



Instructions for Form CT-3-B

Tax-Exempt Domestic International Sales Corporation (DISC) Information Return

Tax Law — Article 9-A

CT-3-B-1

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.

Up-to-date information affecting your tax return

Visit our Web site for tax law changes or forms corrections that occurred after the forms and instructions were printed (see *Need help?*).

Changes for 2008

Modification for federal domestic production activities

deduction — For tax years beginning on or after January 1, 2008, the amount deducted for income attributable to domestic production activities pursuant to IRC section 199 must be added back in computing entire net income (ENI). For additional information, see the instructions for your franchise tax return.

General information

Form CT-3-C, *Consolidated Franchise Tax Return*, uses information from this form and others. These include Form CT-3, *General Business Corporation Franchise Tax Return*, and Form CT-3-ATT, *Schedules B, C, and D — Attachment to Form CT-3*. Therefore, the schedules (except Schedule E) and lines are numbered to directly correspond with the same schedules and lines on Forms CT-3 and CT-3-ATT. The lines and schedules that are not applicable have been omitted. Use Form CT-3/4-1, *Instructions for Forms CT-4, CT-3, and CT-3-ATT* to complete this return.

Who must file

Domestic international sales corporations (DISCs) that are exempt from tax under Tax Law Article 9-A must file Form CT-3-B.

Foreign sales corporations (FSCs) may not file this form. FSCs and taxable DISCs must file Form CT-3.

A corporation that qualifies as a DISC under Internal Revenue Code (IRC) section 992(a) is exempt from tax under Article 9-A if during the year it received **more** than 5% of its:

- gross sales from the sale of inventory or other property purchased from its stockholders;
- gross rentals from the rental of property purchased or leased from its stockholders; or
- total receipts, other than sales or rentals, from its stockholders.

Stockholder of DISC that files as part of combined group

If the stockholder of the tax-exempt DISC files as part of a combined group, the stockholder is no longer required to file Form CT-3. To complete pages 1, 2, and 3 of this form, use the instructions for the appropriate lines on Form CT-3-A, *General Business Corporation Combined Franchise Tax Return*. To complete pages 4 and 5 of this form, use the instructions for the appropriate lines on Form CT-3-A/ATT, *Schedules A, B, and C — Attachment to Form CT-3-A*. Instructions for both these combined forms are in Form CT-3-A-1, *Instructions for Forms CT-3-A, CT-3-A/ATT, and CT-3-A/B*.

When and where to file

A tax-exempt DISC must file this return separately. In addition, attach a copy of this return to the stockholder's consolidated return, Form CT-3-C, and file both on or before the 15th day of the ninth

month after the end of the tax year. If your filing date falls on a Saturday, Sunday, or legal holiday, you must file your return on or before the next business day. Include a complete copy of your federal return.

Mail your return to: **NYS CORPORATION TAX
PROCESSING UNIT
PO BOX 22038
ALBANY NY 12201-2038**

Private delivery services

If you choose, you may use a private delivery service, instead of the U.S. Postal Service, to mail in your return and tax payment. However, if, at a later date, you need to establish the date you filed your return or paid your tax, you cannot use the date recorded by a private delivery service **unless** you used a delivery service that has been designated by the U.S. Secretary of the Treasury or the Commissioner of Taxation and Finance. (Currently designated delivery services are listed in Publication 55, *Designated Private Delivery Services*. See *Need help?* for information on obtaining forms and publications.) If you have used a designated private delivery service and need to establish the date you filed your return, contact that private delivery service for instructions on how to obtain written proof of the date your return was given to the delivery service for delivery. If you use **any** private delivery service, whether it is a designated service or not, send the forms covered by these instructions to: State Processing Center, 431C Broadway, Albany NY 12204-4836.

Amended return

If you are filing an amended return, please mark an **X** in the *Amended return* box on page 1 of Form CT-3-B.

Reporting period

Use this tax return for calendar year 2008 and fiscal years that begin in 2008 and end in 2009.

You can also use the 2008 return if:

- you have a tax year of less than 12 months that begins and ends in 2009, **and**
- the 2009 return is not yet available at the time you are required to file the return.

In this case you must show your 2009 tax year on the 2008 return and take into account any tax law changes that are effective for tax years beginning after December 31, 2008.

All filers must complete the beginning and ending tax year boxes in the upper right corner on page 1 of the form.

Entering dates

Unless you are specifically directed to use a different format, enter dates in the *mm-dd-yy* format (using dashes and not slashes).

Important identifying information

For us to process your corporation tax forms, it is important that we have the necessary identifying information. Enter your employer identification number and file number.

If you use a paid preparer or accounting firm, make sure they use your complete and accurate identifying information when completing all forms prepared for you.

Foreign corporation maintenance fee

Foreign corporations (including DISCs) authorized to do business in New York State must pay an annual maintenance fee of \$300 (Article 9, section 181.2). Enter your maintenance fee on line B on page 1 of Form CT-3-B.

You are subject to the maintenance fee for the entire period in which you are authorized to do business in New York State, regardless of when you were actually doing business in New York State. The Tax Law allows a reduction of the maintenance fee, as shown below, if the period for which the fee is imposed is nine months or less:

Period	Reduction	Maintenance fee
Not more than six months	50%	\$150
More than six months but not more than nine months	25%	\$225
More than nine months	None	\$300

If you do not pay the maintenance fee due on or before the due date, you must pay interest and penalty on the underpayment. See Form CT-3/4-I for proper calculation of interest and penalty.

Third-party designee

If you want to authorize another person (third-party designee) to discuss this tax return with the New York State Tax Department, mark an **X** in the **Yes** box in the *Third-party designee* area of your return. Also **print** the designee's name, phone number, and any five-digit number the designee chooses as his or her personal identification number (PIN). If you want to authorize the paid preparer who signed your return to discuss the return with the Tax Department, **print** the preparer's name in the space for the designee's name and enter the preparer's phone number in the space for the designee's phone number. You do not have to provide the other information requested. If you do not want to authorize another person, mark an **X** in the *No* box.

If you mark the **Yes** box, you are authorizing the Tax Department to discuss with the designee any questions that may arise during the processing of your return. You are also authorizing the designee to:

- give the Tax Department any information that is missing from your return;
- call the Tax Department for information about the processing of your return or the status of your refund or payment(s); and
- respond to certain Tax Department notices that you shared with the designee about math errors, offsets, and return preparation. The notices will not be sent to the designee.

You are not authorizing the designee to receive your refund check, bind you to anything (including any additional tax liability), or otherwise represent you before the Tax Department. If you want the designee to perform those services for you, you must file Form POA-1, *Power of Attorney*, making that designation with the Tax Department. Copies of statutory tax notices or documents (such as a *Notice of Deficiency*) will only be sent to your designee if you file Form POA-1.

You cannot change the PIN. The authorization will automatically end on the due date (without regard to extensions) for filing your next year's tax return.

Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).

This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Director of Records Management and Data Entry, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone 1 800 225-5829. From areas outside the United States and outside Canada, call (518) 485-6800.

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
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): If you have access to a TTY, contact us at 1 800 634-2110. If you do not own a TTY, 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.