

New York State Department of Taxation and Finance
Taxpayer Services Division
Technical Services Bureau

TSB-A-83 (4) I
Income Tax
September 30, 1983

STATE OF NEW YORK
STATE TAX COMMISSION

ADVISORY OPINION

PETITION NO. I830811A

On August 11, 1983 a Petition for Advisory Opinion was received from A.M. Forms & Composition, 24 West 39th Street, New York, New York 10018.

The issue raised is the rate of tax to be applied under the Unincorporated Business Income Tax with respect to a taxable year beginning in 1980 and ending in 1981.

Chapter 69 of the Laws of 1978 added Section 701(a)(6) to Article 23 of the Tax Law to provide for the phase-out of the Unincorporated Business Income Tax. It is there provided that for taxable years beginning in 1980, the rate of tax is 4%, while for taxable years beginning in 1981, the rate of tax is 0%. There is no provision in the Tax Law for a proration of tax where a taxable year begins in 1980 and ends in 1981.

Accordingly, the rate of tax applicable to a taxable year beginning in 1980 and ending in 1981 is 4%, with no reduction with respect to that portion of such taxable year falling within 1981.

DATED: September 12, 1983

s/FRANK J. PUCCIA
Director
Technical Services Bureau