



Instructions for Form CT-636

Beer Production Credit

CT-636-I

Temporary deferral of certain tax credits

For tax years beginning on or after January 1, 2010, and before January 1, 2013, if the total amount of certain credits that you may use to reduce your tax or have refunded to you is greater than \$2 million, the excess over \$2 million must be deferred to, and used or refunded in, tax years beginning on or after January 1, 2013. For more information about the credit deferral, see Form CT-500, *Corporation Tax Credit Deferral*.

If you are subject to the credit deferral, you must complete all credit forms without regard to the deferral. However, the credit amount that is transferred to your tax return to be applied against your tax due or to be refunded to you, may be reduced. Follow the instructions for Form CT-500 to determine the amounts to enter on your tax return.

General information

The New York State Tax Law provides a credit to taxpayers who meet the eligibility requirements.

Eligibility

To be eligible for this credit, you must meet **all** of the following requirements:

- you are subject to tax under Article 9-A or 22,
- you are registered as a distributor under Article 18 (Taxes on Alcoholic Beverages), and
- you produce 60 million gallons or less of beer in New York State during the tax year.

Credit information

The amount of credit per tax year for each gallon of beer produced in New York State on or after April 1, 2012, is:

- 14 cents (.14) per gallon for the first 500,000 gallons of beer produced, plus
- 4.5 cents (.045) per gallon for each gallon of beer produced in excess of 500,000 gallons.

However, no credit is allowed for any beer produced in excess of 15,500,000 gallons during the tax year.

Any unused amount of credit for the current tax year will be treated as a refund or overpayment of tax to be credited to next year's tax. Interest will not be paid on the refund or overpayment.

Line instructions

Complete a separate Form CT-636 for each registered distributor.

If you are claiming a credit passed through to you from a partnership, mark an **X** in the box.

Schedule A – Eligibility

If you answered *No* to question A or B, **stop**. You do not qualify for the beer production credit for this tax year.

Schedule B – Computation of credit

Part 1 – Credit for the first 500,000 gallons produced in New York State

Column A – Enter the street number and name, and the city in New York State where the beer is produced. Do not enter a

PO box, or the mailing address of the company if it differs from the physical location where the beer is produced.

Column B – Enter the total number of gallons of beer produced in New York State on or after April 1, 2012, for this tax year.

Line 4 – Any beer produced in New York State in excess of 500,000 gallons is claimed in Part 2. If there were no gallons produced in NYS in excess of 500,000, leave Part 2, columns A and B, and lines 5 through 9 blank, and enter the line 4 amount on line 10.

Part 2 – Credit for gallons produced in New York State in excess of 500,000

Column A – Enter the street number and name, and the city in New York State where the beer is produced. Do not enter a PO box, or the mailing address of the company if it differs from the physical location where the beer is produced.

Column B – Enter the total number of gallons of beer produced in New York State on or after April 1, 2012, for this tax year.

Line 8 – No credit is allowed for any beer produced in excess of 15,500,000 gallons (500,000 gallons in Part 1 plus 15,000,000 gallons in Part 2).

Line 12

S corporations: Enter the line 12 amount on Form CT-34-SH, *New York S Corporation Shareholders' Information Schedule*, and provide your shareholders with their pro rata share of line 12. The shareholders will file their own Form IT-636 to claim the credit on their New York State personal income tax returns.

All others: Complete Schedule C.

Schedule C – Computation of tax credit used, refunded, or credited as an overpayment to the next year (New York S corporations do not complete this schedule.)

Lines 13 and 16 entries table

If you filed	Enter on line 13 any net recapture of other tax credits plus the amount from	Enter on line 16 the minimum tax below
Form CT-3	Line 78	Line 74b amount
Form CT-3-A	Line 77	Line 74b amount

Line 13 – Enter your tax due before credits using the *Lines 13 and 16 entries table* above.

Line 14 – If you are claiming more than one tax credit for this year, enter the total amount of credits claimed before applying this credit. Otherwise, enter **0**. You must apply certain credits before this credit. See the instructions for your franchise tax return or Form CT-600-I, *Instructions for Form CT-600, Ordering of Corporation Tax Credits*, for the correct order of credits.

If you are included in a combined return, include any amount of tax credit(s) being claimed by other members of the combined group, including the beer production credit, that you wish to apply before the credit claimed on this form.

Line 16 – Enter your minimum tax using the *Lines 13 and 16 entries table* above.

Lines 18, 20, and 21 – On line 18, enter the lesser of line 12 or line 17.

If your total credits from all sources are **\$2 million or less**, enter the amounts from lines 18, 20, and 21 on your franchise tax return.

If your total credits from all sources are **more than \$2 million**, you may be subject to the temporary credit deferral. Complete lines 18, 20, and 21, but do not enter the amounts from lines 18, 20, and 21 on your franchise tax return. See Form CT-500 to determine the proper amount to enter on your franchise tax return.

Schedule D – Partnership information

Complete this schedule only if you were a partner in a partnership and received a share of the beer production credit from that entity. Enter the name, employer identification number (EIN), and credit amount passed through to you from each partnership. If you need more space, attach a separate schedule. Include your name and identification number on any separate sheets you file with your return. Obtain this information from the partnership(s) allocating the credit to you.

Need help? and Privacy Notification

See Form CT-1, *Supplement to Corporation Tax Instructions*.
