

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

TSB-M-83 (28)C  
Corporation Tax  
December 22, 1983

1983 Legislation  
Foreign Professional Service Corporations (P.C.)

Sections 1, 2, 3 and 4 of Chapter 648 of the Laws of 1983 amended Sections 181.2, 203-b.1, 210.1-b and 210.3(b)(3) of the New York State Tax Law.

Foreign professional service corporations will be allowed to apply for authority to do business in New York State. Such foreign professional service corporations will become subject to the maintenance fee imposed by Section 181.2 of Article 9 of the Tax Law.

For purposes of Article 9-A of the Tax Law, a foreign professional service corporation which is authorized to do business in New York State shall not compute its tax by the entire net income plus compensation method and its investment allocation percentage will be 100%. These changes in the Tax Law will become effective for taxable periods ending on or after October 17, 1983.

A foreign professional service corporation which is not authorized to do business in New York State will compute its tax as an ordinary business corporation.