



# CT-240

(10/00)

New York State Department of Taxation and Finance

## Foreign Corporation License Fee Return

Tax Law – Article 9, Section 181

Based on period ended

Employer identification number		File number			For office use only
<b>Mailing name and address</b>	Legal name of corporation		Trade name / DBA		
	Mailing name (if different from legal name) and address		State or country of incorporation		
	c/o		Date of incorporation		
	Number and street or PO box		Foreign corporations: date began business in NYS		
City		State	ZIP code	Audit use	
If your name, employer identification number, address, or owner/officer information has changed, you must file Form DTF-95. Obtain forms through fax-on-demand, Internet access, or one of the telephone assistance numbers. See the <i>Need help?</i> section of the instructions.				Business telephone number ( )	

<b>A. Payment</b> — pay amount shown on line 12. Make check payable to: <b>New York State Corporation Tax</b> Attach your payment here.	Payment enclosed
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### Computation of license fee (see instructions on back for assistance)

1	Issued and outstanding par value stock at face value	1	
2	Par value stock allocated to New York State (multiply line 1 by line 17, line 20, or line 25)	2	
3	Fee - par value stock (multiply line 2 by .0005)	3	
4	Number of shares of no-par value stock issued and outstanding	4	
5	Number of shares of no-par value stock allocated to New York State (multiply line 4 by line 17, line 20, or line 25)	5	
6	Fee - No-par value stock (multiply line 5 by 5 cents (.05))	6	
7	Total license fee (line 3 plus line 6, or \$10; whichever is greater)	7	
8	License fee previously paid	8	
9	License fee due with this report (subtract line 8 from line 7)	9	
10	Interest (see instructions)	10	
11	Additional charges (see instructions)	11	
12	Balance due (add lines 9, 10, and 11; enter payment on line A above)	12	

### Schedule A — License fee allocation – foreign corporations (including S corporations) taxable under Article 9-A, Tax Law (see instructions)

13	Allocated business and investment capital from Form CT-3 or CT-3-S-ATT, Schedule B	13	
14	Allocated subsidiary capital from Form CT-3 or CT-3-S-ATT, Schedule B	14	
15	Total allocated capital (add lines 13 and 14)	15	
16	Total capital from Form CT-3 or CT-3-S-ATT, Schedule B	16	
17	License fee allocation (divide line 15 by line 16)	17	%

### Schedule B — License fee allocation – foreign corporations taxable under Article 9, Tax Law (see instructions)

18	Gross assets, less United States obligations and cash, employed in New York State	18	
19	Gross assets, less United States obligations and cash, wherever employed	19	
20	License fee allocation (divide line 18 by line 19)	20	%

### Schedule C — License fee allocation – foreign corporations taxable under Article 32, Tax Law (see instructions)

21	Allocated business capital	21	
22	Allocated subsidiary capital	22	
23	Total allocated business and subsidiary capital (add lines 21 and 22)	23	
24	Total capital	24	
25	License fee allocation (divide line 23 by line 24)	25	%

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

Signature of elected officer or authorized person		Official title	Date
<b>Paid preparer use only</b>	Firm's name (or yours if self-employed)		ID number
	Address		Signature of individual preparing this return

## Instructions

A foreign corporation must pay a license fee for the privilege of exercising its corporate franchise or carrying on its business in New York State. This fee is in addition to the annual franchise tax and is payable only once unless the capital share structure changed or the amount of capital stock employed in New York State increased since the last license fee return was filed. Some changes in capital share structure are:

- stock split;
- issuance of authorized stock;
- change of par value stock to no-par value stock; and
- change of no-par value stock to par value stock.

**Who must file** — All foreign corporations, except banking corporations as defined in paragraphs 1 - 8 of section 1452(a) and insurance corporations doing business in New York State, must file Form CT-240. This includes foreign corporations that have elected to be New York State S corporations.

A foreign corporation that is subject to the New York State franchise tax under Article 32, section 1452(a)(9) or a foreign bank holding company that is included in a combined return under Article 32, section 1462(f), is required to file a license fee return. However, a foreign corporation or bank holding company that would not otherwise be taxable in New York State except for its inclusion in a combined return under Article 9-A or Article 32 of the Tax Law is **not** required to file a license fee return.

All foreign corporations included in a combined return under Article 9-A or Article 32 of the Tax Law that would be taxable in New York State if they filed separate returns are required to file the license fee return and compute the license fee on an individual basis.

**When and where to file** — File Form CT-240 with the first franchise tax return, within 2½ months after the end of the fiscal or calendar year, and whenever a change is made in the capital share structure of the corporation or whenever the amount of capital stock employed in New York State has increased since the last license fee return was filed. When filing Form CT-240 other than with your franchise tax return, mail to: **NYS CORPORATION TAX, PROCESSING UNIT, PO BOX 22038, ALBANY NY 12201-2038.**

**Private delivery services** — If you choose, you may use a private delivery service, instead of the U.S. Postal Service, to file your return. However, if, at a later date, you need to establish the date you filed your return, you cannot use the date recorded by a private delivery service **unless** you used a delivery service that has been designated by the U.S. Secretary of the Treasury or the Commissioner of Taxation and Finance. (Currently designated delivery services are listed in Publication 55, *Designated Private Delivery Services*. See *Need help?* below for information on ordering forms and publications.) If you use **any** private delivery service, whether it is a designated service or not, address your return to: **State Processing Center, 431C Broadway, Albany NY 12204-4836.**

**License Fee Rates** — The license fee rate is five cents on each share of no-par value stock and 1/20th of 1% of the value of par value stock. The minimum license fee is \$10.

When the license fee is recomputed, the amount of any license fee previously paid may be taken as a credit against the recomputed license fee. However, no credit for license fees previously paid will be allowed for a foreign corporation that merges or reincorporates in another state. Refunds will not be made to a corporation when a recomputed fee is less than the fee previously paid.

### Specific instructions

**Whole dollar amounts** - You may elect to show amounts in whole dollars rather than dollars and cents. Round an amount from 50 cents through 99 cents to the next higher dollar, and round any amount less than 50 cents to the next lower dollar.

**Percentages** - When computing allocation percentages, convert decimals into percentages by moving the decimal point two spaces to the right. Percentages should be carried out to four decimal places. For example:  $5,000/7,500 = .6666666 = 66.6667\%$ .

**Negative amounts** — show any negative amounts in parentheses.

#### Computation of license fee

- Line 1** — Enter the total face value of issued par value stock. **Do not include treasury stock.**
- Line 4** — Enter the total number of shares of no-par value stock issued. **Do not include treasury stock.**
- Line 8** — Enter total license fee paid with prior license fee returns. **Do not include interest paid or additional charges with prior returns.**
- Line 10** — If you do not pay the license fee on time, you must pay interest. Call Tax information for the current rate. See *Need help?* for the telephone number.

#### Line 11 — Additional charges — late filing and late payment

Additional charges for late filing and late payment are computed on the amount of the fee less any payment made on or before the due date determined **with** regard to any extension of time for filing.

- A. If you do not file a return when due, add to the fee 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 fee in item A above cannot be less than the smaller of \$100 or 100% of the amount required to be shown (section 1085(a)(1)(B)).
- C. If you do not pay the fee shown on a return, add to the fee 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 or payment (section 1085).

**Note: We will compute the interest (line 10) and/or penalty (line 11) for you. Call the Business Tax Information Center at 1 800 972-1233.**

#### Schedule A — License fee allocation — foreign corporations (including S corporations) taxable under Article 9-A, Tax Law

Add the allocated New York State business capital, allocated New York State investment capital and the allocated New York State subsidiary capital, then divide the result by total capital. Get these figures from Form CT-3, *General Business Corporation Franchise Tax Return, Computation of Capital Base*.

Example:	<i>Allocated NYS capital</i>	<i>Capital everywhere</i>
<i>Business Capital</i>	\$750,000	\$1,000,000
<i>Investment Capital</i>	5,000	50,000
<i>Subsidiary Capital</i>	<u>100,000</u>	<u>100,000</u>
	<b>\$855,000</b>	<b>\$1,150,000</b>

*License fee allocation percentage: 74.34782% (855,000 ÷ 1,150,000)*

If you file Form CT-3-S, determine your total capital, business capital, and investment capital on Form CT-3-S-ATT. Allocate business and investment capital by using the allocation percentages from Form CT-3-S.

#### Schedule B — License fee allocation — foreign corporations taxable under Article 9, Tax Law

Compute your license fee allocation percentage by dividing assets employed in New York State by total assets. Do not include cash or U.S. obligations as part of assets.

#### Schedule C — License fee allocation — foreign corporations taxable under Article 32, Tax Law

Add together business capital and subsidiary capital allocated to New York State and divide the result by total capital. Foreign corporations taxable under section 1452(a)(9) and foreign bank holding companies included in a combined return under section 1462(f) are required to compute the license fee allocation in the same manner as the issuer's allocation percentage. The computation of the issuer's allocation percentage is described in the instructions for Form CT-32, *Banking Corporation Franchise Tax Return*.



#### Need help?

**Telephone assistance** is available from 8:30 a.m. to 4:25 p.m. (eastern time), Monday through Friday.

Tax information: 1 800 972-1233

Forms and publications: 1 800 462-8100

From outside the U.S. and outside Canada: (518) 485-6800

Fax-on-demand forms: 1 800 748-3676

Internet access: <http://www.tax.state.ny.us>

Hearing and speech impaired (telecommunications device for the deaf (TDD) callers only): 1 800 634-2110 (8:30 a.m. to 4:25 p.m., eastern time)



**Persons with disabilities:** In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call 1 800 225-5829.



**If you need to write**, address your letter to: NYS Tax Department, Taxpayer Assistance Bureau, W A Harriman Campus, Albany NY 12227.