

Instructions for Form 5805F

Underpayment of Estimated Tax by Farmers and Fishermen

General Information

The instructions provided with California tax forms are a summary of California tax law and are only intended to aid taxpayers in preparing their state income tax returns. We include information that is most useful to the greatest number of taxpayers in the limited space available. It is not possible to include all requirements of the California Revenue and Taxation Code (R&TC) in the tax booklets. Taxpayers should not consider the tax booklets as authoritative law.

The Mental Health Services Act imposes an additional 1% tax on taxable income over \$1,000,000 and is included in the calculation of the estimated tax.

Alternative Minimum Tax (AMT) is included in the calculation of estimated tax.

The underpayment of estimated tax penalty shall not apply to the extent the underpayment of an installment was created or increased by any provision of law that is chaptered during and operative for the taxable year of the underpayment. To request a waiver of underpayment of estimated penalty, follow the directions under General Information E.

A Purpose

Use Part I of form FTB 5805F, Underpayment of Estimated Tax by Farmers and Fishermen, to determine if you, as a farmer or fisherman, paid the required amount of estimated tax. Use Part II to compute your estimate penalty if you did not pay enough estimated tax.

B Qualifications

You are a farmer or fisherman and at least two-thirds of your 2011 or 2012 gross income is from farming or fishing. If you need help determining your gross income, get Federal Publication 505, Tax Withholding and Estimated Tax.

If you determine that you are not a farmer or fisherman, **do not** use this form. Instead, use form FTB 5805, Underpayment of Estimated Tax by Individuals and Fiduciaries, to determine if you owe an estimate penalty.

C Required Estimate Payment

If you are a farmer or fisherman, you are required to make an estimated tax payment of 66 ²/₃% (.6667) of your 2012 tax or 100% of your 2011 tax, whichever is less. If you are a calendar year taxpayer, your payment must be filed and paid by January 15, 2013. If you are a fiscal year taxpayer, your payment must be filed and paid by the 15th day of the 1st month after the close of your taxable year.

When the estimate due date falls on a weekend or holiday, the deadline to file and pay without penalty is extended to the next business day.

D Exceptions to the Penalty

You do not owe a penalty for 2012 if any of the following apply:

1. You file your 2012 tax return and pay the full amount of tax due by March 1, 2013.
2. The tax for 2011, after credits, was less than \$500 (\$250 if married/registered domestic partner (RDP) filing separately) calculated as follows:
 - Form 540, add line 48, line 61, and line 62 less the tax on lump-sum distributions included on line 34 and less line 71, line 73, and line 74.
 - Long Form 540NR, add line 63, line 71, and line 72 less the tax on lump-sum distributions included on line 41 and less line 81, line 83, and line 84.
 - Form 541, line 28 less the tax on lump-sum distributions included on line 21b and less line 29 and line 31.
3. The tax for 2011 (from line 9) is less than \$500 (\$250 if married/RDP filing separately).
4. You had no tax liability for 2011 and your 2011 tax return was for a full 12 months (or would have been if you were required to file). You do not need to have had income in each month.

E Waiver of the Penalty

All or part of the penalty for underpayment may be waived if either of the following apply:

- You underpaid the estimated tax because of a casualty, disaster, or other unusual circumstance and it would be inequitable to impose the penalty.
- In 2011 or 2012, you retired after age 62 or became disabled and your underpayment was due to reasonable cause.

To request a waiver you must do all of the following:

- Complete form FTB 5805F through line 16 without regard to the waiver. Write the amount you want waived in parentheses on the dotted line next to line 17. Subtract this amount from the total penalty you figured without regard to the waiver, and enter the result on line 17.
- Check the box on line 17.
- Below line 17, explain why you are requesting a waiver of the estimate penalty. If you need more space, attach a statement. Be sure to include your name and tax ID no. on each statement you attach.
- Enter the amount, if any, from line 17 on Form 540, line 113; Long Form 540NR, line 123; or Form 541, line 42 and check the box on that line.

F Amended Tax Returns

If you file an amended tax return by the due date of your original tax return, use the amounts shown on your amended tax return to figure your underpayment. If you file an amended tax return after the due date of your original tax return, use the amounts shown on the original tax return.

Exception: If you and your spouse/RDP file a joint tax return after the due date to replace separate tax returns you originally filed by the due date, use the amounts shown on the joint tax return to figure your underpayment. This rule applies only if both original separate tax returns were filed on time.

Important: Even if you do not owe a penalty, do both of the following:

- Attach this form to the back of your Form 540, Long Form 540NR, or Form 541.
- Check the box on Form 540, line 113; Long Form 540NR, line 123; or Form 541, line 42 if you are a farmer or a fisherman. This helps the Franchise Tax Board identify you as a farmer or fisherman and correctly process your tax return.

2012 Underpayment of Estimated Tax Worksheet Keep this worksheet for your records.

- 1 Enter total taxable income from your 2012 Forms 540/540A or Long/Short Form 540NR, line 19, Form 541, line 20 **1** _____
- 2 Forms 540/540A and Form 540NR filers figure the tax on the amount on line 1 using the tax rate schedule below, unless form FTB 3800, Tax Computation for Children with Investment Income, is attached. If form FTB 3800 is attached, complete a second form FTB 3800 using the tax rate schedule below and enter the recalculated amount from the second form FTB 3800, line 18 **2** _____
If form FTB 3803 is attached, complete a second form FTB 3803 using the tax rate schedule below. Add the amount of tax from each Form FTB 3803, line 9, to any tax you entered on line 2.
- 3 Form 541 filers use the single tax rate schedule below.
 - a Figure the tax on the amount on line 1 **3a** _____
 - b Enter the amount from Form 541, line 21b and 21c. **3b** _____
 - c Add line 3a and line 3b, enter the total here and on line 6, below **3c** _____
- 4 **Nonresidents**
 - a Enter your California taxable income, Long/Short 540NR, line 35 **4a** _____
 - b Compute the CA Tax Rate: Tax on total taxable income from line 2 **4b** _____
Total taxable income from line 1
 - c Multiply the amount on line 4a by the CA Tax Rate on line 4b **4c** _____
- 5 Enter the amount from Forms 540/540A, line 32 or Long/Short Form 540 NR, line 39. **5** _____
- 6 **Residents** subtract the amount on line 5 from line 2, **Nonresident** subtract the amount on line 5 from line 4c **6** _____
- 7 Enter the amount from Form 540, line 47, 540A, line 47, Long Form 540NR, line 62, or Short Form 540NR, line 61, Form 541, line 24 (total credits) **7** _____
- 8 Subtract the amounts on line 7 from line 6 **8** _____
- 9 **Alternative Minimum Tax**, Form 540 filers, enter the amount from Sch P, line 24 less line 2, above. Form 540NR filers, enter the amount from Sch P, line 43 less line 4c, above. Form 541 filers, enter the amount from Sch P, Part III, line 8 less line 3a, above. If less than zero, enter zero. **9** _____
- 10 Enter the amount from Forms 540/540A, line 62 or Long Form 540NR, line 72, Form 541, line 27(Mental Health Services Tax) **10** _____
- 11 Add the amounts on line 8, line 9, and line 10. **11** _____
- 12 Enter the amount from Forms 540/540A, line 74 or Long Form 540NR, line 84 (Excess SDI or VPDI)..... **12** _____
- 13 Subtract line 12 from line 11. Enter the amount here and on FTB Form 5805F, Part 1, Line 4. **13** _____

2012 California Tax Rate Schedule for Computing the Underpayment Penalty ONLY

If the amount on line 1 above is over –		But not over –		Enter on line 2		of the amount over –			
\$	0	\$	7,455	\$	0.00	+	1.00%	\$	0.00
	7,455		17,676		74.55	+	2.00%		7,455
	17,676		27,897		278.97	+	4.00%		17,676
	27,897		38,726		687.81	+	6.00%		27,897
	38,726		48,942		1,337.55	+	8.00%		38,726
	48,942		AND OVER		2,154.83	+	9.30%		48,942

Schedule X –
Use if your filing status is
Single or Married/RDP Filing Separately

Schedule Y –
Use if your filing status is
**Married/RDP Filing Jointly or Qualifying
Widow(er) with Dependent Child**

Schedule Z –
Use if your filing status is
Head of Household

\$	0	\$	14,190	\$	0.00	+	1.00%	\$	0.00
	14,910		35,352		149.10	+	2.00%		14,910
	35,352		55,794		557.94	+	4.00%		35,352
	55,794		77,452		1,375.62	+	6.00%		55,794
	77,452		97,884		2,675.10	+	8.00%		77,452
	97,884		AND OVER		4,309.66	+	9.30%		97,884

\$	0	\$	14,920	\$	0.00	+	1.00%	\$	0.00
	14,920		35,351		149.20	+	2.00%		14,920
	35,351		45,571		557.82	+	4.00%		35,351
	45,571		56,400		966.62	+	6.00%		45,571
	56,400		66,628		1,616.36	+	8.00%		56,400
	66,618		AND OVER		2,433.80	+	9.30%		66,618