



Instructions for Form CT-186-M

Utility Corporation MTA Surcharge Return

CT-186-M-I

For continuing section 186 taxpayers only (certain independent power producers)
Tax Law – Article 9, Section 186-b

New for 2005

Your refund or overpayment may be applied against outstanding tax debts owed to other states — Due to a recent law change, your refund or overpayment may be reduced by amounts of outstanding tax debts owed to other states. The Commissioner of Taxation and Finance may enter into a reciprocal agreement with other states to offset a New York tax refund or overpayment against tax liabilities owed to other states, provided those other states agree to offset overpayments due their taxpayers against tax debt owed to New York. For more concerning these changes, see *Collection of debts from your refund or overpayment* on back and TSB-M-05(3)C, *Summary of Corporation Tax Legislative Changes Enacted in 2005*.

Who must file

A taxpayer filing Form CT-186, *Utility Corporation Franchise Tax Return*, who does business or exercises a corporate franchise in the Metropolitan Commuter Transportation District (MCTD), must also file Form CT-186-M and pay a metropolitan transportation business tax (MTA surcharge) on business done in the Metropolitan Transportation Authority region. The MCTD includes the counties of New York, Bronx, Queens, Kings, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester. If not, you do not have to file this form; however, **you must disclaim liability for the MTA surcharge on Form CT-186**.

When and where to file

Form CT-186-M is due on March 15, following the close of the calendar year. If March 15 falls on a Saturday, Sunday, or legal holiday, the return is due on the next business day (see mailing address on front).

If you use a delivery service other than the U.S. Postal Service, see Form CT-186-I, *Instructions for Form CT-186, Private delivery services*.

Extension of time for filing MTA surcharge return

You may request additional time to file an MTA surcharge return by filing Form CT-5.9, *Request for Three-Month Extension to File*, on or before the due date of the return for which the extension is requested, and paying the MTA surcharge estimated to be due.

Amended return — If you are filing an amended return, please mark an **X** in the *Amended return* box on the front of the return.

Employer identification number, file number, and other identifying information — For us to process your corporation tax forms, it is important that we have the necessary identifying information. Keep a record of that information and include it on each corporation tax form mailed. If you use a paid preparer or accounting firm, make sure they use your complete and accurate identifying information when completing all forms.

See Form CT-186-I for instructions on reporting change of business information, using whole dollar amounts, converting decimals into percentages, and showing negative amounts.

Line instructions

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 MCTD allocation percentage

Lines 1 through 3 — Enter gross earnings from sources within the MCTD in column A.

Line 4 — Column A — Add lines 1 through 3; **column B** — Enter the gross earnings within New York State from Form CT-186, line 25, column A. Use the same method of accounting to compute MCTD gross earnings (that is, the **accounting** rule allocation method or the **formula** rule allocation method) as you used to compute your New York State gross earnings.

Line 5 — Divide line 4, column A, by line 4, column B. This is your MCTD allocation percentage. If you do all of your New York State business within the 12 counties of the MCTD, enter **100** on line 5.

Computation of MTA surcharge

Foreign authorized corporations only: see Form CT-186-I, page 2, *Foreign corporations – maintenance fee*.

First installment of estimated MTA surcharge for the next period (Line 9a or 9b)

If, on your Form CT-186, you are required to make a first installment of estimated franchise tax for the next period, you must also make a first installment of the MTA surcharge for the next period.

Line 9b — Enter 25% (.25) of the amount on line 8 if (1) you did not file Form CT-5.9, **and** (2) the franchise tax on Form CT-186, line 7 is more than \$1,000.

Enter **0** if you did not file Form CT-5.9 and the franchise tax on Form CT-186, line 7 is **not** more than \$1,000.

Line 13 — If you underpaid your estimated MTA surcharge, use Form CT-222, *Underpayment of Estimated Tax by a Corporation*, to compute the penalty. Attach Form CT-222, mark an **X** in the box, and enter the penalty on line 13.

Line 14 — If you do not pay the MTA surcharge on or before the original due date (**without** regard to any extension of time for filing), you must pay interest on the amount of the underpayment from the original due date to the date you paid. Exclude from the interest computation any amount shown on line 9a or 9b.

Line 15 — Compute late filing and late payment penalties on the amount of MTA surcharge minus any payment you made on or before the due date (**with** regard to any extension of time for filing). Exclude from the penalty computation any amount shown on line 9a or 9b.

- A. If you do not file an MTA surcharge return when due or if the request for extension is invalid, add to the MTA surcharge 5% (.05) per month up to 25% (.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 MTA surcharge in item A above cannot be less than the smaller of \$100 or 100% of the amount required to be shown as MTA surcharge (section 1085(a)(1)(B)).
- C. If you do not pay the MTA surcharge shown on a return, add to the MTA surcharge $\frac{1}{2}\%$ (.005) per month up to 25% (.25) (section 1085(a)(2)).

D. The total of the additional charges in items A and C above may not exceed 5% (.05) 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, payment, or both (section 1085).

Note: You may compute your penalty and interest by accessing our Web site and clicking on *Electronic Services*, or you may call and we will compute the penalty and interest for you (see *Need help?* below).

Line 17 — If line 10 is less than line 11, subtract line 10 from line 11. This is the amount of overpayment. You may divide it on lines 18, 19, and 20 in any way you choose.

Collection of debts from your refund or overpayment

We will keep all or part of your refund or overpayment if you owe a past-due, legally enforceable debt to a New York State agency, or to another state, or if you owe a New York City tax warrant judgment debt. If we keep your refund or overpayment, we will notify you.

A New York State agency includes any state department, board, bureau, division, commission, committee, public authority, public benefit corporation, council, office, or other entity performing a governmental or proprietary function for the state or a social services district. We will refund or apply as an overpayment any amount over your debt.

If you have any questions about whether you owe a past-due, legally enforceable debt to a state agency, or to another state, or whether you owe a New York City tax warrant judgment debt, contact the state agency, the other state, or the New York City Department of Finance.

For New York State tax liabilities only, call 1 800 835-3554 (from areas outside the U.S. and outside Canada, call (518) 485-6800) or write to: NYS Tax Department, Tax Compliance Division, W A Harriman Campus, Albany NY 12227.

For New York City liabilities only, call (212) 232-3550.

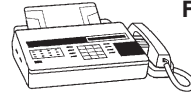
Composition of prepayments claimed on line 11

If you need additional space, enter all relevant prepayment information on a separate sheet, and write **see attached** in this section. Transfer the total to line 11, *Total prepayments*.

Need help?



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



Fax-on-demand forms: Forms are available 24 hours a day, 7 days a week. 1 800 748-3676



Telephone assistance is available from 8:00 A.M. to 5:00 P.M. (eastern time), Monday through Friday.
To order forms and publications: 1 800 462-8100
Business Tax Information Center: 1 800 972-1233
From areas outside the U.S. and outside Canada: (518) 485-6800



Hotline for the hearing and speech impaired: If you have access to a telecommunications device for the deaf (TDD), contact us at 1 800 634-2110. If you do not own a TDD, check with independent living centers or community action programs to find out where machines are available for public use.



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 1 800 972-1233.