

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

TSB-M-78 (22)C
Corporation Tax
Instructions and Interpretations Section
September 14, 1978

Subject: Limitation on Tax Liability on Insurance Corporations Taxable under Article 33

Chapter 728 of the Laws of 1978 was signed by the Governor on August 7, 1978. It amends Section 1505 of Article 33 (Franchise Taxes on Insurance Corporations) of the New York State Tax Law.

Section 1505 provided that for taxable periods beginning on or after January 1, 1977, the total tax liability before the application of any credits, cannot exceed an amount computed as if the tax were solely based on gross premiums at a rate of two and sixty-five hundredths percent (2.65%).

The new provision has changed the tax rate to be applied for purposes of the limitation from two and sixty-five hundredths percent (2.65%) to two and six-tenths percent (2.6%).

The Act applies to all taxable periods beginning after 1977.