



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Article 32 of the Tax Law was repealed, effective for tax years beginning on or after January 1, 2015, by Part A of Chapter 59 of the Laws of 2014. As a result, this TSB-M is obsolete and cannot be relied upon for tax years on or after that date insofar as the TSB-M addresses matters relating to Article 32.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

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

TSB-M-83 (6)C
Corporation Tax
February 15, 1983

1982 Legislation
Metropolitan Transportation Business Tax Surcharge
on Banking Corporations - Article 32

Chapter 931 of the Laws of 1982 enacted on December 23, 1982 amended the Tax Law to include a new Section 1455-B which provides for tax surcharge on banks in the Metropolitan Commuter Transportation District for taxable years ending on or after December 31, 1982, but before December 31, 1984.

The surcharge is imposed upon every bank subject to tax under Article 32 exercising its corporate franchise, or doing business, in the Metropolitan Commuter Transportation District.

The Metropolitan Commuter Transportation District consists of the counties of New York, Bronx, Kings, Queens, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester.

The surcharge is in addition to the tax imposed by Section 1451 of Article 32 of the Tax Law.

<u>Surcharge Rates</u>	<u>Applicable Periods</u>
18%	Calendar year 1982 or fiscal year ending in 1983
17%	Calendar year 1983 or fiscal year ending in 1984

The surcharge rate is applied to the portion of tax, after the deduction of any tax credits, imposed under Section 1451 attributable to the taxpayer's business activity carried on within the Metropolitan Commuter Transportation District.

The portion of the tax attributable to taxpayer's business activity carried on within the Metropolitan Commuter Transportation District shall be computed by multiplying the tax after deduction of any credits, by a fraction, the numerator of which is gross receipts of branches within the Metropolitan Commuter Transportation District and the denominator of which is gross receipts of all branches within New York State. For purposes of this paragraph, the term "branch" means any office, branch or agency where the taxpayer is carrying on a full service banking business as defined in TSB-M-78(23)C.

The bank tax surcharge imposed by Section 1455-B shall not be allowed as a deduction in the computation of the tax on income imposed by Article 32. If the surcharge is deducted as an expense in the computation of federal taxable income, it must be added back to federal taxable income to arrive at New York State entire net income.

The credits otherwise allowable under Article 32, which include the Credit for Servicing Mortgages, the Eligible Business Facility Credit and the Mortgage Recording Tax Credit, may not be applied against this surcharge.

The surcharge will not apply to a savings bank or savings and loan association, for any quarterly period ending before January 1, 1983, where the tax on interest or dividends to depositors is computed at a rate of 1¼%, as provided by Section 1455(b)(3)(i) of Article 32.

A three month extension for filing the Metropolitan Transportation Business Tax Surcharge Report (Form CT-32M) may be obtained by filing an Application for Three Month Extension (Form CT-12M) within two and one-half months of the close of the taxpayer's fiscal or calendar year accompanied by a payment of the surcharge due for the period.

No declaration or payments of estimated surcharge are required.

For forms or publications, in New York City only, call 488-3608.
Elsewhere in New York State, call toll free 1-800-462-8100.
For areas outside New York State, call (518) 457-0111.

For information, in New York City only, call 488-3400.
Elsewhere in New York State, call toll free 1-800-342-3536.
From areas outside New York State, call (518) 457-0111.