



Instructions for Form CT-33-M

Insurance Corporation MTA Surcharge Return

Tax Law — Article 33, Section 1505-a

Who Must File

If you do business, employ capital, own or lease property or maintain an office in the Metropolitan Commuter Transportation District (MCTD) you must pay a Metropolitan Transportation Business tax surcharge on business done in the Metropolitan Transportation Authority region (MTA surcharge). The MCTD includes the counties of New York, Bronx, Queens, Kings, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester.

If you file Form CT-33, use Form CT-33-M to report and pay the MTA surcharge.

Corporations filing on a combined basis are required to file only one return for the combined group. Combined figures, as shown on your Form CT-33-A, should be used to complete this form.

Installment Payments

A taxpayer required to pay the MTA surcharge and whose franchise tax plus state tax surcharge is more than \$1,000 must file a declaration of estimated MTA surcharge and make quarterly installment payments on Form CT-400.

MTA Surcharge Rate

The MTA surcharge rate is 17% for calendar years 1995 and 1996 or fiscal years ending before December 31, 1997.

When and Where to File Reporting Period

If you are a calendar year filer, check the box in the upper right corner on the front of the form.

If you are a fiscal year filer, complete the beginning and ending tax period boxes in the upper right corner on the front of the form.

File this return and any amount due within 2½ months after the end of your reporting period. If you are reporting for the 1995 calendar year, file your return on or before March 15, 1996.

Mail return to: **NYS CORPORATION TAX
PROCESSING UNIT
P O BOX 1909
ALBANY NY 12201-1909**

Extension of Time for Filing MTA Surcharge Return

You may request additional time to file an MTA surcharge return. File Form CT-5 or Form CT-5.3 on or before the due date of the return for which the extension is requested and pay the MTA surcharge estimated to be due.

The payment must either:

- equal or exceed your MTA surcharge for the preceding tax period (if it was for a period of 12 months); or
- equal or exceed 90% of the MTA surcharge for this period as finally determined.

Identifying Information

To ensure that your corporation tax forms are processed as quickly and efficiently as possible, it is important that we have the necessary identifying information from your preprinted label. **Keep a record of the label information for future use.** Please be certain to include your employer identification number, file number and filing period on each corporation tax form mailed. This will facilitate processing of your return to the correct account. Without this information, we may not be able to process your return.

If you use a paid preparer or accounting firm, make sure they use the mailing label or label information when completing all forms prepared for you.

Change of Business Information

If there have been any changes in your business name, identification number, mailing address, business address, telephone number or owner/officer information and you have not previously notified us, complete Form DTF-95, *Change of Business Information*. If you don't have a form, call toll free (from New York State only) 1 800 462-8100. From areas outside New York State, call (518) 438-1073 to request one.

Specific Instructions

Computation of MCTD Allocation Percentage

If you do all of your New York State business within the 12 counties of the MCTD, skip lines 1 through 8 and enter 100% on line 9.

If you do part of your business outside the MCTD, compute your MCTD allocation percentage by completing lines 1 through 8.

Corporations taxable under Article 33 that are filing on a combined basis must use a combined MCTD allocation percentage.

Determine MCTD premiums and MCTD wages using the same principles set out in section 1504(a) and (b) of the Tax Law to determine New York premiums and New York wages, salaries, commissions and other compensation.

- Line 4 -** Multiply the percentage on line 3 by nine.
- Line 7 -** Divide MCTD wages by New York wages.
- Line 9 -** Divide the sum of the percentages on line 8 by ten.
- Line 10 -** Enter your New York State franchise tax from your franchise tax return, Form CT-33, line 13, or Form CT-33-A, line 16.
- Line 13 -** Insurance corporations organized or domiciled in New York State may claim a credit on this line for 90% of retaliatory taxes paid to other states for the privilege of doing business in those states, which resulted from the imposition of the MTA surcharge for the 1995 tax year. Enter the smaller of 90% of retaliatory taxes paid in 1995 attributable to the 1995 MTA surcharge or the amount of MTA surcharge shown on line 12. Attach computation. Enter "0" if no retaliatory tax credit is claimed. To claim a refund for retaliatory taxes paid in 1995 as a result of the imposition of the MTA surcharge for previous periods, see lines 29 through 38.
- Line 15a -** If you have filed a request for extension, enter the amount from Form CT-5, line 9 or Form CT-5.3, line 10.
- Line 15b -** If you did not file Form CT-5 or Form CT-5.3, and your franchise tax and state surcharge exceeds \$1,000 enter 25% of line 14. Your franchise tax and state tax surcharge can be found on your tax return:

CT-33 Line 15
CT-33-A Line 18

- Line 17 -** Enter any MTA surcharge payment made with Form CT-5, *Request for Six-Month Extension of Time to File*. Prepayments may be computed on the back of the form and transferred to this line. Prepayments will include any MTA surcharge payment made with Form CT-5 (extension), installment payments of MTA surcharge on Form CT-400, credit carryovers from prior years and overpayments of franchise tax from Form CT-33 or Form CT-33-A.
- Line 20 -** If you do not pay the MTA surcharge 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. Exclude from the interest computation any amount shown on line 15a or 15b, first installment of estimated tax for next period. You may call the Business Tax Information Center at 1-800-972-1233 for the current rate or to have the interest computed for you. You can also call toll free (from New York State only) 1 800 CALL TAX (1 800 225-5829). From areas outside New York State, call (518) 438-8581.
- Line 21 -** Additional charges for late filing and late payment are computed on the amount of MTA surcharge required to be shown on the return after deduction of any payment made on or before the due date. Exclude
- from the penalty computation any amount shown on line 15a or 15b, first installment of estimated tax for next period.
- A If you do not file a return when due or if your request for extension is invalid, add to the MTA surcharge 5% per month up to 25% (section 1085(a)(1)(A)).
- B If you do not file a return within 60 days of the due date, the addition to the MTA surcharge in item A above cannot be less than the smaller of \$100 or 100% of the amount required to be shown as the MTA surcharge (section 1085(a)(1)(B)).
- C If you do not pay the MTA surcharge shown on a return, add to the MTA surcharge ½% per month up to 25% (section 1085(a)(2)).
- D The total of the additional charges in items A and C above may not exceed 5% for any one month except as provided for in item 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).
- Line 23 -** You may apply all or part of your overpayment to your New York State franchise tax. Indicate on lines 24, 25 and 26 the amount you want applied to your tax and the amount you want refunded.

Claim for Refund of MTA Surcharge Retaliatory Tax Credit

Insurance corporations organized or domiciled in New York State must use lines 29 through 38 to claim a refund for retaliatory taxes paid to other states as a result of the imposition of the metropolitan transportation business tax (MTA surcharge). The surcharge credit available for a given year may not exceed the MTA surcharge payable for that year as computed pursuant to section 1505-a of the Tax Law. The credit is claimed in the year paid but is attributed to the year in which the retaliatory taxes were imposed or assessed.

Attach a separate sheet to the refund claim, identifying the recipients of the tax and the amount paid to each recipient, broken down to reflect the year to which the taxes are attributable.

A credit cannot be claimed for taxes paid to other states on or after the *limitation date* for each MTA surcharge tax year. The *limitation date* is the first day of the sixth calendar year following the calendar year in which an insurer's MTA surcharge tax year begins. For example, for an MTA surcharge tax year ending December 31, 1990, the limitation date for filing a claim for refund would be January 1, 1996. For a 12-month fiscal MTA surcharge tax year ending November 30, 1991, the limitation date for filing a claim for refund would still be January 1, 1996. For additional information see TSB-M-85(4)C.

- Line 29 -** Enter MTA surcharge payable for each year for which a credit is being claimed. include amounts attributable to retaliatory taxes that were previously claimed on Form CT-33-M.
- Line 30 -** Enter retaliatory tax credits allowed in prior years that are attributable to the MTA surcharge. Include all credits claimed on Form CT-33-M.
- Line 32 -** Enter 90% of retaliatory taxes paid this year that are attributable to the 1990 MTA surcharge. Do not include amounts attributable to retaliatory taxes that were previously claimed on Form CT-33-M.
- Line 33 -** Enter 90% of retaliatory taxes paid this year that are attributable to the 1991 MTA surcharge. Do not include amounts attributable to retaliatory taxes that were previously claimed on Form CT-33-M.
- Line 34 -** Enter 90% of retaliatory taxes paid this year that are attributable to the 1992 MTA surcharge. Do not
- Line 35 -** Enter 90% of retaliatory taxes paid this year that are attributable to the 1993 MTA surcharge. Do not include amounts attributable to retaliatory taxes that were previously claimed on Form CT-33-M.
- Line 36 -** Enter 90% of retaliatory taxes paid this year that are attributable to the 1994 MTA surcharge. Do not include amounts attributable to retaliatory taxes that were previously claimed on Form CT-33-M.
- Line 37 -** Enter in the appropriate column, for the correct year, the total MTA surcharge retaliatory tax credits allowed to date. Include any credits previously allowed on Form CT-33-M or previously filed Form CT-33-R, as well as amounts claimed in Columns A through E on lines 32 through 36.