



Instructions for Form CT-32-M

Banking Corporation MTA Surcharge Return

Tax Law — Article 32, Section 1455-B

CT-32-M-I

Important reminder to file a complete return: You must complete all required schedules and forms that make up your return, and include **all pages** of those forms and schedules when you file. Returns that are missing required pages or that have pages with missing entries are considered incomplete and cannot be processed, and may subject taxpayers to penalty and interest.

New for 2005

Third-party designee — You can authorize another person to discuss this tax return with the Tax Department by completing the Third-party designee section of this form. For more information, see *Third-party designee* on back page.

General information

If you file Form CT-32 or CT-32-A, use Form CT-32-M to report and pay the metropolitan transportation business tax surcharge (MTA surcharge).

If you do business, employ capital, own or lease property, or maintain an office in the Metropolitan Commuter Transportation District (MCTD), you must file Form CT-32-M and pay the MTA surcharge on business done in the MCTD. The MCTD includes the counties of New York, Bronx, Kings, Queens, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester.

Corporations filing on a combined basis are required to file only one return for the combined group. Use combined figures, as shown on your Form CT-32-A, to complete this form.

MTA surcharge rate — The MTA surcharge rate is 17%.

When to file — File your return within 2½ months after the end of your reporting period. If you are reporting for the calendar year, file your return on or before March 15. 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.

Where to file — Mail your return to:

**NYS CORPORATION TAX
PROCESSING UNIT
PO BOX 22038
ALBANY NY 12201-2038.**

If you use a delivery service other than the U.S. Postal Service, see *Private delivery services* in the instructions for Form CT-32.

Extension of time for filing — You may request additional time to file an MTA surcharge return. File Form CT-5 or Form 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.

Employer identification number, file number, and other identifying information

We must have the necessary identifying information to process your corporation tax forms. 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.

Changes in business information — You must report any changes in your business name, ID number, mailing address, physical address, telephone number, or owner/officer information on Form DTF-95, *Business Tax Account Update*. If only your address has changed, you may use Form DTF-96, *Report of Address Change for Business Tax Accounts*, to correct your address for this and all other tax types. You can get these forms from our Web site or by fax or phone. See *Need help?* on the back for the Web address and phone number.

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

Reporting period — Complete the beginning and ending tax period boxes in the upper right corner on the front of the form.

NAICS business code number and business activity — Enter the six-digit NAICS business activity code number and your business activity from your federal return.

See Form CT-32-I for information on 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 gross income allocation percentage

Lines 1-3

- If you do all of your New York State business within the 12 counties of the MCTD, skip lines 1 and 2 and enter 100% on line 3.
- If you do part of your New York State business outside of the MCTD, compute your MCTD gross income allocation percentage on lines 1 through 3.

The MCTD gross income allocation percentage is determined by dividing your gross income within the MCTD by your gross income within New York State. *Gross income* is federal gross income as defined in section 61 of the Internal Revenue Code (IRC), plus any amount excluded from federal gross income under section 103 of the IRC, minus the eligible gross income of an international banking facility (IBF), if the taxpayer elects to utilize the IBF modification. (See Regulations, section 23-1.3(b).)

Line 4 — The MTA surcharge for banking corporations is computed using the tax rates in effect immediately prior to tax years beginning on or after July 1, 2000.

To determine the amount to enter on line 4, find the **first condition** below that applies to you, and follow the instruction indicated for that condition. For example, if Form CT-32, line 5, equals the amount on Form CT-32, line 1, and the amount on Form CT-32, line 7, equals \$250, then your situation would be described in **both** conditions 1 and 2. In that event, you would follow the instructions for condition 1 and ignore the instructions for condition 2.

Condition	Instructions
1. The fixed dollar minimum tax equals the tax due. CT-32 Line 7 = \$250 CT-32-A Line 7 = \$250	Enter the net franchise tax from Form CT-32, Schedule A, line 7, or the total combined franchise tax from Form CT-32-A, Schedule A, line 9, on line 4 of Form CT-32-M.
2. The tax on allocated taxable entire net income equals the largest tax before credits. CT-32 Line 5 = Line 1 CT-32-A Line 5 = Line 1	Complete Worksheet 1 on back.
3. Otherwise	Enter the net franchise tax from Form CT-32, Schedule A, line 7, or the total combined franchise tax from Form CT-32-A, Schedule A, line 9, on line 4 of Form CT-32-M.

