



## FTB 1150 Withhold at Source Liability and Penalty Information

### Penalties

#### Information Return Penalty

We assess a penalty for failure to file complete, correct, and timely information returns. The penalty is calculated per payee. For information returns filed between 01/01/2016 and 12/31/2019, the penalty is:

- \$30 if filed 1 to 30 days after the due date.
- \$60 if filed 31 days to 6 months after the due date.
- \$100 if filed more than 6 months after the due date.

For information returns filed on or after 01/01/2020, the penalty amount is:

- \$50 if filed 1 to 30 days after the due date.
- \$110 if filed 31 days to 6 months after the due date.
- \$270 if filed more than 6 months after the due date.  
(R&TC Section 19183)

#### Intentional Disregard Penalty

We assess a penalty on any person, including the withholding agent, who intentionally disregards the filing or correct information reporting requirements. For information returns filed before 01/01/2020, the penalty assessment is the greater of \$250 or 10 percent of the required withholding. For information returns filed on or after 1/1/2020, the penalty assessment is the greater of \$550 or 10 percent of the required withholding.  
(R&TC Section 19183 and IRC 6721(e))

#### Nonnotification Liability

We assess a liability when the real estate escrow person fails to provide written notice of the withholding requirements to the buyer. The penalty is the greater of \$500 or 10 percent of the required withholding.  
(R&TC Sections 18662 and 18668)

#### Failure to Withhold and Remit

We assess a liability for not withholding and remitting when required. Any person, including the withholding agent, who fails to remit or under remits withholding is liable for the greater of:

- The amount actually withheld, plus interest.
- The amount of taxes due from the nonresident, but not more than the amount required to be withheld, plus interest. (R&TC Sections 18662 and 18668)

### Interest Rates

#### Interest

We assess interest on withholding late payments at the adjusted annual rate. We compute interest from the due date of the withholding payment to the date paid (R&TC Section 18668). To find current and prior interest rates, go to [ftb.ca.gov](http://ftb.ca.gov) and search for **interest rates**.

#### Rights as a Taxpayer

The California Taxpayers' Bill of Rights ensures that we adequately protect the rights, privacy, and property of all California taxpayers during the process of assessing and collecting taxes. Our goal is to make certain we protect your rights. We want you to have the highest confidence in the integrity, efficiency, and fairness of our state tax system. (R&TC Sections 21001-21028).

FTB 4058C, *California Taxpayers' Bill of Rights, an Overview*, includes information about state taxpayers' rights. To get FTB 4058C, go to [ftb.ca.gov/Forms](http://ftb.ca.gov/Forms) and search for **4058C**, call: 800.338.0505 (enter form code **944** when instructed), or mail: Tax Forms Request MS D120, Franchise Tax Board, PO Box 307, Rancho Cordova CA 95741-0307.

#### Taxpayers' Rights Advocate Review

You may contact the Taxpayers' Rights Advocate if you have an ongoing state income tax problem that you have been unable to resolve through normal channels. Contacting the Taxpayers' Rights Advocate, however, is not an appeal and does not extend the period of time for filing one. You have the right to an independent administrative review if we notify you that we may levy your income or assets, file or record a notice of lien, reject your request for an installment agreement, or terminate your existing installment agreement. You must submit your request for review within 30 days of the date of *Final Notice Before Levy* or within 30 days of the date of the *Notice of State Tax Lien*. (R&TC Sections 19008(e), 19225, and 21015.5) You may contact Executive and Advocate Services for additional information or to submit your request for review. To request an independent administrative review, call: 800.883.5910, by fax: 916.843.6022, or by mail: Executive and Advocate Services MS-A381, PO Box 157, Rancho Cordova, 95741-0157.

To connect with us, go to [ftb.ca.gov](http://ftb.ca.gov), or call 800.852.5711 (within U.S.), 916.845.6500 (outside U.S.), 800.822.6268 (TTY/TDD).