



# Instructions for Form IT-112-R

## New York State Resident Credit

### General instructions

If you are a full-year or part-year resident of New York State and if any part of your income was taxed by another state, a local government within another state, the District of Columbia, or a Canadian province, you may claim a credit against your New York State tax. This credit is allowable only for the part of the tax that applies to income received in the other taxing authority while you were a New York State resident. If you paid tax to more than one taxing authority during your New York State resident period, use a separate Form IT-112-R for each credit.

If you checked filing status  $\textcircled{3}$  (*Married filing separate return*) on Form IT-201 or Form IT-203 and if only one spouse paid tax to another taxing authority, that spouse must figure the credit based on his or her separate return. No part of the credit can be claimed by the spouse who did not have tax payable to the other taxing authority.

A New York resident estate or trust is also allowed to claim a resident credit on Form IT-112-R. If you are a fiduciary of a resident estate or trust, determine the total New York adjusted gross income in Part I the same way as a resident individual. In arriving at New York adjusted gross income, you must subtract any charitable contributions and distributions made to beneficiaries. Include these amounts on line 19.

If you have any questions about figuring the resident credit, you may write to the Taxpayer Contact Center, W A Harriman Campus, Albany NY 12227, or call toll free (1 800 225-5829). From areas outside the U.S. and outside Canada, call (518) 485-6800.

A shareholder of a subchapter S corporation is **not** allowed a resident credit for any income tax imposed upon or payable by the corporation to another state, local government, the District of Columbia, or a province of Canada. However, a shareholder is allowed a resident credit if taxes are calculated on the income of the S corporation, but are imposed upon and payable by the shareholder.

If you claimed a prior-year(s) resident credit for taxes paid to a province of Canada, and in the federal computation (federal Form 1116, line 10) of the 2004 credit you used the provincial tax carried over, you must complete a 2004 Form IT-112-R for the purpose of the addback, even though no current-year New York State credit is claimed.

### Filing in your credit form

Boxes have been printed on the form to guide you when entering your social security number and at lines 23, 28, 29, 49, and 50. This will enable our scanning equipment to more accurately read your form and let us process it more efficiently.

Please spend a moment reviewing the method below before making your entries:

- Please print (use black ink only; no red or other color ink or pencils, please) or type all **X** marks and money amounts in the boxes and spaces provided.
- Do not use dollar signs, commas, decimal points, dashes, or any other punctuation marks or symbols. We have already printed the appropriate commas and the decimal points to assist you.
- Write your numerals like this:



- Carefully enter your money amounts so that the **whole dollar amount** ends immediately to the **left** of the decimal point.
- Make your money amount entries in the white spaces, allowing one numeral for each area.
- Leave blank any boxes that do not apply to you.
- **Example:** If your entry for line 28 is \$3,575.80, your money field entry should look like this:



**Note:** When rounding to the nearest whole dollar or when entering a whole dollar amount, please enter **00** in the cents boxes. Do not leave the cents boxes blank.

### Part I — Income and adjustments

#### Lines 1 through 18

**Residents and part-year residents** — Do not enter in column A or B any income that is taxable to the other taxing authority but **not** taxable to New York State.

**Do not** enter in column A or B the ordinary income portion of lump-sum distributions received from sources outside New York State that is subject to the New York State separate tax on lump-sum distributions and is also subject to any income tax or separate tax by the other taxing authority. Figure any resident credit against the separate tax on a lump-sum distribution paid to another taxing authority on Form IT-112.1, *New York State Resident Credit Against Separate Tax on Lump-Sum Distributions*.

You **may not** enter in column B any amount of income, gain, loss, or deduction arising from interest or dividends from intangible assets unless it is received from an asset connected with a trade or business conducted in the other taxing authority.

**Residents** — Enter in column A, lines 1 through 18, the amount of each item of income or deduction reported on Form IT-201 or the amount of income reported on Form IT-205 as if the estate or trust were a resident individual. If you checked filing status  $\textcircled{2}$  (*Married filing joint return*), include in column A the amounts of both spouses even if the income of only one spouse was subject to tax in the other taxing authority.

Enter in column B of Form IT-112-R the gross income from column A that was taxed by the other taxing authority minus any applicable expenses and losses that you deducted in computing federal adjusted gross income. In determining the expenses and losses deductible from items of gross income, follow the federal rules for deductions in computing federal adjusted gross income.

Enter in column B any federal adjustments to income that were allowed by the other taxing jurisdiction.

**Part-year residents** — If you were a New York State resident for only part of the year and if you were subject to income tax by another taxing authority during that period, enter in column A the amount of each item of income or deduction entered on the *Part-year resident income allocation worksheet*, Column A, in Form IT-203-1, *Instructions for Form IT-203*.

Enter in column B of Form IT-112-R only the amount of each item of income or deduction from column A that relates to your New York State resident period that was taxed by the other taxing authority.

#### Line 19 — New York adjustments

Enter your net New York adjustment. On Form IT-201, it is the difference between your New York additions (lines 19 through 22) and your New York subtractions (line 31). On Form IT-205, it is the fiduciary share, from Schedule B, that relates to the items of income, gain, loss, and deductions included in the computation of federal adjusted gross income.

**Part-year residents** — Enter your net New York adjustments that apply to your income in column A.

#### Line 20 — New York adjusted gross income

In column A, the net New York adjustment on line 19 must be added to or subtracted from federal adjusted gross income on line 18. In column B, enter the amount from line 18, column B.

#### Line 21 — Capital gain portion of lump-sum distributions

Enter in column A the capital gain portion of lump-sum distributions reported at Part II of federal Form 4972. Enter in column B the capital gain portion of lump-sum distributions reported at Part II of federal Form 4972 that is subject to tax by the other taxing jurisdiction.

### Part II or Part III — Resident credit or addback of resident credit

If you claim credit for income taxes paid to another state, local government, or the District of Columbia, use Part II. If you claim resident credit or addback of resident credit for income taxes paid to a province of Canada, use Part III.

**Line 23 or line 29**

Enter the two-letter abbreviation (see below) of the other state, the local government within the other state, or the Canadian province where the income tax was paid.

**Line 24 or line 30**

**Residents and part-year residents** — The amount of income tax imposed is the amount of income tax computed on your return for the other taxing authority minus any credits allowed against this tax. **Do not** include the tax on income that is taxed by the other taxing authority but is not taxed by New York State. **Do not** enter tax withheld, estimated tax payments, or payments of balances due on these lines. If the amount of income tax paid to the other taxing authority is satisfied by the amount of income tax withheld, you must attach proof of payment. A copy of the withholding tax statement showing the amount of tax withheld by the other taxing authority is acceptable proof.

**Do not** include on line 30 Canadian federal tax imposed.

**Residents** — Enter the amount of income tax imposed by the other taxing authority.

**Part-year residents** — Enter only the portion of the tax attributable to income earned during your New York resident period.

**Line 25 or line 39**

Form IT-203 filers — Enter New York State tax from Form IT-203, line 38 plus the Worksheet C, line 5 amount in the instructions for Form IT-230, *Separate Tax on Lump-Sum Distributions*.

Form IT-201 and Form IT-205 filers — Complete the following worksheet:

**Worksheet for figuring your New York State tax payable**

- a. Enter New York State tax from Form IT-201, line 38 plus the tax from Form IT-230, Part II, line 2, *New York State* column. Resident estate or trust: Enter New York State tax from Form IT-205, line 8. Part-year resident trust: Enter New York State tax from Form IT-205, line 9. .... a. \_\_\_\_\_
- b. Enter your New York State household credit, if any, from Form IT-201, line 39. .... b. \_\_\_\_\_
- c. New York State tax payable (*subtract line b from line a*). Enter this amount on line 25 or line 39. .... c. \_\_\_\_\_

**Line 26 or line 40**

Round to the fourth decimal place, and enter the percentage figure.

**Example:** *If the amounts used were \$10,000 divided by \$30,000, the result would be .3333. Convert to a percentage by moving the decimal two places to the right (33.33%).*

**Line 28 or line 49 — Resident credit allowable**

The resident credit may not decrease your New York State tax payable to an amount less than would have been due if the income subject to taxation by the other jurisdiction(s) was excluded from your New York income.

Transfer the line 28 or line 49 amount to Form IT-201-ATT, Part IV, line 42; Form IT-203-B, Part III, line 28; or include it on Form IT-205, line 10. If you filed more than one 2004 Form IT-112-R, transfer the total of the allowable credits to Form IT-201-ATT, Part IV, line 42; Form IT-203-B, Part III, line 28; or include it on Form IT-205, line 10. Attach each original Form IT-112-R and a copy of the other state, local, or provincial tax return to Form IT-201, IT-203, or IT-205.

**Line 35 and line 37**

The Canadian provincial tax is deemed to be claimed last for federal purposes. When computing the amount available for New York credit, enter only that portion of the provincial tax not used in the computation of the federal foreign tax credit.

**Line 47**

If on your 2004 federal Form 1116, line 10, you included provincial taxes that were used in the computation of a prior-year New York State resident credit, and now the carryover is claimed for federal purposes, an entry must be made on line 47. This entry must be made whether or not a current year resident tax credit is claimed.

If the carryover used in the computation of the federal credit included provincial taxes that were used in the computation of more than one prior-year New York State resident credit or multiple prior-year Forms IT-112-R, enter the total of the credits claimed and attach a copy of all applicable prior-year Forms IT-112-R.

**Line 50**

If line 47 is more than line 46, subtract line 46 from line 47 and enter the result on line 50. This is your addback of resident credit. (Be sure to carefully enter your money amount in the rectangular boxes at line 50. See *Filing in your credit form* on the front page of these instructions.)

Transfer as a total the addback(s) from each Form IT-112-R to Form IT-201-ATT, Part II, line 22; Form IT-203-B, Part I, line 6; or include it on Form IT-205, line 12.

**State, locality, and province abbreviations**

Alabama	AL	Louisiana	LA	Oklahoma	OK	Alberta	AB
Alaska	AK	Maine	ME	Oregon	OR	British Columbia	BC
Arizona	AZ	Maryland	MD	Pennsylvania	PA	Colombie-Britannique	
Arkansas	AR	Massachusetts	MA	Rhode Island	RI	Manitoba	MB
California	CA	Michigan	MI	South Carolina	SC	Manitoba	
Colorado	CO	Minnesota	MN	South Dakota	SD	New Brunswick	NB
Connecticut	CT	Mississippi	MS	Tennessee	TN	Nouveau-Brunswick	
Delaware	DE	Missouri	MO	Texas	TX	Terre-Neuve	NF
District of Columbia	DC	Montana	MT	Utah	UT	Northwest Territories	NT
Florida	FL	Nebraska	NE	Vermont	VT	Territoires du Nord-Ouest	
Georgia	GA	Nevada	NV	Virginia	VA	Nova Scotia	NS
Hawaii	HI	New Hampshire	NH	Washington	WA	Nouvelle-Ecosse	
Idaho	ID	New Jersey	NJ	West Virginia	WV	Nunavut	NU
Illinois	IL	New Mexico	NM	Wisconsin	WI	Nunavut	
Indiana	IN	New York	NY	Wyoming	WY	Ontario	ON
Iowa	IA	North Carolina	NC	Local government	LC	Ontario	
Kansas	KS	North Dakota	ND			Prince Edward Island	PE
Kentucky	KY	Ohio	OH			Ile-du-Prince-Edouard	
						Quebec	QC
						Quebec	
						Saskatchewan	SK
						Saskatchewan	
						Yukon	YT
						Yukon	