



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
Telephone: 916.845.4210
Fax: 916.843.0422

Request for Estate Income Tax Clearance Certificate

Expedite Request
(\$100 nonrefundable fee – Read side 2)

Please read side 2 before completing this form.

MAIL TO: ESTATE INCOME TAX CLEARANCE CERTIFICATE UNIT MS F320 FRANCHISE TAX BOARD PO BOX 1673 SACRAMENTO CA 95812-1673		Complete and send your request to us at least 30 days before the court hearing on the final account. Allow at least 30 days for a response. Approximate date of court hearing: _____
Estate of	Federal Employer ID. No.	Date of Death
Name of Fiduciary	Area Code and Phone No.	Decedent's Social Security No.
Address of Fiduciary (Number and Street)		Probate No.
City or Town, State, and ZIP Code		County of Probate
Name of Attorney		Area Code and Phone No.
Address of Attorney (Number and Street)		Mail Tax Clearance Certificate to:
City or Town, State, and ZIP Code		<input type="checkbox"/> Attorney <input type="checkbox"/> Fiduciary

Answer "yes" or "no" to these questions and furnish the required documents.

1. Did the decedent reside in the State of California on the date of death? _____
2. Did probate begin in any other state? _____
3. Did fair market value of the estate's assets on the date of death exceed \$1 million? _____ (If no, you do not need an Estate Income Tax Clearance Certificate. See Certificate Filing Requirements on side 2.) (If yes, attach a copy of IRS Form 706, if required for federal.)
4. Will probate assets exceeding \$250,000 be distributed to nonresident beneficiaries? _____ (If no, you do not need an Estate Income Tax Clearance Certificate. See Certificate Filing Requirements on side 2.)
5. Did preliminary distribution begin? _____ (If yes, furnish a copy of the court order authorizing the distribution.)

Declaration – California Returns Filed for Decedent and Estate

Complete this section and include the four taxable years preceding the date of this request.

Decedent

California Individual Income Tax Returns (Form 540, 540A, 540 2EZ, or 540NR - Long or Short Form) filed by or on behalf of the decedent for the following years: _____, _____, _____, and _____.

Explain in full if the returns for any of the above years were not filed: _____

Estate

California Fiduciary Income Tax Return (Form 541) filed for the following years: _____, _____, _____, and _____.

Explain in full if fiduciary returns were not filed for any of the last four years the estate existed: _____

I declare, under penalties of perjury, the information above is true to the best of my knowledge and belief.

Signature of fiduciary or representative Title Date

General Information

For certain estates, the law prohibits the probate court from allowing the final account of the fiduciary, unless the Franchise Tax Board certifies that you paid or secured all taxes as required by law. (Revenue and Taxation Code (R&TC) Section 19513)

In order to obtain an Estate Income Tax Clearance Certificate (Form 2571), you must meet the requirements and pay all accrued taxes of the decedent and the estate. We may also require estimated tax payments by cashier's check, personal check, or money order to secure the payment of any taxes which may later become payable.

Once all requirements are met and you complete and submit your request, we will issue the certificate to the fiduciary or representative designated on the application. **It is your responsibility to file the certificate with the probate court.**

If necessary, we will request a copy of the final account of the fiduciary.

Once we issue the Estate Income Tax Clearance Certificate, it is valid only to the date entered on the certificate. We will issue a new certificate extending the expiration date when a Fiduciary Return (Form 541) is filed for each successive year and the tax for that year, if any, is paid.

Estate Income Tax Clearance Certificate – Filing Requirements

We issue an Estate Income Tax Clearance Certificate if an estate meets **both** requirements:

1. The estate's fair market value of all assets exceeds \$1 million on the date of death, and
2. The estate distributes assets exceeding \$250,000 (fair market value) to nonresident beneficiaries.

Requirement # 1 – To determine if the estate meets the first requirement:

- For California resident decedents - Include the fair market value of all assets, wherever located.
- For nonresident decedents - Include **only** the fair market value of assets located in California.

Requirement # 2 – To determine if the estate meets the second requirement, we consider:

- The residence of an individual.
- The residence of an organization.

Tax Return Filing Requirements

A. Personal Income Tax Return

Filing requirements for personal income tax returns are in the applicable instructions for the California Individual Income Tax Returns (Form 540, 540A, 540 2EZ, and 540NR-Long or Short Form).

Compute the personal income tax return for the fractional part of the year before death or on the basis of the decedent's method of accounting. You cannot include income and deductions for expenses, interest, taxes, and depletion accrued solely by reason of death for the period the death occurred. Include those items in the return of the estate or beneficiary, upon receipt or payment.

If not previously filed, mark the decedent's final personal income tax return "**FINAL**" at the top of the return in block letters and then file the return.

In addition, furnish copies of the first two pages of any other returns filed for the decedent or the estate within the last six months. Write "**COPY – DO NOT PROCESS**" in bold letters on the face of each copy.

B. Final Fiduciary Return

We require the estate to file a California Fiduciary Income Tax Return (Form 541) and properly report the income distribution. Income earned by the estate in the final year that its assets are distributed pursuant to a decree of final distribution is taxable to the beneficiaries.

File a Form 541 for the year the estate closes, if you meet the filing requirements. Also, file Form 541 to establish any excess deductions allowed to beneficiaries in the final year.

Effect of the Estate Income Tax Clearance Certificate and Continuing Liability of the Fiduciary

The Estate Income Tax Clearance Certificate we issue under R&TC Section 19513 does not relieve the estate of liability for any taxes due or taxes that later become due from the decedent or the estate. The certificate neither relieves the fiduciary of the personal liability for taxes nor other expenses as imposed by R&TC Section 19516.

Withholding Requirement

We may require fiduciaries to withhold tax on California source income distributed to nonresident beneficiaries. For information on withholding requirements, call 888.792.4900 or go to **ftb.ca.gov** and search for **withholding**.

Where to Send Your Request

Fax your request and required documents to 916.843.0422 or mail to:

ESTATE INCOME TAX CLEARANCE
CERTIFICATE UNIT MS F320
FRANCHISE TAX BOARD
PO BOX 1673
SACRAMENTO CA 95812-1673

For more information, call 916.845.4210.

Expedite Request for Estate Income Tax Clearance Certificate (R&TC Section 19591)

We charge a nonrefundable \$100 specialized service fee to expedite your request. The fee is due and payable when you submit the request and **must be paid separately** by certified funds:

- Pay by cashier's check or money order only.
- Write "Special Tax Service Fee" on your payment.

To expedite your request, submit Form 3571, along with all necessary documentation, and payment via overnight private mail service to:

ESTATE INCOME TAX CLEARANCE UNIT MS F320
FRANCHISE TAX BOARD
SACRAMENTO CA 95827

Internet and Telephone Assistance

Website: **ftb.ca.gov**

Phone: 800.852.5711 from within the United States
916.845.6500 from outside the United States (not toll-free)

TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

FRANCHISE TAX BOARD PRIVACY NOTICE

Get FTB 1131, *Franchise Tax Board Privacy Notice*, at **ftb.ca.gov** or call us at 800.338.0505. If outside the United States, call 916.845.6500 (not toll-free).