

**Nonresident Fiduciary Earnings Tax Return**

Attach this return to the back of Form IT-205	Name of estate or trust	Employer identification number
	Name and title of fiduciary	

A. Check  if the income reported on this return represents an allocated portion of income from services performed, or from sources both in and out of the City of Yonkers. If so, attach a detailed statement of the allocation (*see instructions below*).

**Calculation of Earnings Tax**

1 Net earnings from self-employment ( <i>attach detailed statement; if a loss, write "LOSS" on line 1</i> ) .....	1	
2 Net earnings from self-employment:		/
a Paid or permanently set aside for charitable purposes .....	a	
b Distributed or distributable to residents of the City of Yonkers ( <i>attach schedule; see instructions</i> ) .....	b	
Add lines a and b .....	2	
3 Subtract line 2 from line 1 .....	3	
4 Gross wages ( <i>attach employee's withholding statement</i> ) .....	4	
5 Add lines 3 and 4 .....	5	
6 Exclusion ( <i>see instructions; use table below</i> ) .....	6	
7 Taxable amount ( <i>subtract line 6 from line 5</i> ) .....	7	
8 Total earnings tax ( <i>multiply line 7 by .5% [.005]</i> ); enter here and on Form IT-205, line 23 .....	8	

Signature of fiduciary or officer representing fiduciary	Date	Paid preparer's signature	Date
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TABLE

Total of Wages and Net Earnings		Exclusion
<i>over</i>	<i>but not over</i>	
\$ 0	\$10,000	\$3,000
10,000	20,000	2,000
20,000	30,000	1,000
30,000		None

**Instructions**

The fiduciary of a nonresident estate or trust must file a City of Yonkers Nonresident Fiduciary Earnings Tax Return on Form Y-206 if the estate or trust has income from wages earned or net earnings from self-employment in the City of Yonkers. This form must be attached to New York State Form IT-205. Complete general instructions for the nonresident fiduciary earnings tax are in the instruction booklet IT-205-I.

Print or type the name of the estate or trust and the name and title of the fiduciary in the spaces provided. Enter the federal employer identification number of the estate or trust.

**Federal and State Privacy Notification:** The authority to request this personal information from you or your employer, including identifying numbers (social security numbers, etc.), is found in Sections 651, 652 658, 697, 1306, 1332 and 1342, Articles 22, 30, 30-A and 30-B in general of the Tax Law; Article 2-E of the General City Law; and Part 152 of the Personal Income Tax Regulations. The principal purpose for which the information is collected is to assist the Department of Taxation and Finance in determining New York State personal income tax liabilities under Article 22 of the Tax Law, New York

City personal income tax liabilities under Article 30 of the Tax Law and Article 2-E of the General City Law, and City of Yonkers income tax surcharge on residents and earnings tax on nonresidents under Articles 30-A and 30-B of the Tax Law. The authority to maintain this information is found in Section 697(e) of the Tax Law and Section 152.8 of the Personal Income Tax Regulations.

The information will be used for tax administration purposes and as necessary under Education Law Section 663; Social Services Law Sections 23, 111-b and 136-a; Executive Law Section 49; Labor Law Section 537; Tax Law Sections 171-a, 171-b, 171-c, 171-d, 171-e and 697; and for any other purpose authorized by law, and when the taxpayer gives written authorization to this department for another department, person, agency or entity to have access, limited or otherwise, to information contained in his return.

Failure to provide the requested information may result in civil penalties under Sections 685, 1312, 1332 and 1342 of the Tax Law and/or criminal penalties under Sections 695, 1312, 1332 and 1342 of the Tax Law.

## Instructions (continued)

This information will be maintained by the Director, Accounting and Records Management Bureau, Processing Division, Department of Taxation and Finance, State Campus, Building 8, Room 901, Albany, NY 12227, (518) 457-2260.

**Item A.** If only a part of wages or net earnings from self-employment were earned in the City of Yonkers, you must determine the amounts allocable to the city.

**Wages:** If wages or salary income is not dependent directly on the volume of business transacted, the amount allocable to the City of Yonkers is the portion of wages that the number of days worked in the city bears to the total number of days (exclusive of nonwork days, such as Saturdays, Sundays, holidays, sick leave, vacation, etc.) worked both in and out of the city during the year. Work days are days on which the individual who earned wages was required to perform the usual duties of his employment, which do not include activities carried on in his home. Attach a schedule to the return showing the computation of this allocation.

If the wages subject to the allocation depend entirely on the volume of business transacted, as when a salesman is working on commission, the amount of wages allocable to the City of Yonkers is the portion of the wages that the volume of business transacted by the individual in the city bears to the business transacted by that person both in and out of the city. The location where the services or sales activities were actually performed determines where business is transacted. Attach a schedule to the return showing the computation of this allocation.

If the wages are allocated on a basis other than those covered in the preceding paragraphs, attach a schedule showing complete details.

**Net earnings from self-employment:** If the business that produces such earnings maintains no regular place of business outside the city, all net earnings from self-employment must be allocated to the city.

If books and records fairly and equitably show net earnings from self-employment in the city, they may be used to determine the portion allocable to the city.

If the City of Yonkers net earnings cannot be determined from the books and records, make the allocation by multiplying total net earnings from self-employment by the average of the following three percentages:

**1. Property percentage.** The percentage computed by dividing (a) the average of the value, at the beginning and end of the taxable year, of real and tangible personal property connected with net earnings from self-employment and located in the city, by (b) the average of the value, at the beginning and end of the taxable year, of all real and tangible personal property connected with the net earnings from self-employment and located both in and out of the city. For this purpose, real property includes both owned and rented real property.

**2. Payroll percentage.** The percentage computed by dividing (a) the total wages, salaries and other personal service compensation paid or incurred during the taxable year to employees in connection with the net earnings from self-employment derived from a trade or business carried on in the city, by (b) the total of all wages, salaries and other personal service compensation paid or incurred during the taxable year

to employees in connection with the net earnings from self-employment derived from a trade or business carried on both in and out of the city.

**3. Gross income percentage.** The percentage computed by dividing (a) the gross sales or charges for services performed by or through an agency located in the city, by (b) the total of all gross sales or charges for services performed in and out of the city. The sales or charges to be allocated to the city include all sales negotiated or consummated, and charges for services performed by an employee, agent, agency, or independent contractor chiefly situated at, connected by contract or otherwise with, or sent out from, offices or other agencies of the trade or business from which the estate or trust is deriving net earnings from self-employment, situated in the city.

**Special rule for real estate:** Income and deductions from the rental of real property and gain and loss from the sale, exchange or other disposition of real property are not subject to allocation but are considered as entirely derived from or connected with the place in which the property is located.

## Calculation of Earnings Tax

In no event shall the estate or trust be liable for the City of Yonkers earnings tax on nonresidents in an amount greater than it would be required to pay if it were a City of Yonkers resident estate or trust subject to the city's income tax surcharge on resident estates or trusts. Use Form IT-205 and instructions to determine the tax liability as a resident estate or trust.

**Line 1—Net earnings from self-employment:** "Net earnings from self-employment" is defined in instruction booklet IT-205-I under *City of New York Nonresident Fiduciary Earnings Tax*. Enter such earnings during the taxable year. See preceding instructions if allocation is required. Attach a detailed statement showing the computation of the net earnings, including the gross income from the underlying trade or business and the deductions prescribed in Section 1402(a) of the Internal Revenue Code.

**Line 2a—Net earnings from self-employment:** Enter any amount included on line 1 that was paid or permanently set aside for charitable purposes in accordance with Section 642(c) of the Internal Revenue Code.

**Line 2b—**Enter any amount included on line 1 that was distributed or distributable to residents of the City of Yonkers in accordance with Sections 651 or 661 of the Internal Revenue Code.

**Line 4—Gross Wages:** The definition of "wages" is the same as in instruction booklet IT-205-I under *City of New York Nonresident Fiduciary Earnings Tax*. Enter wages earned during the taxable year. See instructions above if allocation is required.

**Line 6—Exclusion:** The estate or trust is allowed an exclusion against the total wages earned during the taxable year and net earnings from self-employment (see table on front page of form).

**Total earnings tax:** Enter the tax on line 8 and transfer it to New York State Form IT-205, line 23. Attach Form Y-206 to Form IT-205.