



CT-240

(10/03)

New York State Department of Taxation and Finance
Foreign Corporation License Fee Return
Tax Law – Article 9, Section 181.1

Based on period ended

Employer identification number	File number	Business telephone number ()	
Legal name of corporation		Trade name/DBA	
Mailing name (if different from legal name above) c/o Number and street or PO box		State or country of incorporation	Date received (for Tax Department use only)
City State ZIP code		Date of incorporation	
Foreign corporations: date began business in NYS			
If your name, employer identification number, address, or owner/officer information has changed, you must file Form DTF-95. If only your address has changed, you may file Form DTF-96. You can get these forms by fax, phone, or from our Web site. See the <i>Need help?</i> section of the instructions.			Audit (for Tax Department use only)

A. Payment — pay amount shown on line 12. Make check payable to: New York State Corporation Tax 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-ATT 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 authorized person		Official title	Date
Paid preparer use only	Firm's name (or yours if self-employed)	ID number	Date
	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), insurance corporations, limited liability companies (LLC), limited liability partnerships (LLP), and publicly traded partnerships taxed as corporations under the Internal Revenue Code**) that do 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 and pay tax. However, if, at a later date, you need to establish the date you filed your return or paid your tax, 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 have used a designated private delivery service and need to establish the date you filed your return, contact that private delivery service for instructions on how to obtain written proof of the date your return was given to the delivery service for delivery. 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.

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

Negative amounts — Show any negative amounts in parentheses.

Percentages — When computing allocation percentages, convert decimals into percentages by moving the decimal point two spaces to the right. Carry percentages to four decimal places. For example: $5,000/7,500 = 0.6666666 = 66.6667\%$.

Specific instructions

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 or additional charges paid with prior returns.**

Line 10 — If you do not pay the license fee on or before the due date of the return, you must pay interest on the amount of the underpayment from the due date to the date paid. (See *Note* below.)

Line 11 — Late filing and late payment penalties

Compute charges for late filing and late payment on the amount of the fee minus any payment made on or before the due date (**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: You may compute the interest and penalty by accessing our Web site at www3.tax.state.ny.us/PAIC/PAICHomeServlet or you may call 1 800 972-1233, and we will compute the interest and penalty for you.

Schedule A — License fee allocation — foreign corporations (including S corporations and corporations included in a combined return) 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.

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>
	\$855,000	\$1,150,000

License fee allocation percentage: 74.3478% (855,000 ÷ 1,150,000)

Combined filers: If you file Form CT-3-A, calculate, as if you were filing on a separate basis, your allocated business and investment capital, and total capital, on Form CT-3, and your allocated subsidiary capital on Form CT-3-ATT. If you file Form CT-3-S-A, calculate, as if you were filing on a separate basis, these capital items on Form CT-3-S-ATT.

Line 13 — Enter the amount from Form CT-3, line 39, or add the amounts from Form CT-3-S-ATT, lines 41 and 42, and enter the total, whichever is applicable.

Line 14 — Enter the amount from Form CT-3-ATT, line 55, or Form CT-3-S-ATT, line 43, whichever is applicable.

Line 16 — Enter the amount from Form CT-3, line 32, or Form CT-3-S-ATT, line 36, whichever is applicable.

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?

 **Internet access:** www.nystax.gov
(for information, forms, and publications)

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

 **Business Tax Information Center:** 1 800 972-1233
From areas outside the U.S. and outside Canada: (518) 485-6800

Hearing and speech impaired (telecommunications device for the deaf (TDD) callers only): 1 800 634-2110