

2008 California Adjustments – Residents

CA (540)

Important: Attach this schedule behind Form 540, Side 2 as a supporting California schedule.

Name(s) as shown on return

SSN or ITIN

Part I Income Adjustment Schedule

Section A – Income

	A	B	C
	Federal Amounts (taxable amounts from your federal return)	Subtractions See instructions	Additions See instructions
7 Wages, salaries, tips, etc. See instructions before making an entry in column B or C	7		
8 Taxable interest income	8		
9 Ordinary dividends. See instructions. (b)	9(a)		
10 Taxable refunds, state and local income taxes	10		
11 Alimony received			
12 Business income			
13 Capital gain or (loss)			
14 Other gains or (losses)			
15 Total IRA distributions			
16 Total pensions and annuities			
17 Rental real estate income			
18 Farm income or (loss)			
19 Unemployment compensation			
20 Social security benefits			
21 Other income:			
a California local income taxes			
b Disaster loss deduction			
c Federal NOL carryover			
d NOL carryover			
22 Total. Combine column B and C			

For all California Employees of Galen, MedAmerica, and MBSI, your W-2 Wage and Tax Statement has been updated for any Health Savings Account deductions. Box 16 of your W-2 shows the taxable income that you should input on Line 12 of your CA (540) tax form. There are no other adjustments needed and no need to complete the Schedule CA (540) form for the Health Savings Account. (If you have other adjustments, you may still need to complete this CA (540) form.

For all Partners of California Emergency Physicians who are California residents, you still need to complete Form CA (540) as shown below. You'll need to place the amount of your HSA contribution onto line 25A and 25B. (Even though column B states "Subtractions", it will end up being added back to your taxable income.

Section B – Adjustments to Income

23 Educator expenses	23		
24 Certain business expenses of reservists, performing artists, and fee-basis government officials	24		
25 Health savings account deduction	25	2,900	2,900
26 Moving expenses	26		
27 One-half of self-employment tax	27		
28 Self-employed SEP, SIMPLE, and qualified plans	28		
29 Self-employed health insurance deduction	29		
30 Penalty on early withdrawal of savings	30		
31a Alimony paid. (b) Recipient's: SSN _____ - _____			
Last name _____	31a		
32 IRA deduction	32		
33 Student loan interest deduction	33		
34 Tuition and fees deduction	34		
35 Domestic production activities deduction	35		
36 Add line 23 through line 31a and line 32 through line 35 in columns A, B, and C. See instructions	36		
37 Total. Subtract line 36 from line 22 in columns A, B, and C. See instructions	37		