☐ Yes ☐ No

(Yes requires filing of statement, penalties may apply - see instructions.)

Side Adjustments	1	2	3	4	5	6	7	8	9
1 Net income (loss) before state adjustments. See instructions.	00	00	00	00	00	00	00	00	00
2 Amount deducted for foreign or domestic tax based on income or profits from Schedule A.	00	00	00	00	00	00	00	00	00
3 Amount deducted for tax under the provisions of the Corporation Tax Law from Schedule A.	00	00	00	00	00	00	00	00	00
4 Interest on government obligations	00	00	00	00	00	00	00	00	00
5 Net California capital gain from Side 6, Schedule D, line 11	00	00	00	00	00	00	00	00	00
6 Depreciation and amortization in excess of amount allowed under California law. Attach form FTB 9808.	00	00	00	00	00	00	00	00	00
7 Net income from corporations not included in federal consolidated return. See instructions.	00	00	00	00	00	00	00	00	00
8 Other additions. Attach schedule(s).	00	00	00	00	00	00	00	00	00
9 Total. Add line 1 through line 8.	00	00	00	00	00	00	00	00	00

3601183 Form 100 2018 Side 1

- C Corporation classified LLCs file using Form 100.
- Taxed annually on its earnings at a rate of 8.84% on net income.
- Subject to \$800 minimum tax.
- Members receive profits and losses like C corporation shareholder.



LLC Characteristics

S Corporation Election

TAXABLE YEAR 2018 **California S Corporation Franchise or Income Tax Return** **FORM 100S**

For calendar year 2018 or fiscal year beginning (m/d/yyyy) and ending (m/d/yyyy)

Corporation name California corporation number FEIN

Additional information: See instructions. California Secretary of State file number

Street address (include room no.) PMB no.

City (if the corporation has a foreign address, see instructions) State ZIP code

Foreign country name Foreign province/state/country Foreign postal code

Schedule Q Questions (continued on Side 3)

A. 1. FINAL RETURN? ☐ Dissolved ☐ Surrendered (withdrawn) ☐ Merged/Reorganized ☐ IRC Section 338 sale ☐ OSUB election

Enter date (mm/dd/yyyy)

2. Is the S corporation deferring any income from the disposition of assets? ☐ Yes ☐ No

If "Yes" enter the year of disposition (yyyy)

3. Is the S corporation reporting previously deferred income from: ☐ Installment sale ☐ IRC §1031 ☐ IRC §1033 ☐ Other

B. 1. During this taxable year, did another person or legal entity acquire control or majority ownership (more than a 50% interest) of this corporation or any of its subsidiaries that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ☐ Yes ☐ No

2. During this taxable year, did this corporation or any of its subsidiaries acquire control or majority ownership (more than a 50% interest) in another legal entity that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? ☐ Yes ☐ No

3. During this taxable year, has more than 50% of the voting stock of this corporation cumulatively transferred in one or more transactions after an interest in California real property (i.e., land, buildings) was transferred to it that was excluded from property tax reassessment under Revenue and Taxation Code Section 62(a)(2) and it was not reported on a previous year's tax return? ☐ Yes ☐ No

(Yes requires filing of statement, penalties may apply - see instructions.)

State Adjustments	Amount	Balance
1 Ordinary income (loss) from trade or business activities from Schedule F (Form 100S, Side 4), line 22 or federal Form 1120S, line 21. If Schedule F (Form 100S, Side 4) was not completed, attach federal Form 1120S, page 1, and supporting schedules	1	00
2 Foreign or domestic tax based on income or profits and California franchise or income tax deducted	2	00
3 Interest on government obligations	3	00
4 Net capital gain from Schedule D (100S), Section A & Section B. Attach Schedule D (100S). See instructions.	4	00
5 Depreciation and amortization adjustments. Attach Schedule B (100S)	5	00
6 Portfolio income	6	00
7 Other additions. Attach schedule(s)	7	00
8 Total. Add line 1 through line 7	8	00

3611183 Form 100S 2018 Side 1

- S Corporation classified LLCs file using Form 100S.
- State tax rate of 1.5% on net income. Not subject to federal tax.
- Subject to \$800 minimum tax.
- Members report their share of profit or loss on Form 540 income tax returns whether distributed or not.



Forms of Ownership Information

Franchise Tax Board's Guide to:

Common Forms of Ownership

FTB Publication 1123, *Franchise Tax Board's Guide to Common Forms of Ownership*

Website: www.ftb.ca.gov



STATE OF CALIFORNIA
Franchise Tax Board

Lucius Davis

FTB Small Business Liaison

Telephone

- 916.845.4669

Email

- Lucius.Davis@ftb.ca.gov



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