



# Instructions for Form CT-3M/4M

## General Business Corporation MTA Surcharge Return

# CT-3M/4M-I

### General information

#### Who must file this form and pay this surcharge

A taxpayer filing Form CT-3, CT-3-A, or CT-4 under Article 9-A, that does business, employs capital, owns or leases property, or maintains an office in the Metropolitan Commuter Transportation District (MCTD), must also file Form CT-3M/4M and 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, Kings, Queens, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester.

For periods beginning on or after January 1, 2000, a qualified homeowners association with no federal taxable income will no longer be subject to the fixed dollar minimum tax or the MTA surcharge computed on the fixed dollar minimum. However, a homeowners association may owe tax on the other tax bases and the MTA surcharge on these other bases. A homeowners association that owes no tax or MTA surcharge is still required to file a tax return and an MTA surcharge return.

#### Estimated MTA surcharge

Any corporation doing business in the MCTD that is required to make a declaration of estimated franchise tax must also make a declaration of estimated MTA surcharge and make quarterly installment payments on Form CT-400, *Estimated Tax for Corporations*. For additional information see the instructions for line 5b and Form CT-400-1.

#### MTA surcharge rate

The MTA surcharge rate is 17% for calendar year 2000 or for fiscal years beginning on or after January 1, 2000, and ending before December 31, 2001.

#### When and where to file

File this return and pay the amount of MTA surcharge due within 2½ months after the end of your reporting period. If your filing date falls on a Saturday, Sunday, or legal holiday, then you must file your return on or before the next business day.

If you cannot meet the filing deadline, ask for a six-month extension of time by filing Form CT-5 or CT-5.3. Mail your return to: NYS Corporation Tax, Processing Unit, PO Box 1909, Albany NY 12201-1909.

#### Private delivery services

See page 3 of Form CT-3/4-I or Form CT-3-A-I.

#### Extension of time for filing MTA surcharge return

You may request additional time to file an MTA surcharge return. File Form CT-5 or CT-5.3 on or before the due date of the return for which you are requesting the extension, and pay the MTA surcharge you estimate to be due.

#### Amended return

If you are filing an amended return, please write **Amended return** across the top.

#### Employer identification number, file number, and other identifying information

For us to process 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. 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 information when completing all forms prepared for you.

### Line instructions

**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.

**Line A** — Make your payment in United States funds. We will accept a foreign check or foreign money order only if payable through a United States bank or if marked **Payable in U.S. funds**.

### Computation of MTA surcharge

**Line 1** — Although the tax rates for the general corporate business tax are reduced this year, and will continue to fall in subsequent years, the MTA tax surcharge must be computed without regard to that reduction.

To determine the amount to enter on line 1, find the **first condition** below that applies to you, and follow the instructions indicated for that condition. For example, if the amounts on Form CT-3, lines 71, 74, and 82 are all \$100, then your situation would be described in **both** conditions 1 and 2. In that event you would follow the instructions for the first condition satisfied, in this case condition 1, and ignore the instructions for condition 2.

**\* Short period returns:** In the instructions below, if your taxable period is 6 months or less, in place of **\$325** read **\$162.50**. If your taxable period is more than 6 months but not more than 9 months, in place of **\$325** read **\$243.75**.

Condition	Instructions
1. The tax on the minimum taxable income base equals the tax due. CT-3 Line 71 = Line 82 CT-3-A Line 71 = Line 81 CT-4 Line 27 = Line 34	Complete Condition 1 worksheet
2. The fixed dollar minimum tax equals the tax due. CT-3 Line 74 = Line 82 CT-3-A Line 74 = Line 81 CT-4 Line 30 = Line 34	CT-3 and CT-4 filers: enter on line 1 of Form CT-3M/4M the larger of \$325* or the amount from Form CT-3, line 82, or Form CT-4, line 34. CT-3-A filers: follow instructions for condition 6 below.
3. The tax on the capital base equals the largest tax before credits. CT-3 Line 73 = Line 75 CT-3-A Line 73 = Line 75 CT-4 Line 29 = Line 34	Enter on line 1 of Form CT-3M/4M the larger of \$325* or the amount from Form CT-3, line 82, or Form CT-4, line 34. CT-3-A filers: complete Condition 3 worksheet.
4. The tax on the minimum taxable income base equals the largest tax before credits. CT-3 Line 71 = Line 75 CT-3-A Line 71 = Line 75	Complete Condition 4 worksheet
5. The tax on the entire net income base equals the largest tax before credits. CT-3 Line 72 = Line 75 CT-3-A Line 72 = Line 75 CT-4 Line 28 = Line 34	Complete Condition 5 worksheet
6. The fixed dollar minimum tax is the largest tax before credits. CT-3 Line 74 = Line 75 CT-3-A Line 74 = Line 75	If the amount on Form CT-3, line 74 is \$325* or more, enter on line 1 of Form CT-3M/4M the amount from Form CT-3, line 82. If the amount on Form CT-3-A, line 74, is \$325* or more <b>and</b> the amount on line 83b includes \$325* or more with respect to <b>each</b> included subsidiary, then enter on line 1 of Form CT-3M/4M the amount on Form CT-3-A, line 84. Otherwise complete Condition 6 worksheet.

#### Condition 1 worksheet

A	Enter minimum taxable income from Form CT-3, line 70; CT-3-A, line 70; CT-4, line 26 .....	_____
B	Rate .....	<u>          .035          </u>
C	Multiply line A by line B; enter the larger of this result or \$325* .....	_____
D	<b>Form CT-3-A filers only:</b> enter the sum of lines 83a and 83b from Form CT-3-A (fixed dollar minimum tax for subsidiaries). However, if the fixed dollar minimum tax for any subsidiary included on line 83b is less than \$325*, recompute line 83b as if the fixed dollar minimum tax for that subsidiary were \$325*. .....	_____
E	Add lines C and D; enter the result here and on line 1 of CT-3M/4M .....	_____

