CT-32-M

For calendar year **1986**
or taxable period
beginning _____
ending _____

New York State Department of Taxation and Finance

Metropolitan Transportation Business Tax Surcharge Return

Article 32, Section 1455-B

Official use only

Affix Preaddressed Label Here →	Employer identification number	File number	*Date received*
	Name		
Mail to: Processing Unit P.O. Box 1909 Albany, N.Y. 12201	Number	Street	
	City or town	State / Zip	BUSINESS GROUP CODE NUMBER (PER FEDERAL RETURN)

ALL corporations required to file Form CT-32 **MUST** file this form.

Does the above named corporation (taxable under Article 32 of the Tax Law) do business in the Metropolitan Commuter Transportation District, which includes the counties of New York, Bronx, Kings, Queens, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester?

☐ Yes ☐ No

If you answered Yes, complete this form and pay the Tax Surcharge.

If you answered No, it is not necessary to complete Schedule N or O. However, this form **MUST** be signed by an officer and returned to: **Processing Unit, P. O. Box 1909, Albany, NY 12201**

		Payment
Pay amount shown at line 9, Schedule N - Make check payable to: N.Y. State Corporation Tax		$

SCHEDULE N – Computation of Tax Surcharge

1. Net New York State Franchise tax from Form CT-32, Schedule A, line 7	1	$	
2. M.C.T.D. Allocation percentage from Schedule O, line 13	2		%
3. Allocated tax – multiply line 1 by line 2	3	$	
4. **TAX SURCHARGE** – Multiply line 3 by 17%	4	$	
5. Prepayments (a) Payment with CT-5 $			
(b) Credit transferred from Form CT- ____ PERIOD $			
Total Prepayments claimed	5	$	
6. Balance - Subtract line 5 from line 4	6	$	
7. Interest (compute using amount on line 6)	7	$	
8. Additional charges (compute using amount on line 6)	8	$	
9. **BALANCE DUE** - Add lines 6, 7 and 8 →	9	$	
10. **OVERPAYMENT** - Subtract line 4 from line 5			
a. Refund of overpayment	10a	$	
b. Credit to N.Y. State Franchise Tax CT- ____ PERIOD	10b	$	

CERTIFICATION BY AN ELECTED OFFICER OF THE CORPORATION

I hereby certify that this return, including any accompanying rider, is to the best of my knowledge and belief a true, correct and complete return.

Date _____ Signature of officer _____ Official title _____

Date _____ Signature of preparer or name of firm _____ Preparer's address _____

;CHEDULE O – Computation of M.C.T.D. Allocation Percentage		Column A Gross Income within M.C.T.D.	Column B Gross Income within New York State
1. Gross income within New York State	11		$
2. Gross income within the Metropolitan Commuter Transportation District	12	$	
13. M.C.T.D. Gross Income Allocation Percentage - Column A divided by Column B	13		%

INSTRUCTIONS

Who Must File

Every banking corporation doing business in New York State that is subject to Article 32 of the New York State Tax Law must file. This includes all taxpayers that file Form CT-32 and all taxpayers that file on a combined basis.

Who Must Pay the Surcharge

Every taxpayer filing Form CT-32 who is doing business within the Metropolitan Commuter Transportation District (M.C.T.D.) must pay a business tax surcharge. The M.C.T.D. includes the counties of New York, Bronx, Queens, Kings, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester.

Tax Rate

17% for calendar year 1986 or fiscal year ending in 1987.

The surcharge rate is applied to the portion of tax, after deduction of any credits, imposed under Article 32 attributable to the taxpayer's business activity carried on within the M.C.T.D.

Time for Filing

Two and one-half months after the close of the taxable year.

Payment of Tax Surcharge

The entire tax surcharge must be paid on or before the original due date of the return.

Extension of Time for Filing Tax Surcharge Return

A request for an extension of time to file a tax surcharge return must be filed on Form CT-5 on or before the due date of the return, for the taxable period for which the extension is requested.

Requirements for a valid extension for all Metropolitan Transportation Business (MTB) tax surcharge returns are as follows:

a. A separate application for extension, along with any estimated tax surcharge payments that may be due, must be filed on or before the due date of the return for the taxable period for which this extension is requested,

AND

b. The total tax surcharge payment for the period for which this extension is requested must equal 90% of the tax surcharge as finally determined.

Specific Instructions

All taxpayers that file Form CT-32 must answer Yes or No to the question preceding Schedule N. **It is essential that banking corporations not doing business in the Metropolitan Commuter Transportation District disclaim liability for the tax surcharge by answering "no".**

Schedule N – Computation of Tax Surcharge

Line 1. Enter your New York State franchise tax from your franchise tax report, Form CT-32, Schedule A, line 7.

Line 2. Enter your M.C.T.D. allocation percentage from Schedule O, line 13.

Line 5a. Enter any payment made with Form CT-5, Application cation for Six-Month Extension.

Line 5b. You can apply an overpayment of franchise tax made on your franchise tax report, Form CT-32. Enter at this line the form number, period in which the overpayment occurred (use month and year) and amount to be applied. At the overpayment line of your Form CT-32, indicate the amount of money to be applied to the MTB tax surcharge.

Line 7. If the tax is not paid on or before the due date (without regard to any extension of time) interest must be paid on the amount of the underpayment from the due date to the date paid. The interest rate should be determined in accordance with Part 603 of the Tax Regulations.

Line 8. Additional charges for late filing are computed on the amount of tax less any payment made on or before the prescribed due date.

a. If a return is not filed when due or if the application for extension is invalid, add to the tax 5% per month up to 25% (Section 1085 (a)(1)(A)).

b. If a return is not filed within 60 days of the prescribed due date, the addition to tax cannot be less than the smaller of $100 or 100% of the amount required to be shown as tax (Section 1085(a)(1)(B)).

c. In case of failure to pay the tax shown on a return, add to the tax, ½% per month up to 25% (Section 1085(a)(2)).

d. The total of the additional charges in a and c may not exceed 5% for any one month, except as provided for in b above (Section 1085(a)).

If you think you are not liable for these additional charges, attach a statement to your return explaining the delay in filing and/or payment (section 1085).

Schedule O—Computation of M.C.T.D. Gross Income Allocation Percentage

The M.C.T.D. gross income allocation percentage is determined by dividing the taxpayer's gross income within the M.C.T.D. by the taxpayer's gross income within New York State. Gross income means federal gross income as defined in Section 61 of the Internal Revenue Code plus any amount excluded from federal gross income under Section 103 of the Internal Revenue Code minus the eligible gross income of an international banking facility, if the taxpayer elects to utilize the IBF modification. (see Regulations, Section 23-1.3(b)).

- A taxpayer that does all of its New York State business within the 12 counties of the M.C.T.D. can enter 100% at line 13 and at line 2 of Schedule N.
- A taxpayer that does part of its business outside of the M.C.T.D. must compute its M.C.T.D. gross income allocation percentage by completing Schedule O.

Corporations filing on a combined basis are required to file only one report for the combined group. Combined figures, as shown on your Form CT-32-A, should be used to complete this form.