



# Instructions for Form IT-112-R

## New York State Resident Credit

# IT-112-R-I

### General instructions

If you are a full-year or part-year resident of New York State and if any part of your income was taxed by another state, local government, or the District of Columbia, you may claim a credit against your New York State tax. This credit is allowable only for the portion of the tax that applies to income received in the other taxing authority while you were a New York State resident. If you paid tax to more than one taxing authority during your New York State resident period, use a separate Form IT-112-R for each credit. However, if you paid tax to both a state and one or more local governments within that state on the same or different amounts of income, use only one Form IT-112-R to claim the resident credit for the taxes paid to the state and local government(s) within that state.

Do not use Form IT-112-R to claim the resident credit for taxes paid to a Canadian province. Instead, you must claim the resident credit (and addback) for taxes paid to a Canadian province on Form IT-112-C, *New York State Resident Credit for Taxes Paid to a Province of Canada*. See the instructions for Form IT-112-C for more information.

You may not claim a credit for tax paid to the other taxing authority on any amount of income, gain, loss, or deduction arising from interest or dividends from intangible assets unless it is received from an asset connected with a trade or business conducted in the other taxing authority.

If you marked filing status ③ (*Married filing separate return*) on Form IT-201 or Form IT-203 and if only one spouse paid tax to another taxing authority, that spouse must compute the credit based on his or her separate return. No part of the credit can be claimed by the spouse who did not have tax payable to the other taxing authority.

A New York resident estate or trust is also allowed to claim a resident credit on Form IT-112-R. If you are a fiduciary of a resident estate or trust, determine the total New York adjusted gross income in Part 1 the same way as a resident individual. To determine New York adjusted gross income, subtract any charitable contributions and distributions made to beneficiaries. Include these amounts on line 19.

If you have any questions about computing the resident credit, write to the Taxpayer Contact Center, W A Harriman Campus, Albany NY 12227, or call toll free 1 800 225-5829. From areas outside the U.S. and outside Canada, call (518) 485-6800.

A shareholder of a subchapter S corporation is **not** allowed a resident credit for any income tax imposed upon or payable by the S corporation to another state, local government, or the District of Columbia. However, a shareholder is allowed a resident credit if taxes are calculated on the income of the S corporation, but are imposed upon and payable by the shareholder.

**Taxpayers with dual residency status** — If you are a resident of New York State for personal income tax purposes and also deemed a resident of another state for income tax purposes under its law, no credit is allowed if the other jurisdiction allows a credit against its tax for the total resident tax paid to New York.

### Filling in your tax forms

For complete information on how to fill in New York State scannable income tax forms, see the instructions for:

- resident return (Form IT-201),
- nonresident and part-year resident return (Form IT-203), **or**
- fiduciary return (Form IT-205).

Also see the instructions for the above returns for the *Privacy notification* or if you need help contacting the Tax Department.

### Line instructions

#### Part 1 — Income and adjustments

##### Lines 1 through 18

**Residents and part-year residents** — Do not enter in column A or B any income that is taxable to the other taxing authority but **not** taxable to New York State.

**Income taxed by both a state and one or more local governments within that state** — If you paid tax to both a state and one or more local governments within that state on different amounts of income, include in Column B the larger amount of income subject to tax by either the state or one or more local governments within that state.

**Do not** enter in column A or B the ordinary income portion of lump-sum distributions received from sources outside New York State that is subject to the New York State separate tax on lump-sum distributions and is also subject to any income tax or separate tax by the other taxing authority. Compute any resident credit against the separate tax on a lump-sum distribution paid to another taxing authority on Form IT-112.1, *New York State Resident Credit Against Separate Tax on Lump-Sum Distributions*.

**Do not** enter in column B any amount of income, gain, loss, or deduction arising from interest or dividends from intangible assets unless it is received from an asset connected with a trade or business conducted in the other taxing authority.

**Residents** — Enter in column A, lines 1 through 18, the amount of each item of income or deduction reported on Form IT-201 or the amount of income reported on Form IT-205 as if the estate or trust were a resident individual. If you marked filing status ② (*Married filing joint return*), include in column A the amounts of both spouses even if the income of only one spouse was subject to tax in the other taxing authority.

Enter in column B of Form IT-112-R the gross income from column A that was taxed by the other taxing authority minus any applicable expenses and losses that you deducted in computing federal adjusted gross income. In determining the expenses and losses deductible from items of gross income, follow the federal rules for deductions in computing federal adjusted gross income.

Enter in column B any federal adjustments to income that were allowed by the other taxing jurisdiction.

**Taxpayers with dual residency status** — If you are a resident of New York State for personal income tax purposes and also deemed a resident of another state for income tax purposes under its law, do not include in column B any amount of income, gain, loss, or deduction arising from interest or dividends from intangible assets unless it is received from an asset connected with a trade or business conducted in the other taxing authority. Also, do not include in column B any income attributable to a business, trade, profession, or occupation unless the business, trade, profession, or occupation was carried on in the other jurisdiction.

**Example:** For tax year 2007, you were taxable as a New York resident. You were also taxable as a resident of Pennsylvania. You had wages of \$65,000 for the year, of which \$20,000 were earned for services performed in Pennsylvania and \$45,000 for services performed in New York. You will enter the \$20,000 wages in column B.

**Part-year residents** — If you were a New York State resident for only part of the year and if you were subject to income tax by another taxing authority during that period, enter in column A the amount of each item of income or deduction entered on Form IT-203, lines 1 through 18, *Federal amount* column.

Enter in column B of Form IT-112-R only the amount of each item of income or deduction from column A that relates to your New York State resident period that was taxed by the other taxing authority.

**Line 19 New York adjustments** — Enter your net New York adjustment, which is the difference between your New York additions and your New York subtractions. Your New York additions are on Form IT-201, lines 20 through 23, or Form IT-203, lines 20 through 22 (*Federal amount* column). Your New York subtractions are on Form IT-201, line 32, or Form IT-203, line 30 (*Federal amount* column). On Form IT-205, your New York adjustment is the fiduciary share, from Schedule C, column 5, *Fiduciary* line, that relates to the items of income, gain, loss, and deductions included in the computation of federal adjusted gross income.

**Line 20 New York adjusted gross income** — In column A, the net New York adjustment on line 19 must be added to or subtracted from federal adjusted gross income on line 18. In column B, enter the amount from line 18, column B.

**Line 21 Capital gain portion of lump-sum distributions** — Enter in column A the capital gain portion of lump-sum distributions reported at Part II of federal Form 4972. Enter in column B the capital gain portion of lump-sum distributions reported at Part II of federal Form 4972 that is subject to tax by the other taxing jurisdiction.

**Part 2 — Computing your resident credit for taxes paid to another state, local government, or the District of Columbia**

**Line 23** — Enter the two-letter abbreviation (see below) of the other state where the income tax was paid. Enter **LC** for a local government or **DC** for the District of Columbia.

**State abbreviations**

Alabama	AL	Louisiana	LA	Oklahoma	OK
Alaska	AK	Maine	ME	Oregon	OR
Arizona	AZ	Maryland	MD	Pennsylvania	PA
Arkansas	AR	Massachusetts	MA	Rhode Island	RI
California	CA	Michigan	MI	South Carolina	SC
Colorado	CO	Minnesota	MN	South Dakota	SD
Connecticut	CT	Mississippi	MS	Tennessee	TN
Delaware	DE	Missouri	MO	Texas	TX
Florida	FL	Montana	MT	Utah	UT
Georgia	GA	Nebraska	NE	Vermont	VT
Hawaii	HI	Nevada	NV	Virginia	VA
Idaho	ID	New Hampshire	NH	Washington	WA
Illinois	IL	New Jersey	NJ	West Virginia	WV
Indiana	IN	New Mexico	NM	Wisconsin	WI
Iowa	IA	North Carolina	NC	Wyoming	WY
Kansas	KS	North Dakota	ND		
Kentucky	KY	Ohio	OH		

**Line 24**

**Residents and part-year residents** — The amount of income tax imposed is the amount of income tax computed on your return for the other taxing authority minus any credits allowed against this tax. **Do not** include use tax or the tax on income that is taxed by the other taxing authority but is not taxed by New York State. **Do not** enter tax withheld, estimated tax payments, or payments of balances due on this line. If you paid tax to both a state and one or more local governments within that state, enter the total amount of income taxes paid to both the state and to one or more local governments within the state.

**Residents** — Enter the amount of income tax imposed by the other taxing authority.

**Part-year residents** — Enter only the portion of the tax attributable to income earned during your New York resident period.

**Taxpayers with dual residency status** — Compute the amount to enter on line 24 as follows:

$$\frac{\text{Amount from Column B, Line 22}}{\text{Total income on other state's return}} \times \text{Total tax due on the other state's return}$$

*Total income* means the total income reported on the other state's return, before any allowances for a standard or itemized deduction or exemptions.

**Line 25**

**Form IT-203 filers** — Enter New York State tax from Form IT-203, line 40 plus the Worksheet C, line 5 amount in the instructions for Form IT-230, *Separate Tax on Lump-Sum Distributions*.

**Form IT-201 and Form IT-205 filers** — Complete the following worksheet:

**Worksheet for computing your New York State tax payable**

- Enter New York State tax from Form IT-201, line 39 plus the tax from Form IT-230, Part 2, line 2, *New York State* column. Resident estate or trust: Enter New York State tax from Form IT-205, line 8. Part-year resident trust: Enter NY State tax from Form IT-205, line 9. .... a. \_\_\_\_\_
- Enter your New York State household credit, if any, from Form IT-201, line 40. .... b. \_\_\_\_\_
- New York State tax payable (*subtract line b from line a*). Enter this amount on line 25. .... c. \_\_\_\_\_

**Line 26** — Round to the fourth decimal place. For example, if the amount on line 22 in column B was \$12,000 and the amount on line 22 in column A was \$36,000, the result would be .3333. Enter this decimal on line 26; **do not convert to a percentage**.

If the amount on line 22 in column B is more than the amount on line 22 in column A, **the result will be more than 1.0000**. For example, if the amounts used were \$25,000 divided by \$15,000, the result would be 1.6667.

**Line 28 Resident credit allowable** — The resident credit may not decrease your New York State tax payable to an amount less than would have been due if the income subject to taxation by the other jurisdiction(s) was excluded from your New York income.

If you paid tax to both a state and one or more local governments within that state on different amounts of income, the resident credit may not decrease your New York State tax payable to an amount less than would have been due if the larger amount of income subject to taxation was excluded from your New York income.

Enter the line 28 amount on Form IT-201, line 41; Form IT-203-ATT, line 1; or include it on Form IT-205, line 10. If you filed more than one 2007 Form IT-112-R or also filed Form IT-112-C, enter the total of the allowable credits on Form IT-201, line 41; Form IT-203-ATT, line 1; or include it on Form IT-205, line 10. Attach each original Form IT-112-R to Form IT-201, IT-203, or IT-205.

**Part 3 — Information from your 2007 return filed with the other state, local government, or the District of Columbia**

You **must** complete this section.

**Line 29** — Enter on line 29 the total amount of prepayments made to the other state, local government, or the District of Columbia. Include all prepayments such as:

- amounts withheld from **all** sources, and
- estimated tax payments, including overpayments applied from a prior year's tax return, and payments made with extensions.

Do not include taxes withheld or estimated taxes paid for any taxing authority other than the one for which you are claiming the credit on this Form IT-112-R. However, if you paid taxes to both a state and one or more local governments within that state, enter the total amount of income taxes paid to both the state and to one or more local governments within the state.

**Line 30** — Enter the amount of overpayment, if any, shown on the 2007 return you filed with the other state, local government, or the District of Columbia. This is the amount that exceeds the total tax computed on your 2007 return for the other taxing authority (see the instructions for line 24 above), prior to allocation for amounts to be refunded or credited to the following year's estimated tax, and prior to any deductions for donations or estimated tax penalties.

**Line 31** — Enter on line 31 the balance due, if any, shown on the 2007 return you filed with the other state, local government, or the District of Columbia. The balance due is the amount you paid with your return after credit for taxes withheld, estimated tax payments and any other prepayments (do not include penalties, interest, use tax, or donations).