

Franchise Tax Report of Gross Earnings
(Waterworks, Gas, Electric or Steam Heating, Lighting or Power Corporations)

Attach a copy of pages 1 through 4 of your federal return.

Section 186, Article 9, Tax Law

ATTACH MAILING LABEL HERE If there have been any changes in your business name, ID number, mailing or business address, telephone number or owner/officer information, please complete the enclosed Form DTF-95. If no form is enclosed, call 1-800-462-8100 (from out of state, (518) 438-1073).	Employer identification number	File number	<i>For office use only</i>
	Name		<i>Date received</i>
	Number and street		
	City or town	State	ZIP Code
Principal business activity	State or country of incorporation	Date of incorporation	Date began business in NYS
Does this corporation have an interest in real property located in New York State? <input type="checkbox"/> Yes <input type="checkbox"/> No Has the controlling interest in the corporation's stock changed during the period covered in this return? <input type="checkbox"/> Yes <input type="checkbox"/> No If you answered "Yes," to both questions, attach a statement with complete details (see instructions).			Business group code number (from federal return)
A. Payment — pay amount shown on line 14. Make check payable to: New York State Corporation Tax			Payment enclosed \$ _____

Schedule A — Computation of Tax

1. Gross earnings (enter from Schedule B, line 20, Column A) \$ _____	• x .0075	1		
2. Dividends (from Schedule C, line 28) \$ _____	• x .045	2		
3. Tax (add lines 1 and 2)		3		
4. Minimum Tax		4	125 00	
5. Tax (amount from line 3 or line 4, whichever is larger)		5		
6. Special additional mortgage recording tax credit (attach Form CT-43)		6		
7. Net tax (subtract line 6 from line 5)		7		
8. First installment of estimated tax for period following that covered by this report				
a. If application for extension was filed, enter amount from line 3 of Form CT-5.9		8a		
b. If Form CT-5.9 was not filed and line 7 is over \$1,000, enter 25% of line 7		8b		
9. Total (add lines 7 and 8a or 8b)		9		
10. Prepayments		10		
11. Balance (subtract line 10 from line 9)		11		
12. Interest (compute on line 7 or line 11 amount, whichever is less)		12		
13. Additional charges				
a. Late filing and late payment penalties (compute on line 7 or line 11 amount, whichever is less)		13a		
b. Penalty for underpayment of estimated tax. Check box <input type="checkbox"/> if Form CT-222 is attached		13b		
14. Balance due (add lines 11, 12, 13a and 13b — enter payment on line A)		14		
15. a. Overpayment (subtract line 0 from line 10)		15a		
b. Credit to next period		15b		
c. Balance of overpayment (subtract line 15b from line 15a)		15c		
d. Credit to CT-186-M		15d		
e. Refund (subtract line 15d from line 15c)		15e		

Schedule B — Computation of Gross Earnings and Allocation

		A New York State	B Everywhere
16. Gross earnings from operating revenue	16	•	•
17. Gross earnings from interest	17	•	•
18. Gross earnings from dividends	18	•	•
19. Gross earnings from other revenues	19	•	•
20. Total (add lines 16 through 19)	20	•	•
Enter Column A total on Schedule A, line 1			
21. Allocation percentage (line 16, Column A divided by Column B)	21		%

Certification by an Elected Officer of the Corporation

I hereby certify that this report and any attachments are to the best of my knowledge and belief true, correct and complete.

	Signature of officer	Official title
	Signature of individual or name of firm preparing this report	Preparer's address

Schedule C – Computation of Allocated Dividends (based on the period January 1, 1987 through December 31, 1987)

Calendar Year 1987

22. Shares of stock issued	22	Common
23. Actual amount of paid-in capital	23	Preferred
24. Amount of capital on which dividends were paid	24	
25. Total dividends paid in calendar year 1987	25	●
26. Enter 4% of line 24	26	●
27. Net dividends (subtract line 26 from line 25)	27	●
28. Allocated dividends (multiply line 27 by _____ %, from Schedule B, line 21)	28	

Enter on Schedule A, line 2

Schedule D – Reconciliation of Retained Earnings (based on the period January 1, 1987 through December 31, 1987)

29. Balance beginning of period	29	33. Dividends	33	●
30. Net increase	30	34. Other deductions (explain)	34	
31. Other additions (explain)	31	35. Total (add lines 33 and 34)	35	
32. Total (add lines 29, 30 and 31)	32	36. Balance end of period (subtract line 35 from line 32)	36	

Who Must File

Anyone who is taxable under Article 9, Section 186 must file an annual report on Form CT-186. This includes corporations, joint-stock companies or associations formed for or principally engaged in the business of supplying electricity, water, steam, or gas when delivered through mains or pipes must file an annual report on Form CT-186. The tax is computed on gross earnings received from January 1, to December 31, 1987, and on dividends paid during the same period. You must report income for the calendar year even if you maintain your records and report to the IRS using a fiscal accounting period.

When and Where to File

Mail completed reports to: **New York State Tax Department, Processing Unit, P.O. Box 1909, Albany, NY, 12201-1909** on or before March 15, 1988.

Change of Business Information – If there have been any changes in your business name, ID number, mailing address, business address, telephone number or owner/officer information, complete the enclosed Form DTF-95, *Change of Business Information*. If no form is enclosed, call 1-800-462-8100 (from out of state (518) 438-1073) to request one.

Extension of Time for Filing Tax Report

A request for an extension of time to file a tax report must be filed on Form CT-5.9 on or before March 15, 1988. An extension of time granted by the IRS to file a federal tax return does not extend the due date for filing Form CT-186.

Declaration and Payment of Estimated Tax (Sec. 197-a, 197-b)

If your 1987 tax is more than \$1,000, you must pay a mandatory first installment equal to 25% of that tax.

If your 1988 tax liability can reasonably be expected to exceed \$1,000 you must also make a declaration of estimated tax for the current year. File your declaration of estimated tax (Form CT-400) on or before June 15 each year.

The estimated tax less mandatory first installment paid with this report is payable in three equal installments due June 15, September 15 and December 15.

Article 31-B, Section 1449-a (Tax on gains derived from certain real property transfers)

A corporation with an interest in real property in New York must keep a record of the transfer of its stock, report annually every transfer of a "controlling" interest in its stock, and provide any other information necessary for the enforcement of article 31-B.

Controlling interest of a corporation is either 50 percent or more of the total combined voting power of all classes of stock or 50 percent or more of the capital, profits or beneficial interest in such voting stock.

If you answered "Yes" to both questions on page one, attach a separate sheet with the following information:

- Name, address and identification number of the new controlling stockholder, (use social security number for individuals and federal employer identification number for corporations).
- Date transfer was made.
- Location of real property.

Foreign Corporations – Maintenance Fee and License Fee

Foreign corporations authorized to do business in New York must pay an annual maintenance fee of \$200.00. This fee may be applied against the taxes due under Article 9, except the license fee imposed by Section 181. If the total taxes (excluding the installment for 1988) on Form CT-186, CT-186A or CT-186P for December 31, 1987 exceed \$200.00, you have satisfied the requirement to pay a maintenance fee. If the total taxes payable (excluding the installment for 1988) are less than \$200.00, add the difference to line 9, of Form CT-186 to produce a total tax and fee of \$200.00 plus the installment for 1988.

Foreign corporations must also file a report of license fee (see Form CT-240, *Report of License Fee*).

Schedule A

Line 6 – You may take a credit against your franchise tax for any "apool additional mortgage recording tax" you paid. This credit may not reduce your tax below the minimum tax, or if you are an authorized foreign corporation, it may not reduce the tax below the \$200.00 maintenance fee. You may carry any unused credit forward. Attach Form CT-43, *Claim for Additional Mortgage Recording Tax Credit*.

Line 8b – If the amount on line 7 is more than \$1,000, you must pay a mandatory first installment of your 1988 tax. Enter 25% of the tax shown on line 7.

Line 9 – Add lines 7 and 8a or 8b.

Foreign Corporations Only – If your total taxes due with your franchise tax reports CT-186, CT-186A and/or CT-186P for December 31, 1987 are less than \$200.00, add the difference to the tax due on this form and enter total on line 9. Attach computation.

Tax due Example:

Form CT-186	\$125.00
Form CT-186P	50.00
Total 1987 tax	\$175.00
Maintenance fee	200.00
Balance of maintenance fee due	\$25.00
Tax due on Form CT-186	125.00
Enter on line 9	\$150.00

Line 10 – Enter the total of all 1987 estimated tax payments and any overpayment carryover from preceding periods.

Line 12 – If the tax is not paid on or before the due date (without regard to any extension of time), you must pay interest on the amount of the underpayment from the due date to the date paid. Determine the interest rate in accordance with Part 603 of the Tax Regulations.

Line 13a – 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 report 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 report is not filed within 60 days of the 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 report, 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 report explaining the delay in filing and/or payment (Section 1085).

Schedule B

On lines 16 through 20, enter gross earnings attributable to New York State in column A and total gross earnings everywhere in column B.

The term "gross earnings" means all receipts from the employment of capital without any deduction.

Line 16 – The term "gross earnings from operating revenue" refers to gross receipts from all sales before any deductions.

Line 20 – Add lines 16 through 19 in column A. Enter the amount on line 1 of Schedule A.

Line 21 – Enter the percentage determined by dividing line 16, column A by line 16, column B. Use this percentage on line 28, Schedule C.

Schedule C

Line 23 – The actual amount of paid-in capital is that part of the equity that was invested in the business enterprise by shareholders.

Line 24 – If dividends are paid once a year, the value to be included is the value of the capital on the declaration date. If dividends are declared and paid more than once a year, the value of capital on which these dividends were paid must be averaged by computing the value of capital on each declaration date, and dividing by the number of dividend dates.

See TSB-M-82(8)C for additional information on the computation of the tax on dividends.