



Instructions for Form IT-212-ATT

Claim for Historic Barn Rehabilitation Credit and Employment Incentive Credit

IT-212-ATT-1

General information

Form IT-212-ATT is used to determine if you are eligible to claim the historic barn rehabilitation credit (Schedule A) or the employment incentive credit (EIC) (Schedule B). If you qualify for either credit, complete the applicable schedule and submit Form IT-212-ATT with Form IT-212, *Investment Credit*.

Schedule A – Historic barn rehabilitation credit

General information – Tax Law § 606(a)(12) allows a credit for the rehabilitation of historic barns located in New York State. New York State taxpayers may be allowed a credit based on qualified rehabilitation expenditures paid or incurred within the five years immediately preceding the year in which the credit is claimed. Qualified rehabilitation expenditures do not include any expenditures which are included, directly or indirectly, in the computation of the Investment Tax Credit claimed on Form IT-212.

Beginning in 2022, the New York State Office of Parks, Recreation and Historic Preservation administers the application, review, and certification process for the qualified rehabilitation expenditures for historic barns.

New York State Office of Parks, Recreation and Historic Preservation will determine if:

- the structure is eligible for the credit;
- the rehabilitation has been completed and has not materially altered its appearance; and
- the amount of qualified rehabilitation expenditures to be used to compute this credit.

If New York State Office of Parks, Recreation and Historic Preservation approves your application, they will issue you a *Certificate of Completion*. You should use the information from the certificate to complete Schedule A.

For more information about the qualifications and application process, visit the New York State Office of Parks, Recreation and Historic Preservation website at www.parks.ny.gov.

Additional forms: If you have more entries than will fit on the lines provided in Part 2 or Part 3 of Schedule A, submit additional Forms IT-212-ATT, completing only the necessary parts. Include your name and taxpayer identification number on each form. On the indicated lines of the first Form IT-212-ATT, include the totals from all additional Forms IT-212-ATT. Place the extra forms behind the first Form IT-212-ATT and submit them with your return.

Part 2 – Qualified rehabilitation expenditures

Using the information from any certificates of completion you received from the New York State Office of Parks, Recreation and Historic Preservation, complete columns A through C. If needed, see *Additional forms*.

Part 3 – Early dispositions of qualified property and addback of credit on early dispositions

Fill in columns A through H if you have claimed the credit on property that was disposed of or was removed from qualified use (a) in a tax year after the year in which the credit was allowed and (b) prior to the end of its useful life or specified holding period. If needed, see *Additional forms*. Do not include property that has been in qualified use for more than 12 consecutive years. For a description of what constitutes an early disposition of property, see *Early disposition of property – addback of credit on early dispositions* on page 2 of Form IT-212-1, *Instructions for Form IT-212*.

Enter in column D:

- For depreciable property under IRC section 167, the number of months of useful life of the property.
- For recovery property under IRC section 168, the number of months you chose for buildings or structural components of buildings.

Enter in column E the number of months that the property was not in qualified use.

Schedule B – Employment incentive credit

General information – If you place property in service on or after January 1, 1997, and that property qualifies for the investment tax credit (ITC) (other than at the optional rate applicable to research and development property), you may be entitled to the EIC. If you qualify, the credit is allowed for each of the two years immediately following the tax year in which the investment credit was allowed.

Example 1: A partnership files its partnership return using a fiscal year of February 1, 2022 through January 31, 2023. The partnership placed property that qualified for the ITC in service on January 15, 2023. The partnership should complete Schedule B for tax years February 1, 2023, through January 31, 2024, and February 1, 2024, through January 31, 2025, to determine if the partners of the partnership are eligible to claim the EIC.

Example 2: You are a farmer who files your personal income tax return on a calendar-year basis. You placed property that qualified for the ITC in service on March 15, 2023. You should complete Schedule B for the 2024 and 2025 calendar tax years to determine if you are eligible to claim the EIC.

The amount of the credit is a percentage of the original investment credit base on which the investment credit was allowed. The percentage used to compute the credit is based upon the level of employment in each of the two years during which the credit may be claimed compared to the level of employment in the base year. However, the credit will not be allowed for a year if the taxpayer's average number of employees in New York State during that year is not at least 101% of the taxpayer's average number of employees in New York State during the base year.

Generally, the base year is the tax year immediately preceding the tax year in which the original investment credit was claimed. However, if the business was not in operation in New York State during that year, the base year is the tax year in which the original investment credit was claimed.

If you cannot claim all of your EIC because it is more than your New York State tax less other credits, you can carry over the unused amount to the following ten tax years, or, if you are the owner of a new business, you may qualify for a refund (see *Refundable unused investment credit* in Form IT-212-1).

Part 1 – Eligibility for employment incentive credit

Complete Part 1 to determine if you are eligible for the credit. If you are eligible, complete Part 2.

Column A – Enter in column A the credit year and the base year. The *credit year* is the tax year you are claiming the EIC. If you qualify, the credit is allowed for each of the two tax years immediately following the tax year in which the original ITC was allowed. The *base year* is the year preceding the year you claimed the original investment credit. However, if your business was not in operation in New York State during that year, the *base year* is the year in which you claimed the investment credit.

Columns B, C, D, and E – Enter the total number of employees employed within New York State on each of the dates listed that occur during your credit and base tax years.

Example: *A taxpayer filing for a fiscal year beginning September 1, 2023, and ending August 31, 2024, would enter on line 14 for the first succeeding year, or on line 16 if claiming the credit for the second succeeding year, the number of employees employed in New York State on the following dates: September 30, 2023, December 31, 2023, March 31, 2024, and June 30, 2024.*

Column G – Unless you have a short tax year, divide the amount in Column F by four. If you have a short tax year (a tax year of less than 12 months), divide the amount in Column F by the number of dates shown in Columns B through E that occur during the short tax year.

Column H – If you are claiming the credit for the first succeeding tax year, divide the amount on line 14, column G, by the amount on line 13, column G, and round the result two decimal places. If the percentage in line 14, column H, is at least 101% (1.01), complete Part 2, line 17. If the percentage in line 14, column H, is less than 101%, **stop**; you do not qualify for the EIC for this year.

If you are claiming the credit for the second succeeding year, divide the amount on line 16, column G, by the amount on line 15, column G, and round the result two decimal places. If the percentage in line 16, column H is at least 101% (1.01), complete Part 2, line 18. If the percentage in line 16, column H is less than 101%, **stop**; you do not qualify for the EIC for this year.

Part 2 – Computation of employment incentive credit

Column A – Enter in column A the tax year in which the original investment credit was allowed.

Column B – Enter in column B the amount of the investment credit base (not the amount of the investment credit) that was used to compute the original investment credit. Do not include in column B the investment credit base for any property on which you computed the investment credit at the optional rate applicable to research and development property. In addition, do not include in column B the investment credit base for any property for which you are claiming the empire zone EIC.

Column C – Multiply the column B amount by the appropriate rate from the *Tax rate schedule* below Part 2.
