



Instructions for Form CT-3-B

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

Tax Law — Article 9-A

CT-3-B-I

Form CT-1, Supplement to Corporation Tax Instructions

See Form CT-1 for the following topics:

- Changes for the current tax year (general and by Tax Law Article)
- Business information (how to enter and update)
- Entry formats
 - Dates
 - Negative amounts
 - Percentages
 - Whole dollar amounts
- Third-party designee
- Paid preparer identification numbers
- Is your return in processible form?
- Use of reproduced and computerized forms
- Electronic filing and electronic payment mandate
- Web File
- Form CT-200-V
- Collection of debts from your refund or overpayment
- Fee for payments returned by banks
- Reporting requirements for tax shelters
- Tax shelter penalties
- Voluntary Disclosure and Compliance Program
- Your rights under the Tax Law
- Need help?
- Privacy notification

General information

The information from this form is also used on Form CT-3-C, *Consolidated Franchise Tax Return*, 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 on this form are numbered to directly correspond with the same schedules and lines on Forms CT-3 and CT-3-ATT. The lines and schedules from Forms CT-3 and CT-3-ATT that are not applicable to this form have been omitted. Use Form CT-3/4-I, *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) and taxable DISCs 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, use the instructions for the appropriate lines on Form CT-3-A, *General Business Corporation Combined Franchise Tax Return*, to complete pages 1, 2, and 3 of this form. 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-I, *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 form and tax payment. However, if, at a later date, you need to establish the date you filed 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 form, contact that private delivery service for instructions on how to obtain written proof of the date your form 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, mark an **X** in the *Amended return* box on page 1 of Form CT-3-B.

If you file an amended federal return, you must file an amended New York State return within 90 days thereafter.

For amended returns based on changes to federal taxable income (FTI) — If your FTI has been changed or corrected by a final determination of the Commissioner of Internal Revenue or by a renegotiation of a contract or subcontract with the United States, you must file an amended return reflecting the changes to FTI within 90 days (120 days if filing an amended combined return) of the final federal determination. For a definition of final determination, see NYS Regulation section 6-1.3(b).

You must attach a copy of federal Form 4549, *Income Tax Examination Changes*, to your amended return.

If you filed as part of a consolidated group for federal tax purposes but on a separate basis for New York State tax purposes, you must submit a statement indicating the changes that would have been made if you had filed on a separate basis for federal tax purposes.

Reporting period

Use this tax return for calendar year 2011 and fiscal years that begin in 2011 and end in 2012.

You can also use the 2011 return if:

- you have a tax year of less than 12 months that begins and ends in 2012, **and**
- the 2012 return is not yet available at the time you are required to file the return.

In this case you must show your 2012 tax year on the 2011 return and take into account any tax law changes that are effective for tax years beginning after December 31, 2011.

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

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.

Line A — Make your check or money order payable 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**.

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.

Signature

The return must be certified by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or other officer authorized by the taxpayer corporation.

The return of an association, publicly traded partnership, or business conducted by a trustee or trustees must be signed by a person authorized to act for the association, publicly traded partnership, or business.

If an outside individual or firm prepared the return, all applicable entries in the paid preparer section must be completed, including identification numbers (see *Paid preparer identification numbers* in Form CT-1). Failure to sign the return will delay the processing of any refunds and may result in penalties.
