



## Up-to-date information affecting your tax return

Visit our Web site for the tax law changes or forms corrections that occurred after the forms and instructions were finalized (see *Need help?*).

## Contents of this form

Form CT-1 contains both changes for the current tax year and general instructional information, serving as a supplement to corporation tax instructions.

This form contains information on the following topics:

- Changes for the current tax year (non-legislative and legislative)
- Business information (how to enter and update)
- Entry formats
  - Dates
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  - Percentages
  - Whole dollar amounts
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## Changes for 2012

### Non-legislative changes

**Form CT-186-EZ, *Telecommunications Tax Return – Short Form*, discontinued** — For calendar years beginning in 2012, every provider of telecommunication services subject to Tax Law Article 9 must now file Form CT-186-E, *Telecommunications Tax Return*, to report the tax due under section 186-e.

**Form CT-400 no longer mailed to you** — The Tax Department no longer preprints and mails Form CT-400, *Estimated Tax for Corporations*. In most cases, you must Web File Form CT-400 (see *Web File*); however, it is also available on our Web site (see *Need help?*). Each May, an updated Form CT-400 will be made available online.

## Legislative changes

### Articles 9, 9-A, 32, and 33

#### Chapter 59, Laws of 2012

**E-filing and e-payment mandate changes** — The sunset date for the revised provisions established under section 23 of Part U of Chapter 61 of the Laws of 2011 for tax preparers was extended through December 31, 2013.

In addition to the extension of the mandate, the new law changed several provisions of the revised e-file mandate. These changes are summarized below.

- For tax years beginning on or after January 1, 2012, and before January 1, 2014, the e-file mandate threshold for tax preparers who become subject to the mandate for the first time was changed. A tax preparer who prepares tax documents for more than 10 different taxpayers during any calendar year, and in a succeeding year prepares one or more authorized returns using tax software, must e-file all authorized tax documents in that succeeding tax year and each tax year thereafter.
- The tax preparer e-file mandate was previously based on the number of authorized tax documents prepared by a tax preparer using tax software. Tax preparers that met the prior e-file mandate requirement by preparing more than five authorized tax documents in a previous year are still required to e-file all authorized tax documents in succeeding tax years if they prepare one or more returns using tax software.
- Effective March 30, 2012, the definition of an *authorized tax document* was changed to **exclude** any return or report that includes one or more tax documents that cannot be e-filed.

For the most up-to-date information on the e-file mandate for tax preparers, visit our Web site (see *Need help?*).

### Article 9

#### Chapter 59, Laws of 2012

**Biofuel production credit extended** — This credit, previously scheduled to expire December 31, 2012, was extended through tax years beginning before January 1, 2020. For more information on this credit, see Form CT-243, *Claim for Biofuel Production Credit*, and its instructions.

### Article 9-A

#### Chapter 56, Laws of 2011

**Empire State Jobs Retention Program** — This program was established to create financial incentives to retain strategic businesses and jobs that are at risk of leaving the state due to the impact on business operations of an event (such as a natural disaster) leading to an emergency declaration by the governor. The program offers qualifying businesses a tax credit based on a percentage of the gross wages paid for retained jobs that otherwise would have been impacted by the event. For more information, see TSB-M-12(3)C, *Summary of Corporation Tax Changes Enacted in Extraordinary Legislative Session*.

**New York Youth Works Tax Credit Program** — This program (administered by the NYS Department of Labor) was established to provide tax incentives to qualified businesses employing at-risk youths in full-time and part-time positions in 2012 and 2013. For more information, see TSB-M-12(5)C, (4)I, *Legislative Amendments to the New York Youth Works Tax Credit Program*.

**Tax rates for qualified New York manufacturers who are considered eligible** — For tax years beginning on or after

January 1, 2012, and before January 1, 2015, tax rates were reduced for those qualified manufacturers who are considered **eligible**. The reduced rates are as follows:

- 3.25% on the entire net income (ENI) base
- 0.75% on the minimum taxable income (MTI) base
- 50% of the fixed dollar minimum tax that is set in the law for other Article 9-A taxpayers

The Tax Department established guidelines and criteria to determine if a qualified New York manufacturer (as currently defined in the Tax Law) meets the requirements to be considered an **eligible** qualified New York manufacturer. For more information, visit our Web site.

## Chapter 59, Laws of 2012

**Biofuel production credit extended** — This credit, previously scheduled to expire December 31, 2012, was extended through tax years beginning before January 1, 2020. For more information on this credit, see Form CT-243, *Claim for Biofuel Production Credit*, and its instructions.

**New York State Low-Income Housing Tax Credit Program** — This program (administered by the NYS Division of Housing and Community Renewal) was established in 2000 to promote the construction and rehabilitation of low-income housing in New York State. The credit is similar to the federal low-income housing credit.

Effective March 30, 2012, the Public Housing Law was amended to increase the statewide aggregate dollar amount of low-income housing tax credits that may be used for qualifying low-income housing projects from \$32 million to \$40 million. Additionally, effective April 1, 2013, the statewide aggregate dollar amount of low-income housing tax credits that may be used for qualifying low-income housing projects will be increased from \$40 million to \$48 million.

**Empire State commercial production credit extended** — This credit, previously scheduled to expire December 31, 2011, was extended through tax years beginning before January 1, 2015. For more information on this credit, see the NYS Governor's Office for Motion Picture and Television Development Web site and Form CT-246, *Claim for Empire State Commercial Production Credit*.

**Transitional provisions for the federal Gramm-Leach-Bliley (GLB) Act extended** — The transitional provisions for financial holding companies contained in Tax Law, Article 32, section 1452(m), previously scheduled to expire for tax years beginning on or after January 1, 2013, were extended and now expire for tax years beginning on or after January 1, 2015. The combined reporting requirements of the transitional provisions contained in Tax Law, Article 32, section 1462(f)(2) (iv) were also extended for the same two-year period. However, effective March 30, 2012, only corporations that meet the definition of a banking corporation in Tax Law, Article 32, section 1452(a) during the tax year will be allowed to remain an Article 32 taxpayer under the transitional provisions. For more information, see TSB-M-02(1)C, *Summary of Legislative Changes Enacted in 2001*, page 6 and TSB-M-08(1)C, *Summary of Corporation Tax Legislative Changes Enacted in 2007 and Expiring Tax Law Provisions*, page 7.

## Chapter 109, Laws of 2012

**Beer production credit** — Effective April 1, 2012, for tax years beginning on or after January 1, 2012, there is a credit for beer produced in New York State (NYS). To qualify, a taxpayer must be a registered distributor under Tax Law Article 18 (taxes on alcoholic beverages) and produce 60 million or fewer gallons of beer in NYS in the tax year for which the credit is claimed.

For more information, see TSB-M-12(8)C, (7)I, *Beer Production Credit*, and Form CT-636, *Beer Production Credit*, and its instructions.

## Chapter 268, Laws of 2012

**Empire State film post-production credit** — Effective July 24, 2012, the qualified post-production costs allowed were increased from 10% to 30% for costs incurred for work done in the Metropolitan Commuter Transportation District (MCTD) and 35% for costs incurred elsewhere in the state.

For more information, visit Empire State Development's Web site at [www.empire.state.ny.us](http://www.empire.state.ny.us).

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## Article 32

### Chapter 56, Laws of 2011

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### Chapter 59, Laws of 2012

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## Article 33

### Chapter 56, Laws of 2011

**Empire State Jobs Retention Program** — This program was established to create financial incentives to retain strategic businesses and jobs that are at risk of leaving the state due to the impact on business operations of an event (such as a natural disaster) leading to an emergency declaration by the governor. The program offers qualifying businesses a tax credit based on a percentage of the gross wages paid for retained jobs that otherwise would have been impacted by the event. For more

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## Chapter 59, Laws of 2012

### New York State Low-Income Housing Tax Credit Program —

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## How to fill out your tax return

### Business information

Enter the corporation's business information at the top of the first page. Be sure to enter the corporation's mailing name if different from its legal name.

If you need to update your corporation tax address or phone information, you can do so online. Visit our Web site (see *Need help?*) and look for the change my address option. Otherwise, enter your new address and/or phone number in the appropriate area of your return and mark an **X** in the box under the address. Do not mark an **X** in this box if your address and/or phone number is new since your last filing but was already updated online, or for any change of business information other than your address and/or phone number. Once your corporation tax information is updated online, you do not need to indicate a change of address on any corporation tax forms submitted to the Tax Department (or for any forms for tax types you select to be updated in addition to corporation tax).

If you prefer to change your address by form, use Form DTF-96, *Report of Address Change for Business Tax Accounts*. You must report other changes (such as business name or ID number) on Form DTF-95, *Business Tax Account Update*. You can get these forms from our Web site or by phone (see *Need help?*).

### Entry formats

**Entering dates** — Unless you are specifically directed to use a different format, enter dates in the *mm-dd-yy* format (using dashes and not slashes).

**Negative amounts** — Show any negative amounts with a minus (-) sign.

**Percentages** — When computing percentages, convert decimals into percentages by moving the decimal point two spaces to the right. Round percentages to four decimal places.

**Example:**  $5,000/7,500 = 0.6666666 = 6.6667\%$ .

**Whole dollar amounts** — You may elect to show amounts in whole dollars rather than in dollars and cents. Round any amount from 50 cents through 99 cents to the next higher dollar. Round any amount less than 50 cents to the next lower dollar.

## Are you claiming an overpayment?

If you are claiming an overpayment, mark an **X** in the overpayment box on page 1 of your return to the right of your EIN and file number. The chart below identifies the overpayment line on any particular New York State corporation tax return.

Form	Line number	Form	Line number
CT-3	94	CT-33-M	23
CT-3-A	95	CT-33-NL	16
CT-3M/4M	13	CT-183	12
CT-3-S	47	CT-183-M	12
CT-4	44	CT-184	15
CT-13	23	CT-184-M	13
CT-32	16	CT-185	14
CT-32-A	18	CT-186	16
CT-32-M	15	CT-186-E	13b
CT-32-S	21	CT-186-M	17
CT-33	22	CT-186-P	18
CT-33-A	27	CT-186-P/M	15
CT-33-C	20	CT-245	7

## Third-party designee

If you want to authorize another person (third-party designee) to discuss this tax return with the New York State Tax Department, mark an **X** in the Yes box in the *Third-party designee* area of your return. Also **print** the designee's name, phone number, and any five-digit number the designee chooses as his or her personal identification number (PIN). If you want to authorize the paid preparer who signed your return to discuss the return with the Tax Department, **print** the preparer's name in the space for the designee's name and enter the preparer's phone number in the space for the designee's phone number. You do not have to provide the other information requested. If you do not want to authorize another person, mark an **X** in the *No* box.

If you mark the Yes box, you are authorizing the Tax Department to discuss with the designee any questions that may arise during the processing of your return. You are also authorizing the designee to:

- give the Tax Department any information that is missing from your return;
- call the Tax Department for information about the processing of your return or the status of your refund or payment(s); and
- respond to certain Tax Department notices that you shared with the designee about math errors, offsets, and return preparation. The notices will not be sent to the designee.

You are not authorizing the designee to receive your refund, bind you to anything (including any additional tax liability), or otherwise represent you before the Tax Department. If you want the designee to perform those services for you, you must file Form POA-1, *Power of Attorney*, making that designation with the Tax Department. Copies of statutory tax notices or documents (such as a *Notice of Deficiency*) will only be sent to your designee if you file Form POA-1.

You cannot change the PIN. The authorization will automatically end on the due date (without regard to extensions) for filing your next year's tax return.

## Paid preparer identification numbers

New York State Tax Law requires certain paid tax return preparers and facilitators of refund anticipation loans (RALs) and refund anticipation checks (RACs) to register electronically with the Tax Department. When completing the paid preparer section, you must enter your New York tax preparer registration identification number (NYTPRIN) if you are required to have one. (Information on the New York State Tax Preparer Registration Program is available on



our Web site (see *Need help?*.) In addition, you must enter your federal preparer tax identification number (PTIN) if you have one; if not, you must enter your social security number (SSN). (PTIN information is available at [www.irs.gov](http://www.irs.gov).)

**Important reminder to file a complete return:** You must complete all required schedules and forms that make up your return, and include **all pages** of those forms and schedules when you file. Returns that are missing required pages or that have pages with missing entries are considered incomplete and cannot be processed, and may subject taxpayers to penalty and interest.

## Is your return in processible form?

Returns must be prepared in a manner that will permit their routine handling and processing and include all pages. We will not pay interest on an overpayment of taxes until a return is in a processible form which includes a required signature.

## Use of reproduced and computerized forms

Photocopies of returns are acceptable if they are of good quality and have an original signature in the proper place. We will accept computer-produced corporation tax returns if they meet our printing specifications. For more information, see Publication 76, *Specifications for Reproduction of New York State Corporation Tax Forms*.

## General information

### Electronic filing and electronic payment mandate

Certain tax preparers using tax software to prepare tax documents, and certain taxpayers preparing their own tax documents using tax software, must, for the applicable calendar year and all succeeding calendar years, e-file all documents authorized by the Commissioner to be e-filed. Any tax liability or other amount due required to be paid with a tax document that must be e-filed may also be required by the Commissioner to be e-paid. Where e-pay is required, payment must be made via electronic means.

### Web File

You can Web File Form CT-400, *Estimated Tax for Corporations*, on our Web site (see *Need help?*). You'll need to create an *Online Services* account or log into your existing one, and select the corporation tax estimated payment option.

You can also Web File the following extension requests:

- Form CT-5, *Request for Six-Month Extension to File (for franchise/business taxes, MTA surcharge, or both)*
- Form CT-5.3, *Request for Six-Month Extension to File (for combined franchise tax return, or combined MTA surcharge return, or both)*
- Form CT-5.4, *Request for Six-Month Extension to File New York S Corporation Franchise Tax Return*
- Form CT-5.9, *Request for Three-Month Extension To File (for Article 9 tax return, MTA surcharge, or both)*
- Form CT-5.9-E, *Request for Three-Month Extension to File Form CT-186-E*

Benefits of Web filing include:

- direct payment from your bank account or by ACH credit
- instant confirmation

For more information, visit our Web site and select the corporation tax Web File option.

## Form CT-200-V, Payment Voucher for E-Filed Corporation Tax Returns and Extensions

This form is a payment voucher for taxpayers who e-file their forms but cannot e-pay and need to pay with a paper check or money order. Form CT-200-V is for use only for returns or extensions that were e-filed and should never accompany a paper-filed return.

### Collection of debts from your refund or overpayment

We will keep all or part of your refund or overpayment if you owe a past-due, legally enforceable debt to a New York State agency, or if you owe a New York City tax warrant judgment debt. We may also keep all or part of your refund or overpayment if you owe a past-due legally enforceable debt to another state, provided that state has entered into a reciprocal agreement with New York State. If we keep your refund or overpayment, we will notify you.

A New York State agency includes any state department, board, bureau, division, commission, committee, public authority, public benefit corporation, council, office, or other entity performing a governmental or proprietary function for the state or a social services district. We will refund or apply as an overpayment any amount over your debt.

The Tax Department is authorized to charge the taxpayer, as part of the taxpayer's tax debt, any cost or fee imposed or charged by the United States, or any state, for the payment or remittance of a taxpayer's overpayment to satisfy a New York State tax debt.

If you have any questions about whether you owe a past-due, legally enforceable debt to a state agency, or to another state, or whether you owe a New York City tax warrant judgment debt, contact the state agency, the other state, or the New York City Department of Finance.

For New York State tax liabilities only, call (518) 457-5434 or write to: NYS Tax Department, Collections and Civil Enforcement Division, W A Harriman Campus, Albany NY 12227.

### More collection options for New York State

If you owe unpaid debt to New York State, we may collect your debt by taking money from, or offsetting, payments owed you by the federal government or by another state. Reciprocal offset agreements also allow the federal government, as well as other states, to collect delinquent non-tax debt by offsetting payments owed you by New York State.

**Lottery prizes applied against tax liabilities** — As a result of matching names of those owing tax liabilities to New York against the names of those winning lottery prizes in excess of \$600, the Tax Department may automatically apply all or part of the lottery prize against any outstanding liabilities for taxes we administer.

### Fee for payments returned by banks

The law allows the Tax Department to charge a \$50 fee when a check, money order, or electronic payment is returned by a bank for nonpayment. However, if an electronic payment is returned as a result of an error by the bank or the department, the department won't charge the fee. If your payment is returned, we will send a separate bill for \$50 for each return or other tax document associated with the returned payment.

### Reporting requirements for tax shelters

The Tax Law requires taxpayers to report information about transactions that present the potential for tax avoidance (tax shelters). There are separate reporting requirements for those who use tax shelters and for those who promote the use of tax shelters. For the most recent information on these reporting requirements, visit our Web site.

## Tax shelter penalties

The Tax Law provides penalties for failure to disclose certain transactions and related information regarding tax shelters and for the underpayment of taxes due to participation in these shelters. For more information, refer to TSB-M-05(2)C, *Disclosure of Certain Transactions and Related Information Regarding Tax Shelters*.

## Voluntary Disclosure and Compliance Program

The Voluntary Disclosure and Compliance Program provides relief from certain penalties and criminal prosecution to eligible taxpayers who come forward and reveal previously undisclosed liabilities. For more information, see TSB-M-08(11)C, *Voluntary Disclosure and Compliance Program*.

## Your rights under the Tax Law

The Taxpayer Bill of Rights requires, in part, that the Tax Department advise you, in writing, of your rights and obligations during an audit, when you appeal a departmental decision, and when your appeal rights have been exhausted and you need to understand enforcement capabilities available to the department to obtain payment. For a complete copy of the information contained in all of these statements, you may obtain Publication 131, *Your Rights and Obligations Under the Tax Law*, by visiting our Web site or by calling (see *Need help?*).

## Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).

This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Manager of Document Management, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone (518) 457-5181.

## Need help?



Visit our Web site at **[www.tax.ny.gov](http://www.tax.ny.gov)**

- get information and manage your taxes online
- check for new online services and features



### Telephone assistance

**Corporation Tax** Information Center: (518) 485-6027

To order forms and publications: (518) 457-5431



**Text Telephone (TTY) Hotline** (for persons with hearing and speech disabilities using a TTY): If you have access to a TTY, contact us at (518) 485-5082. If you do not own a TTY, check with independent living centers or community action programs to find out where machines are available for public use.



**Persons with disabilities:** In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, call the information center.