New York State Department of Taxation and Finance

CT-604

2004

Claim for QEZE Credit for Real Property Taxes and QEZE Tax Reduction Credit

Tax Law - Sections 15 and 16

All filers must enter tax period:

beginning _____ ending _____

Name of corporation	Employer identification number
Name of empire zone(s)	Date of first certification by Empire State Development *(attach a copy of your Certificate of Eligibility)*

File this form with your corporation franchise tax return Form CT-3, CT-3-A, CT-3-S, CT-3-S-A, CT-32, CT-32-A, CT-32-S, CT-33, CT-33-NL, CT-33-A, or CT-185.

Schedule A — Employment test

Part 1 — Empire zone (EZ) employment — Computation of the employment number within all empire zones (EZs) for the current tax year and the five-year base period. Include employees within all EZs even if you are not certified in all of those zones *(see instructions)*.

Current tax year employment number	March 31	June 30	September 30	December 31	Total
Number of full-time employees within all EZs					

1 Employment number within all EZs for the current tax year *(see instructions)* .... ● **1.**

Base period employment number	March 31	June 30	September 30	December 31	Total
Number in base year one					
Number in base year two					
Number in base year three					
Number in base year four					
Number in base year five					
Total number of full-time employees within all EZs in the base period					

2 Employment number within all EZs in the base period *(see instructions)* .... ● **2.**

3 Does the amount on line 1 **equal** or **exceed** the amount on line 2? *(see instructions)* .... Yes ☐ No ☐

If the employment number within all EZs for the current tax year (line 1) does not **equal** or **exceed** the employment number within all EZs in the base period (line 2), **stop.** You are not eligible for the QEZE credits covered by this form.

Part 2 — New York State employment outside all EZs — Computation of the employment number inside New York State and outside all EZs (whether or not you are certified in all of those EZs) for the current tax year and the five-year base period *(see instructions)*.

Current tax year employment number	March 31	June 30	September 30	December 31	Total
Number of full-time employees inside New York State and outside all EZs					

4 Employment number inside New York State and outside all EZs for the current tax year .... ● **4.**

Base period employment number	March 31	June 30	September 30	December 31	Total
Number in base year one					
Number in base year two					
Number in base year three					
Number in base year four					
Number in base year five					
Total number of full-time employees inside New York State and outside all EZs in the base period					

5 Employment number inside New York State and outside all EZs in the base period .... ● **5.**

6 Does the amount on line 4 **equal** or **exceed** the amount on line 5? *(see instructions)* .... Yes ☐ No ☐

If the employment number inside New York State and outside all EZs for the current tax year (line 4) does not **equal** or **exceed** the employment number inside New York State and outside all EZs in the base period (line 5), **stop.** You are not eligible for the QEZE credits covered by this form.

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Schedule B — Computation of employment number within the EZs in which you are certified for the test year

Test year _____ to _____ *(mm/yyyy)*	March 31	June 30	September 30	December 31	Total
Number of full-time employees within the EZs					

7 Employment number within the EZs in which you are certified for the test year *(see instructions)* ... ● **7.** |

Schedule C — Employment increase factor *(see instructions)*

8 Employment number within the EZs in which you are certified for the current tax year
(see instructions) .... ● **8.**
9 Employment number within the EZs in which you are certified for the test year *(from line 7)* .... **9.**
10 Subtract line 9 from line 8 .... **10.**
11 Divide line 10 by line 9 *(if line 9 is zero and line 8 is greater than zero,*
enter 1 here) .... **11.**
12 Divide line 10 by 100 *(carry result to four decimal places)* .... **12.**
13 Employment increase factor *(enter the greater of line 11 or 12, but not more than 1.0; also enter on*
lines 21 and 38) .... **13.**

Schedule D — Zone allocation factor *(see instructions)*

	A EZ	B New York State
14 Average value of property *(see instructions)*	**14.**	
15 EZ property factor *(divide line 14, column A by line 14, column B; carry result to four decimal places)*		**15.**
16 Wages and other compensation of employees *(except general executive officers)*	**16.**	
17 EZ payroll factor *(divide line 16, column A by line 16, column B; carry result to four decimal places)*		**17.**
18 Total EZ factors *(add lines 15 and 17)*		**18.**
19 Zone allocation factor *(divide line 18 by two; carry result to four decimal places; enter here and on line 39)*		**19.**

Schedule E — QEZE credit for real property taxes

Part 1 — Computation of QEZE credit for real property taxes

20 Tax year of the business tax benefit period _____ ; benefit period factor *(from table on page 3)* ...... **20.**
21 Employment increase factor *(from line 13)* .... **21.**
22 Eligible real property taxes *(see instructions)* .... **22.**
23 QEZE credit for real property taxes *(multiply line 20 x line 21 x line 22)* .... ● **23.**
24 Recapture of QEZE credit for real property taxes *(from Worksheet A on page 4 of instructions)* .... ● **24.**
25 QEZE credit for real property taxes after recapture *(subtract line 24 from line 23)* .... **25.**
26 Limitation of QEZE credit for real property taxes *(see instructions, do not enter 0)* .... ● **26.**
27 QEZE credit for real property taxes allowed *(see instructions)* .... ● **27.**

(continued)

Part 2 — Application of QEZE credit for real property taxes *(New York S corporations do not complete Schedule E, Part 2)*

28 Enter your franchise tax from Form CT-3, line 78; Form CT-3-A, line 77; Form CT-32, line 5; Form CT-32-A, line 5; Form CT-33, line 11; Form CT-33-A, line 15; Form CT-33-NL, line 5; or Form CT-185, line 6 ..	**28.**		
29 Tax credits claimed before the QEZE credit for real property taxes *(If you are applying multiple credits on your franchise return, see instructions.)*	**29.**		
30 Subtract line 29 from line 28	**30.**		
31 Article 9 filers — Enter *0* **Article 9-A filers —** Enter the higher of the tax on the minimum taxable income base or the fixed dollar minimum tax **Article 32 or 33 filers —** Enter $250 **Article 33 combined filers —** Multiply number of filers in combined group by $250	**31.**		
32 Credit limitation *(subtract line 31 from line 30; if less than zero, enter 0)* .... ●	**32.**		
33 QEZE credit for real property taxes to be used this period *(enter the smaller of line 32 or line 27; transfer this amount to your franchise tax return)* .... ●	**33.**		
34 Unused QEZE credit for real property taxes *(subtract line 33 from line 27)* .... ●	**34.**		
35 Amount of unused credit on line 34 to be refunded.. ●	**35.**		
36 Amount of unused, nonrefunded credit to be applied as an overpayment to the next tax period *(subtract line 35 from line 34; see instructions)* .... ●	**36.**		

Schedule F — QEZE tax reduction credit *(New York S corporations and Article 9 filers do not complete Schedule F)*

Part I — Computation of QEZE tax reduction credit

37 Tax year of the business tax benefit period _____; benefit period factor *(from table below)*	**37.**		
38 Employment increase factor *(from line 13)*	**38.**		
39 Zone allocation factor *(from line 19)*	**39.**		
40 Tax factor *(see instructions)*	**40.**		
41 QEZE tax reduction credit *(multiply line 37 x line 38 x line 39 x line 40)* .... ●	**41.**		

Part 2 — Application of QEZE tax reduction credit

42 Enter your franchise tax from Form CT-3, line 78; Form CT-3A, line 77; Form CT-32, line 5; Form CT-32-A, line 5; Form CT-33, line 11; Form CT-33-A, line 15; or Form CT-33-NL, line 5	**42.**		
43 Tax credits claimed before the QEZE tax reduction credit *(If you are applying multiple credits on your franchise return, see instructions.)*	**43.**		
44 Subtract line 43 from line 42	**44.**		
45 Article 9-A filers — If line 19 equals 1.0, enter *0*. If line 19 is less than 1.0, enter your fixed dollar minimum tax **Article 32 and 33 filers —** Enter $250 **Article 33 combined filers —** Multiply number of filers in combined group by $250	**45.**		
46 Credit limitation *(subtract line 45 from line 44)* .... ●	**46.**		
47 Enter the smaller of line 46 or line 41; transfer this amount to your franchise tax return .... ●	**47.**		

Benefit period factor table*	
Tax year of the benefit period	Benefit period factor
1 - 10	1.0
11	.8
12	.6
13	.4
14	.2
15	0

* The QEZE credit for real property taxes and the QEZE tax reduction credit are generally available for up to 14 years for taxpayers that continue to qualify.

Find the tax year of your business tax benefit period. Enter the benefit period factor for that year (from the table on the left) on lines 20 and 37.

Schedule G — Related entities

List the names and employer identification numbers of any related business entities. Use the definition of related persons in the addendum of the instructions to determine if an entity is related.

Name	Employer Identification number

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