



## Instructions

### General information

For tax years beginning on or after January 1, 2007, Tax Law sections 28 and 210.38 provide for tax credits for qualified commercial production companies. The Empire State commercial production credit (also referred to simply as the *commercial production credit*) is available to taxpayers subject to tax under Article 9-A (general business corporations) or Article 22 (personal income tax). This form is for taxpayers subject to tax under Article 9-A. Those subject to tax under Article 22, complete Form IT-246, *Claim for Empire State Commercial Production Credit*. These credits are available for tax years beginning on or after January 1, 2007, and expire December 31, 2011.

The credit is allowed for qualified production costs paid or incurred in the production of a qualified commercial in New York State. The credit is allowed for the tax year in which the production of the qualified commercial is completed. The credit may not reduce the tax due below the fixed dollar minimum tax. Any amount not used in the current tax year may be refunded or credited as an overpayment to next year's tax. The refund is limited to 50% of the excess credit in the current year; the balance may be carried forward to the following tax year and may be deducted from the tax in that year. All remaining excess after application in the succeeding year may also be refunded or credited as an overpayment to the succeeding tax year. No interest will be paid on the refund. Production costs used as the basis for allowance of this credit or used in the calculation of this credit cannot be used to claim any other credit.

The amount of credit allowed for the current tax year is allocated by the New York State Governor's Office for Motion Picture and Television Development. Attach a copy of your certificate from that office for the credit allowed. For rules and regulations regarding the credit, contact the New York State Governor's Office for Motion Picture and Television Development at [nyfilm@empire.state.ny.us](mailto:nyfilm@empire.state.ny.us) or call (212) 803-2330.

### Corporate partners

If you are a corporate partner who has commercial production credits passed through to you from a partnership, enter your pro rata share of the commercial production credits passed through to you from the partnership in Part 1, line 2. Also, enter the name and employer identification number of the partnership in Part 3. Enter on line 1 only the amount of commercial production credit allocated to your corporation by the New York State Governor's Office for Motion Picture and Television Development.

### New York S corporations

New York S corporations will calculate an amount of commercial production credit. However, the S corporation may not use the commercial production credit against its own tax liability; instead, the credit is passed through to the shareholders to use against their personal income tax liabilities on their New York State tax returns.

New York S corporations complete only lines 1 through 3. Include the line 3 amount on Form CT-34-SH, *New York S Corporation Shareholders' Information Schedule*, which is filed with your New York State corporation tax return. Attach a copy of Form CT-246 to your Form CT-3-S, *New York S Corporation Franchise Tax Return*.

Provide all shareholders with the amount of their pro rata share of the commercial production credit calculated. The shareholders will file their own Form IT-246 to claim the credit on their New York State personal income tax returns.

### Combined filers

A taxpayer filing a combined return as a member of a combined group is allowed to claim the commercial production credit. The commercial production credit is computed on a separate basis, but is applied against the combined tax.

### Line instructions

#### Part 1 - Computation of commercial production credit available for use

**Line 1** — Obtain this amount from the New York State Governor's Office for Motion Picture and Television Development. Attach your certificate.

**Line 2** — Obtain this amount from the partnership(s) allocating this credit to you. Also complete Part 3, *Partnership information*.

**Line 3** — New York S corporations include this amount on Form CT-34-SH.

**Line 4** — Obtain this amount from the previous tax year's Form CT-246.

#### Part 2 — Computation of commercial production credit used, refunded, and carried forward (*New York S corporations do not complete this part*)

**Line 7** — You must apply certain credits before the commercial production credit. Refer to Form CT-600-I, *Instructions for Form CT-600, Ordering of Corporation Tax Credits*, for the proper ordering of your credits. If you are claiming more than one credit, enter the total amount of credits applied against the current year's corporation franchise tax before the commercial production credit. If the commercial production credit is the only credit that is being applied against the current year's corporation franchise tax, enter **0**. If filing as a member of a combined group, include any amount of tax credit(s), including the commercial production credit(s), being claimed by other members of the combined group that you want to apply before the commercial production credit claimed on this form.

### Need help?



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



**Fax-on-demand forms:** 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

**Corporation Tax Information Center:** 1 888 698-2908

From areas outside the U.S. and outside Canada: (518) 485-6800

**Text Telephone (TTY) Hotline** (for persons with hearing and speech disabilities using a TTY): 1 800 634-2110



**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.