New York State Department of Taxation and Finance

# Separate Tax on Lump-Sum Distributions

**New York State • City of New York**

**Attach to Form IT-201, IT-203 or IT-205.**

**IT-230**

| Name(s) as shown on return | Identifying number |
|---|---|
| | |

**Part I** - Did you use federal Form 4972 to figure your federal tax on lump-sum distributions? Yes ☐ No ☐

**If you answered *No*, do not complete the rest of this form.** Your lump-sum distribution does not qualify for the separate tax on lump-sum distributions.

**Part II - Use this part if you completed Part II on federal Form 4972.**

1 Capital gain part from federal Form 4972, Part II, line 1 ..... 1

2 Multiply line 1 by 5.4% (.054) and enter here *(city of New York residents and part-year city of New York residents use both columns; multiply line 1 by 1.72% (.0172) to figure city tax).*

Include the amount from line 2, *New York State* column, in the total for Form IT-201 or Form IT-203, line 51; or Form IT-205, front page, line 6; or Form IT-205-A, Schedule I, line 11. In the margin to the right of the total, write ***IT-230-CG*** (IT-230 capital gain) and show the amount ..... 2

| | New York State | City of New York |
|---|---|---|
| 2 | | |

City of New York residents and part-year city of New York residents — Include the amount from line 2, *City of New York* column, in the total for Form IT-201, line 59 or line 63; Form IT-203, line 63; or Form IT-205, front page, line 17. In the margin to the right of the total, write ***IT-230-CG*** (IT-230 capital gain) and show the amount.

New York State Nonresidents or Part Year Residents or New York State Nonresident or Part-Year Resident Trusts — Complete the *Nonresident and Part-Year Resident Income Percentage Schedule* on the Form IT-230-I, Instructions for Form IT-230, to figure the income percentage to enter on Form IT-203, line 56 or Form IT-205-A, Schedule 1, line 12.

**Part III - Use this part if you completed Part III on federal Form 4972.**

1 Amount from federal Form 4972, Part III, line 1 ..... 1

2 Death benefit exclusion *(see instructions)* ..... 2

3 Subtract line 2 from line 1 *(total taxable amount)* ..... 3

4 Current actuarial value of annuity, if applicable *(from federal Form 4972, Part III, line 4)* ..... 4

5 Add lines 3 and 4 *(adjusted total taxable amount)*. If this amount is $70,000 or more, skip lines 6 through 9, and enter this amount on line 10 ..... 5

6 Multiply line 5 by 50% (.50) but do not enter more than $10,000 ..... 6

7 Subtract $20,000 from line 5. Enter difference. If line 5 is $20,000 or less, enter "0" ..... 7

8 Multiply line 7 by 20% (.20) ..... 8

9 Subtract line 8 from line 6 *(minimum distribution allowance)* ..... 9

10 Subtract line 9 from line 5 ..... 10

11 Multiply line 10 by 20% (.20) *(taxable balance)* ..... 11

| | | New York State | City of New York |
|---|---|---|---|
| 12 Tax on amount on line 11. Use the *New York State Tax Table (Single* column) in the instructions for Form IT-201. *(City of New York residents and part-year city of New York residents also use the* City of New York Tax Table *(Single* column).) | 12 | | |
| 13 Multiply line 12 by five. If you made no entry on line 4, skip lines 14 through 19, and enter this amount on line 20 | 13 | | |
| 14 Divide line 4 by line 5 and enter the result as a decimal *(see instructions)* | 14 | . | |
| 15 Multiply line 9 by the decimal amount on line 14 | 15 | | |
| 16 Subtract line 15 from line 4 | 16 | | |
| 17 Multiply line 16 by 20% (.20) | 17 | | |
| 18 Tax on amount on line 17. Find tax by using the *Single* column of the tax table in the instructions for Form IT-201 | 18 | | |
| 19 Multiply line 18 by five | 19 | | |
| 20 Tax on lump-sum distribution *(subtract line 19 from line 13)* | 20 | | |

Transfer the line 20 amount in the *New York State* column to Form IT-201-ATT or Form IT-203-ATT, line 8; or to Form IT-205, front page, line 10. *(Multiple recipient, see instructions.)*

City of New York residents and part-year city of New York residents — transfer the line 20 amount in the *City of New York* column to Form IT-201-ATT or Form IT-203-ATT, line 18; or to Form IT-205, front page, line 17. *(Multiple recipient, see instructions.)*

**Part IV - Use this part if you completed Part IV on federal Form 4972.**

| | | |
|---|---|---|
| 1 Amount from federal Form 4972, Part IV, line 1 | 1 | |
| 2 Death benefit exclusion *(see instructions)* | 2 | |
| 3 Subtract line 2 from line 1 *(total taxable amount)* | 3 | |
| 4 Current actuarial value of annuity, if applicable *(from federal Form 4972, Part IV, line 4)* | 4 | |
| 5 Add lines 3 and 4 *(adjusted total taxable amount)*. If this amount is $70,000 or more, skip lines 6 through 9 and enter this amount on line 10 | 5 | |
| 6 Multiply line 5 by 50% (.50), but do not enter more than $10,000 | 6 | |
| 7 Subtract $20,000 from line 5. Enter difference. If line 5 is $20,000 or less, enter "0" | 7 | |
| 8 Multiply line 7 by 20% (.20) | 8 | |
| 9 Subtract line 8 from line 6 *(minimum distribution allowance)* | 9 | |
| 10 Subtract line 9 from line 5 | 10 | |
| 11 Multiply line 10 by 10% (.10) *(taxable balance)* | 11 | |

| | | New York State | City of New York |
|---|---|---|---|
| 12 Tax on amount on line 11. Use the *New York State Tax Rate Schedule* in the instructions for Form IT-230 *(City of New York residents and part-year city of New York residents also use the* City of New York Tax Rate Schedule *in the instructions for Form IT-230.)* | 12 | | |
| 13 Multiply line 12 by ten. If you made no entry on line 4, skip lines 14 through 19, and enter this amount on line 20 | 13 | | |
| 14 Divide line 4 by line 5 and enter the result as a decimal *(see instructions)* | 14 | . — — — — | |
| 15 Multiply line 9 by the decimal amount on line 14 | 15 | | |
| 16 Subtract line 15 from line 4 | 16 | | |
| 17 Multiply line 16 by 10% (.10) | 17 | | |
| 18 Tax on amount on line 17. Use *Tax Rate Schedule* in Form IT-230 instructions | 18 | | |
| 19 Multiply line 18 by ten | 19 | | |
| 20 Tax on lump-sum distribution *(subtract line 19 from line 13)* | 20 | | |

Transfer the line 20 amount in the *New York State* column to Form IT-201-ATT, or Form IT-203-ATT, line 8, or to Form IT-205, front page, line 10. *(Multiple recipient, see instructions.)*

City of New York residents and part-year city of New York residents — transfer the line 20 amount in the *City of New York* column to Form IT-201-ATT or Form IT-203-ATT, line 18; or to Form IT-205, front page, line 17. *(Multiple recipient, see instructions.)*