



Temporary Deferral Nonrefundable Payout Credit

Tax Law – Article 1, Section 34; Article 9, Section 187-o; Article 9-A, Section 210-B.33; and Article 33, Section 1511(y)

File this form with your franchise tax return.

Legal name of corporation	Employer identification number
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Schedule A – Computation of credit used and carried over

1 Temporary deferral nonrefundable payout credit carry forward (from 2014 Form CT-501, line 8).....	•	1	
2 Tax due before credits (see instructions)		2	
3 Tax credits claimed before this credit (see instructions)	•	3	
4 Subtract line 3 from line 2		4	
5 Minimum tax limitation (see instructions)		5	
6 Credit limitation (subtract line 5 from line 4; if zero or less, enter 0)	•	6	
7 Amount of credit used for the current tax year (see instructions)	•	7	
8 Amount of credit available for carryover to next year (subtract line 7 from line 1; see instructions)	•	8	

Instructions

General information

Temporary deferral of certain tax credits

For tax years beginning on or after January 1, 2010, and before January 1, 2013, if the total amount of certain credits that you could use to reduce your tax or have refunded to you was greater than \$2 million, the excess over \$2 million was deferred to tax years beginning on or after January 1, 2013.

Purpose of Form CT-501

For tax years beginning on or after January 1, 2013, use Form CT-501 to claim the temporary deferral nonrefundable payout credit.

Former Article 32 taxpayers that have a carryover of the credit from the tax year immediately preceding the current tax year may include that carryover in the computation of credit used and carried forward.

The credit is **not** allowed against the metropolitan transportation business tax (MTA surcharge) under Article 9, 9-A, or 33.

New York S corporations: **Only** file this form if you filed Form CT-500 and deferred a special additional mortgage recording tax credit. Shareholders of New York S corporations will file Form IT-501 with their New York personal income tax return to claim any credits flowed through from the S corporation that were required to be deferred.

Using your accumulated deferred credits

The accumulated amounts of **nonrefundable** tax credits that were deferred for tax years beginning on or after January 1, 2010, and before January 1, 2013, are combined to become your *temporary deferral nonrefundable payout credit*. Any amount of this credit that is not deductible for the tax year beginning on or after January 1, 2013, and before January 1, 2014, may be carried over to the following year(s) to be deducted from your tax until the accumulated credit amount is exhausted.

Line instructions

Schedule A – Computation of credit used and carried over

Line 1 – Former Article 32 taxpayers: If you have a carryover of credit from the tax year immediately preceding the current tax year, include the amount of that carryover on this line.

Lines 2 and 5 entries table

Section 1		
Franchise tax return filed	Enter on line 2 any net recaptured tax credits plus the amount from	Enter on line 5 the amount below
Forms CT-183 and CT-184	Form CT-183, line 4 plus Form CT-184, line 3 or 4	75
Form CT-185	Line 6	10
Form CT-186	Line 5	125
Form CT-3	Part 2, line 2	Part 2, line 1c
Form CT-3-A	Part 2, line 2	Part 2, line 1c
Form CT-3-S	Line 23	Line 23
Form CT-33	Line 11	250
Form CT-33-A	Line 15	Line 4 plus line 12
Form CT-33-NL	Line 5	250
Section 2		
Tax return filed	Enter on line 2 any net recaptured tax credits plus the amount from	Enter on line 5 the amount below
Form CT-186-E	Line 88	0
Form CT-186-P	Line 4	0

Line 2 – Enter your tax before credits using the *Lines 2 and 5 entries table* above. The temporary deferral nonrefundable payout credit can be applied to taxes as computed on the forms listed in the table above. However, the credit cannot be applied against both a franchise tax return listed in Section 1 and a tax return listed in Section 2.



Line 3 – If you are claiming more than one tax credit for this year, enter the amount of credits claimed before applying this credit; otherwise, enter **0**. You must apply certain credits before the temporary deferral nonrefundable payout credit. Refer to the instructions of your franchise tax return to determine the order of credits that applies.

Article 9-A filers: Refer to Form CT-600-I, *Instructions for Form CT-600*, for the order of credits.

If you are included in a combined return, include any amount of tax credits being claimed by other members of the combined group, including the temporary deferral nonrefundable payout credit, that you want to apply before the temporary deferral nonrefundable payout credit.

CT-33 and CT-33-A filers, including unauthorized insurance corporations: Do not enter on this line any amount of empire zone (EZ) wage tax credits, zone equivalent area (ZEA) wage tax credits, or EZ capital tax credits you may be claiming. If you are included in a combined return, do not include any amount of these tax credit(s) being claimed by other members of the combined group.

Line 5 – Enter the amount using the *Lines 2 and 5 entries table* above.

Line 7 – Enter the lesser of line 1 or line 6. Transfer this amount to your franchise tax return.

Line 8 – You will need this amount to complete your 2016 Form CT-501.

Need help? and Privacy notification

See Form CT-1, *Supplement to Corporation Tax Instructions*.

