

Associated Students of CSU, Chico
PAYEE DATA RECORD
(REV 4-2015)

ARE YOU A RESIDENT OR NONRESIDENT?

Each corporation, individual/sole proprietor, partnership, estate or trust doing business with the Associated Students of CSU, Chico, must indicate their residency status along with their taxpayer identification number.

A **corporation** will be considered a "resident" of California if it has a permanent place of business in California. The corporation has a permanent place of business in California if it is organized and existing under the laws of this state or, if a foreign corporation has qualified to transact intrastate business. A corporation that has not qualified to transact intrastate business (e.g., a corporation engaged exclusively in interstate commerce) will be considered as having a permanent place of business in this state only if it maintains a permanent office in this state that is permanently staffed by its employees.

For **individuals/sole proprietors**, the term "resident" of California includes every individual who is in California for other than a temporary or transitory purpose and any individual domiciled in California who is absent for a temporary or transitory purpose. Generally, an individual who comes to California for a purpose, which will extend over a long or indefinite period, will be considered a resident. However, an individual who comes to perform a particular contract of short duration will be considered a California nonresident.

For withholding purposes, a **partnership** is considered a California resident partnership if it has a permanent place of business in California. An estate is considered a California estate if the decedent was a California resident at the time of death. A trust is considered a California trust if at least one trustee is a California resident.

More information on California residency status can be obtained by calling the Franchise Tax Board at the numbers listed below:

From within the United States, call 1-800-852-5711
From outside the United States, call 1-916-845-6500
For hearing impaired with TDD, call 1-800-822-6268
Website - www.ftb.ca.gov

ARE YOU SUBJECT TO NONRESIDENT WITHHOLDING?

Payments made to California nonresident payees, including corporations, individuals, partnerships, estates and trusts, are subject to withholding. California nonresident payees performing services in California or receiving rent, lease or royalty payments from property (real or personal) located in California will have 7% of their total payments withheld for state income taxes. However, no withholding is required if total payments to the payee are \$1500 or less for the calendar year.

A California nonresident payee may request that income taxes be withheld at a lower rate or waived by sending a completed form FTB 588 to the FTB address below. A waiver will generally be granted when a payee has a history of filing California returns and making timely estimated payments. If the payee activity is carried on outside of California or partially outside of California, a waiver or reduced withholding rate may be granted. For more information, contact:

Franchise Tax Board
Nonresident Withholding Section
Attention: State Agency Withholding Coordinator
P.O. Box 651 Sacramento, CA 95812-0651
Telephone: (916) 845-4900 FAX: (916) 845-4831

If a reduced rate of withholding or waiver has been authorized by the Franchise Tax Board, attach a copy to this form.

Section IV – W-9 Certification

You must cross out item 3 on the certification if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 1 does not apply. For further instructions and information please refer to IRS Form W-9.

FOREIGN CITIZENS and FOREIGN BUSINESSES

Federal tax withholding regulations differ significantly from California tax withholding requirements. A tax analysis consultation and additional forms must be completed before a payment can be released.

PRIVACY STATEMENT

Section 7(b) of the Privacy Act of 1974 (Public Law 93-5791) requires that any federal, state, or local governmental agency which requests an individual to disclose his social security account number shall inform that individual whether that disclosure is mandatory or voluntary, by which statutory or other authority such number is solicited, and what uses will be made of it.

The State of California requires that all parties entering into business transactions that may lead to payment(s) from the State must provide their Taxpayer Identification Number (TIN) as required by the State Revenue and Taxation Code, Section 18646 to facilitate tax compliance enforcement activities and to facilitate the preparation of Form 1099 and other information returns as required by the Internal Revenue Code, Section 6109(a). The TIN for individual and sole proprietorships is the Social Security Number (SSN).

It is mandatory to furnish the information requested. Federal law requires that payments for which the requested information is not provided be subject to a 28% withholding and state law imposes noncompliance penalties of up to \$20,000.

You have the right to access records containing your personal information, such as your SSN. To exercise that right, please contact the business services unit or the accounts payable unit of the agency (ies) with which you transact that business.

Please call the Department of Finance, Fiscal Systems and Consulting Unit at (916) 324-0385 if you have any questions regarding this Privacy Statement. Questions related to residency or withholding should be referred to the FTB telephone numbers listed above; all other questions should be referred to the requesting agency.