



## Department of Taxation and Finance

### Important

Article 32 of the Tax Law was repealed, effective for tax years beginning on or after January 1, 2015, by Part A of Chapter 59 of the Laws of 2014. As a result, this TSB-M is obsolete and cannot be relied upon for tax years on or after that date insofar as the TSB-M addresses matters relating to Article 32.

For additional information concerning the Article 32 repeal, see [Transitional Filing Provisions for Taxpayers Affected By Corporate Tax Reform Legislation](#).

This TSB-M begins on page 2 below.

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

TSB-M-78 (17)C  
Corporation Tax  
Instructions and Interpretations Section  
September 7, 1978

**Subject:** Computation of Entire Net Income of Bank Corporation with  
reference to Subpart F Income

The following question has been raised concerning Article 32 (Franchise Tax on Banking Corporation) of the Tax Law.

**Question:**

Should Subpart F income be eliminated from New York entire net income as income derived from business carried on without New York State?

**Answer:**

No. Subpart F income is deemed to be a dividend and Article 32 of the Tax Law contains no modification which excludes this type of income from entire net income. Under the principles of separate accounting, such income is wholly attributable to the home office of the taxpayer.