

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

TSB-M-90 (6) C  
Corporation Tax  
July 17, 1990

1990 Legislation  
Tax Surcharge on Article 9 Corporations

Chapter 190 of the Laws of 1990 amended Article 9 of the Tax Law to add section 188, which provides for a 15% and 10% tax surcharge on taxes imposed under sections 183, 184, 186 and 186-a of the Tax Law.

The 15% tax surcharge applies to taxable years ending on December 31, 1990 and December 31, 1991. The 10% tax surcharge applies to the taxable year ending December 31, 1992. The tax surcharge cannot be imposed on any taxpayer for more than 36 months.

The tax surcharge is computed on the tax after the deduction of any tax credits.

Once computed the tax surcharge cannot be reduced by any tax credits.

The tax surcharge does not apply to the Metropolitan Transportation Business Tax Surcharge.

The computation and payment of the 15% and 10% tax surcharge is reported on Forms CT-183, CT-184, CT-186, CT-186-A or CT-186-P. These forms are required to be filed within 2 1/2 months from the close of the taxable year. A three-month extension of time to file the franchise tax return and tax surcharge may be requested by filing Form CT-5.9 within 2 1/2 months from the close of the taxable year. The payment of the franchise tax and tax surcharge on Form CT-5.9 must either:

- if the preceding year's taxable return was a 18 month return- equal or exceed the amount of franchise tax shown on the preceding year's tax return (computed after tax credits and before any tax surcharge), plus, when applicable, the tax surcharge (computed on the preceding year's franchise tax after the deduction of any tax credits and before the tax surcharge), or
- equal or exceed 90% of the franchise tax as finally determined plus 90% of the tax surcharge as finally determined.

Except for Form CT-183, provisions that apply to the payment of the 25% mandatory first installment of estimated tax and declarations and payments of estimated tax on Form CT-400, apply to the tax surcharge.

The new tax surcharge imposed under sections 183 and 184 shall not be allowed as a deduction in the computation of the tax on income imposed by Articles 9-A, 32 or 33.