

# 2015 Real Estate Withholding Certificate

# 593-C

**Part I – Seller or Transferor**
**Return this form to your escrow company.**

Name		SSN or ITIN	
Spouse's/RDP's name (if jointly owned)		Spouse's/RDP's SSN or ITIN (if jointly owned)	
Address (apt./ste., room, PO Box, or PMB no.)		<input type="checkbox"/> FEIN <input type="checkbox"/> CA Corp no. <input type="checkbox"/> CA SOS file no.	
City (If you have a foreign address, see instructions.)	State	ZIP Code	Ownership percentage %
Property address (if no street address, provide parcel number and county)			

To determine whether you qualify for a full or partial withholding exemption, check all boxes that apply to the property being sold or transferred. (See instructions)

**Part II – Certifications which fully exempt the sale from withholding:**

1.  The property qualifies as the seller's or transferor's (or decedent's, if sold by the decedent's estate or trust) principal residence within the meaning of Internal Revenue Code (IRC) Section 121.
2.  The seller or transferor (or decedent, if sold by the decedent's estate or trust) last used the property as the seller's or transferor's (decedent's) principal residence within the meaning of IRC Section 121 without regard to the two-year time period.
3.  The seller or transferor has a loss or zero gain for California income tax purposes on this sale. To check this box you must complete Form 593-E, Real Estate Withholding-Computation of Estimated Gain or Loss, and have a loss or zero gain on line 16.
4.  The property is being compulsorily or involuntarily converted and the seller or transferor intends to acquire property that is similar or related in service or use to qualify for nonrecognition of gain for California income tax purposes under IRC Section 1033.
5.  The transfer qualifies for nonrecognition treatment under IRC Section 351 (transfer to a corporation controlled by the transferor) or IRC Section 721 (contribution to a partnership in exchange for a partnership interest).
6.  The seller or transferor is a corporation (or a limited liability company (LLC) classified as a corporation for federal and California income tax purposes) that is either qualified through the California Secretary of State (SOS) or has a permanent place of business in California.
7.  The seller or transferor is a California partnership or a partnership qualified to do business in California (or an LLC that is classified as a partnership for federal and California income tax purposes and is not a single member LLC that is disregarded for federal and California income tax purposes).
8.  The seller or transferor is a tax-exempt entity under California or federal law.
9.  The seller or transferor is an insurance company, individual retirement account, qualified pension/profit sharing plan, or charitable remainder trust.

**Part III – Certifications that may partially or fully exempt the sale from withholding:**

**Real Estate Escrow Person (REEP):** See instructions for amounts to withhold.

10.  The transfer qualifies as a simultaneous like-kind exchange within the meaning of IRC Section 1031.
11.  The transfer qualifies as a deferred like-kind exchange within the meaning of IRC Section 1031.
12.  The transfer of this property is an installment sale where the buyer is required to withhold on the principal portion of each installment payment. Copies of Form 593-I, Real Estate Withholding Installment Sale Acknowledgement, and the promissory note are attached.

**Seller or Transferor Signature**

Under penalties of perjury, I hereby certify that the information provided above is, to the best of my knowledge, true and correct. If conditions change, I will promptly inform the withholding agent. I understand that I must retain this form in my records for 5 years and that the Franchise Tax Board may review relevant escrow documents to ensure withholding compliance. Completing this form does **not** exempt me from filing a California income or franchise tax return to report this sale.

Seller's/Transferor's Name and Title \_\_\_\_\_ Seller's/Transferor's Signature \_\_\_\_\_ Date \_\_\_\_\_

Spouse's/RDP's Name \_\_\_\_\_ Spouse's/RDP's Signature \_\_\_\_\_ Date \_\_\_\_\_

**Seller** If you checked any box in Part II, you are exempt from real estate withholding.

**or** If you checked any box in Part III, you may qualify for a partial or complete withholding exemption.

**Transferor**

Except as to an installment sale, if the seller or transferor did not check any box in Part II or Part III of Form 593-C, the withholding will be  $\frac{3}{100}$  (.0333) of the total sales price or the optional gain on sale withholding amount from line 5 of the certified Form 593, Real Estate Withholding Tax Statement. If the seller or transferor does not return the completed Form 593 and Form 593-C by the close of escrow, the withholding will be  $\frac{3}{100}$  (.0333) of the total sales price, unless the type of transaction is an installment sale. If the transaction is an installment sale, the withholding will be  $\frac{3}{100}$  (.0333) of the first installment payment.

If you are withheld upon, the withholding agent should give you one copy of Form 593. Attach a copy to the lower front of your California income tax return and make a copy for your records.