San Diego State University Research Foundation
Flowchart for California Income Tax Withholding Payments to Individuals & Vendors Located Outside the State of California

1. Is the recipient an employee?  
   Yes: Stop here. Complete SDSURF "Temporary Employee Appointment Form" and refer to Human Resources.  
   No:  

3. Is the item purchased tangible property (goods)?  
   Yes: Stop here. Refer to "Flowchart for California Use Tax." (No California non-resident withholding required).  
   No:  

5. Does the individual or vendor have a California street address? (Not just a California P O Box.)  
   Yes: No California nonresident withholding required.  
   No:  

7. Will the services be rendered in California?  
   Yes:  

8. Is it anticipated that SDSURF will pay the recipient more than $1,500 during the calendar year?  
   Yes:  

9. Have we received FTB withholding waiver forms 588 or 590?  
   Yes:  

10. Is the payee an individual (not a corporation, LLC or partnership)?  
    Yes:  

11. Is the corporation, LLC or partnership qualified to do business in the State by the Secretary of State? (Note: If a corporation, LLC or partnership is qualified to do business in California, it will have an identification number that is used on its California Franchise Tax Returns)  
    Yes:  

12. Does the individual have a Social Security Number?  
    Yes:  

13. The payment is subject to backup withholding (7% California and 30% Federal) until a valid identification number is received. Advise recipient to contact the Social Security Administration and/or supply us with other proof of Social Security number.  
    Yes:  

14. Does the Social Security number begin with "999" or do you have any reason to believe it is not genuine?  
    Yes:  

15. Withhold 7% California Tax. Advise recipient to contact the California Franchise Tax Board (FTB) to obtain a waiver.  
    No:  

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PRIOR COPIES OF THIS FLOWCHART SHOULD NOT BE USED