



Instructions for Form CT-3-B
Tax-Exempt Domestic International
Sales Corporation (DISC) Information Return
Tax Law — Article 9-A

General Information

Information from this form, Form CT-3, and Form CT-3-ATT is used to complete Form CT-3-C. Therefore the schedules and lines are numbered to directly correspond with the same schedules and lines on Forms CT-3 and CT-3-ATT.

Who Must File

Domestic international sales corporations (DISCs) that are exempt from tax under Article 9-A of the Tax Law must file Form CT-3-B. Foreign sales corporations (FSCs) cannot file this form. Taxable DISCs must file Form CT-3.

A corporation that qualifies as a DISC under section 922(a) of the Internal Revenue Code is exempt from tax under Article 9-A if during the year:

- (a) It received more than 5% of its gross receipts from the sale of inventory or other property purchased from its stockholders, (or)
(b) It received more than 5% of its gross rentals from the rental of property purchased or leased from its stockholders, (or)
(c) It received more than 5% of its total receipts from other than sales or rentals from its stockholders.

Stockholder of DISC That Files as Part of Combined Group

If the stockholder of the tax exempt DISC files as part of a combined group, the stockholder is no longer required to file Form CT-3. Use the instructions for the appropriate lines on Form CT-3-A to complete the Computation of Entire Net Income, Capital Base, Minimum Taxable Income Base and Schedules A and B on pages 1, 2, and 3, and the instructions for the appropriate lines on Form CT-3-A/ATT to complete Schedules C and D on pages 3 and 4.

When and Where to File

This return must be filed separately by a tax-exempt DISC. Attach a copy of this return to the stockholder's consolidated return, Form CT-3-C, and file both on or before the 15th day of the 9th month after the end of the tax year.

Mail your return to:

NYS CORPORATION TAX
PROCESSING UNIT
PO BOX 1909
ALBANY NY 12201-1909

Private Delivery Services

For information on the use of private delivery services, see Private Delivery Services in the instructions for Form CT-3-C.

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.

Employer Identification Number, File Number, and Other Identifying Information

To assist us in processing your corporation tax forms 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 and file number on each corporation tax form mailed.

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.

Business Activity Code Number

Enter the business activity code number from your federal return. Please check the appropriate box for the type of code you are using. Check the box marked NAICS if you use the North American Industry Classification System.

Foreign Corporations Maintenance Fee

Foreign corporations (including DISCs) authorized to do business in New York State must pay an annual maintenance fee of \$300 (Article 9, section 181.2). Enter your maintenance fee on line B on the front page of Form CT-3-B.

For short periods the maintenance fee may be reduced as follows:

Table with 3 columns: Period, Reduction, Maintenance Fee. Rows include: A period of not more than 6 months (50% reduction, \$150 fee), A period of more than 6 months but not more than 9 months (25% reduction, \$225 fee), A period of over 9 months (None reduction, \$300 fee).

If you do not pay the maintenance fee due on or before the due date, you must pay interest and penalty on the underpayment. See the instructions for Form CT-3 for proper calculation of interest and penalty.

Privacy Notification

The right of the Commissioner of Taxation and Finance and the Department of Taxation and Finance to collect and maintain personal information, including mandatory disclosure of social security numbers in the manner required by tax regulations, instructions, and forms, is found in Articles 8, 9, 9-A, 13, 19, 27, 32, 33, and 33-A of the Tax Law; and 42 USC 405(c)(2)(C)(i).

The Tax Department will use this information primarily to determine and administer corporate tax liabilities under the Tax Law, for certain tax refund offsets, and for any other purpose authorized by law.

Failure to provide the required information may result in civil or criminal penalties, or both, under the Tax Law.

This information will be maintained by the Director of the Registration and Data Services Bureau, NYS Tax Department, Building 8 Room 924, W A Harriman Campus, Albany NY 12227; telephone 1 800 225-5829. From areas outside the U.S. and outside Canada, call (518) 485-6800.