

# california real estate **WITHHOLDING FORMS**

## **FORM 593:**

### **Real Estate Withholding Tax Statement**

*Use to report withholding on real estate sales or transfers, or to certify you are using the optional gain on sale withholding calculation method.*

#### **for SELLERS...**

- If you do not qualify for an exemption, withholding is required. You must complete the seller information on Form 593 and provide it to your REEP.
- If you choose to use the optional gain on sale withholding calculation method:
  1. Notify the REEP of the withholding amount.
  2. Sign Form 593.

#### **for QI/REEP/BUYERS...**

- Verify Form 593 is signed if the seller chooses the optional gain on sale withholding calculation method.
- Submit Form 593, Form 593-V, and Form 593-I (if applicable) to FTB within 20 days following the end of the month in which the sale occurred.
- Provide the seller with a copy of the completed Form 593.
- Keep a copy of all real estate withholding forms for 5 years.

## **FORM 593-I:**

### **Real Estate Withholding Installment Sale Acknowledgment**

*Use to acknowledge the buyer's/transferee's requirement to withhold on the principal portion of each installment payment to the seller/transferor for the sale of California real property.*

#### **for BUYERS...**

- If you enter into an installment agreement with the seller, complete and sign Form 593-I and return it to the REEP. Include a copy of the promissory note.
- Keep a copy of Form 593-I. You need the information to complete withholding on future installment payments.

#### **for QI/REEP/BUYERS...**

- Submit Form 593, Form 593-V, and Form 593-I (if applicable) to FTB within 20 days following the end of the month in which the sale occurred.

## **FORM 593-C:**

### **Real Estate Withholding Certificate**

*Use to certify that you qualify for a full or partial withholding exemption.*

#### **for SELLERS...**

- If you qualify for an exemption, complete, sign, and return Form 593-C to your REEP before the close of escrow.

#### **for QI/REEP/BUYERS...**

- Verify you received a completed, signed Form 593-C before the close of escrow.
- Keep a copy of Form 593-C for 5 years.

## **FORM 593-V:**

### **Payment Voucher for Real Estate Withholding**

*Use to remit withholding payments on real estate sales or transfers.*

#### **for QI/REEP/BUYERS...**

- Submit Form 593, Form 593-V, and Form 593-I (if applicable) to FTB within 20 days following the end of the month in which the sale occurred.

## **FORM 593-E:**

### **Real Estate Withholding Computation of Estimated Gain or Loss** *Use to calculate whether you have a gain, loss or zero gain on the real estate sale.*

#### **for SELLERS...**

- If you calculate a loss or zero gain on the sale, you can claim an exemption from withholding using Form 593-C. (See Required Action for Form 593-C.)
- If you calculate a gain on the sale, you may choose to use the optional gain on sale withholding calculation instead of the total sales price method.
- Sign and keep a copy of Form 593-E for 5 years.

