



# Tax News

April 2020

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## [Special tax relief for taxpayers affected by the COVID-19 pandemic](#)

On March 18, 2020, we announced special tax relief for California taxpayers affected by the COVID-19 pandemic.

## [Subscription services](#)

Get emails on topics that are important to you. Just enter your email address and manage your subscriptions. Besides Tax News, we also offer subscriptions for:

- Press releases
- Public service bulletins
- Law and Legislation
- Board meetings
- Regulation hearings and Interested Parties Meetings
- e-Program news
- Estimated tax payment reminders
- Withholding information

Visit the [Subscription Services](#) webpage to see the full list of available topics and sign up.

## [Helpful tools for tax season](#)

We compiled a list of tools from our website to assist you.

[Customer Service Timeframes](#) – Reports wait times for our contact centers and time frames for processing refunds, payments, tax returns, and correspondence. It includes the wait time for the Tax Practitioner Hotline and MyFTB Secure Chat as well.

[Information Directory \(FTB 1240\)](#) – Provides direct contact numbers to specialists who can help you. There are dedicated telephone lines for liens and the Offer in Compromise group, just to name a few. These numbers have a high level of access, which can save you time. It's important to remember though that each of these business areas work exclusively with certain issues and cannot provide general assistance or account information unrelated to their core function. So, if you have specific questions other than for filing assistance, take a look at our directory to see if we can help you.

[Chat](#) – Bypass the longer phone wait time, chat with our representative and get answers to many of your questions Use MyFTB to chat with us about your clients account. However, if you don't have MyFTB, we can still help you on general chat with forms, our website, and non-confidential tax questions.

[California Tax Forms and Related Federal Forms \(FTB Pub 1006\)](#) – Provides:

- A list of FTB forms and schedules and their federal counterparts

- The ability to cross-reference forms starting with either a California or federal form/schedule number
- Whether a federal form may be used for California purposes
- Forms used by individuals or the different business entities

### [POA/TIA notices coming when revocation is required](#)

Beginning May 2020, when FTB receives information that a taxpayer is deceased, we will revoke any Power of Attorney (POA) declaration or Tax Information Authorization (TIA) that the taxpayer is listed on and we will send a notice.

If your client receives a notice in error, follow the instructions at the bottom of the notice.

Note: POAs and TIAs that were established after a taxpayer's death, with supporting documents, will remain in effect unless otherwise revoked or expired.

### [IRS gig economy webinar](#)

The Internal Revenue Service (IRS) held a [webinar](#) on February 20, 2020, designed to help gig workers, employers, contractors and other businesses understand their tax reporting responsibilities.

The topics covered included:

- What is the gig economy?
- Business expenses and recordkeeping
- Rules for home rentals
- Tax payment options

Visit the [Gig Economy Tax Center](#) on IRS.gov for more information.

### File and pay deadlines extended and contact center hours



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We email Tax News to you at the start of each month, which means this edition should be arriving in your inbox right around April 1st. Given the recent events, my guess is that many of you are reading this right after we sent it instead of waiting until after April 15 as you might have under more normal circumstances. Regardless of when you are reading this, please know that we appreciate the time you take each month to keep up with Tax News.

This month, I want to answer a few of the most common questions we have received so far about the recently extended deadlines to file and pay and also let you know about our contact center hours for the first half of April.

Some of the questions that have come in to us are whether this is a deadline to file and pay, or just a deadline to file. And, whether the extensions apply to C and S corporations as well as other entities such as estates and trusts. The extended deadlines apply to both filing and paying, calendar and fiscal year filers, and to business entities, including C and S corporations as well as estates and trusts. Most importantly, FTB has a [COVID-19](#) webpage which we are updating whenever new information becomes available. This page has a link to the list of all of the available extensions. The IRS also has a [Coronavirus Tax Relief](#) webpage with a lot of good information.

Even though taxpayers are allowed an additional time to file, we are still encouraging those who will be receiving a refund and/or California Earned Income Tax Credit to file as soon as possible because for many taxpayers, a refund can provide vital financial assistance during this difficult time.

Finally, I want to let you know that due to the recent changes in the deadlines for taxpayers to file and pay, our contact centers will not be temporarily extending their hours from April 1 through April 15 as we have done in prior years. To allow for social distancing, the contact center has reduced staffing and business hours. Today through April 17, we are open weekdays 8am until 5pm for the Tax Practitioner Hotline, our Customer Services line, and secure chat. I would also note that Tuesday March 31 is a State Holiday and again, due to the extended California deadlines, our contact centers will be closed.

While we work hard to provide you with several options to contact us, we realize that sometimes the best course of action is simply picking up the phone and calling us. To make this process work better for you, it's always a good idea to check our [Wait Times](#) before calling, to determine the days of the week and times when it's best to call.

I have had the opportunity to spend some time with our contact center staff. It takes a special person to answer calls and respond to chats the entire day. Our contact center staff are committed to providing you with excellent customer service, regardless of the reason for your call or whether you are having a good or bad day. They work long hours helping you and I would like to recognize them for a job well done – thank you!

## All About Business

### Tips for using Pay by bank account (Web Pay) for businesses

Your clients can use Web Pay for free with their checking or savings account. Corporations, Limited liability companies (LLCs), and partnerships use [Web Pay for business](#), while sole proprietorships must use [Web Pay for personal](#). There are several different types of payments and each differ depending on the type of business entity your client has. They can make payments for:

Payment options by business type and form number

| Payment Options                                   | Corporation                     | LLC     | Partnership |
|---|---------------------------------|---------|-------------|
| Original return                                   | 100, 100S,<br>100W,<br>109, 199 | 568     | 565         |
| Payment voucher                                   | 3586                            | 3588*   | 3587        |
| Extension   | 3539                            | 3537*   | 3538        |
| Bill or other balance due                         | Yes                             | Yes     | Yes         |
| Secretary of State (SOS)<br>Certification Penalty | \$250**                         | \$250** |             |
| Amended return                                    | 100X,<br>109, 199               | 568     | 565         |
| Notice of Proposed Assessment<br>(NPA)            | Yes                             | Yes     | Yes         |
| Pending audit tax deposit                         | 3577                            | 3578    | 3579        |
| Annual tax  |                                 | 3522    |             |
| Estimated fee                                     | 100ES                           | 3536    |             |

\*Also used for Nonconsenting Nonresident Member (NCNR) Tax Payment

\*\*The bill will not specify that the penalty is from SOS, but if amount due is \$250 if most likely is.

Note: If your client pays with Web Pay, do not mail in the voucher.

When logging in, the entity type and entity ID must match our recorders in order to use Web Pay. Do not enter dashes and the length of your number should be:

| Corporation    | LLC                  | Partnership          |
|----------------|----------------------|----------------------|
| 7 digit number | 9 or 12 digit number | 9 digit number, FEIN |

Note: On collection bills, 3 zeros (000) are added to the end of your entity ID. Do not add those in Web Pay.

Period beginning and ending dates

For calendar year filers: enter the first day of the taxable year.

For fiscal year filers: enter the beginning month, day and year of your taxable year.

Example: If you just started your business on July 1:

|                 | Calendar Year***  | Fiscal Year   |
|-----------------|-------------------|---------------|
| Starting period | July 1, 2020      | July 1, 2020  |
| Ending period   | December 31, 2020 | June 30, 2021 |

\*\*\*For calendar year filers, you will file a partial year return and a full year return the following year.

Quarterly estimated tax payments

For calendar year filers, quarterly estimated payments are due:

1. April 15
2. June 15
3. September 15
4. December 15

When we start talking about fiscal year versus calendar years, it gets tricky. Go to our publication, [Common Forms of Ownership](#). The publication offers an estimated tax section for each of the different forms of ownership as well as Appendix 3: Quick Reference Chart to get more detailed information.

For this year, the first and second quarterly estimated tax payment due dates have been extended. Visit our [COVID-19](#) webpage for more information.

Double-check

Lastly, always double-check your bank account number and routing number. Web Pay gives you an opportunity to review the request before submitting. We also recommend that your client enters their email address so they will receive an email confirmation that their payment request was received.

## Event Calendar

As part of education and outreach to our tax professional community, we participate in many different presentations and fairs. We provide a [calendar](#) that shows the events we attend, as well as other events happening with us, such as interested party and board meetings.