



# Instructions for Form CT-225

## New York State Modifications

### New York State Modifications

All citations are to New York State Tax Law sections unless specifically noted otherwise.

### General information

#### Who must file

If you file one of the following forms in column A, and you need to report certain New York additions and subtractions from federal income, you **must** complete and attach Form CT-225. These additions and subtractions will be entered on the forms and lines in column B.

| A   | B   |
|---|---|
| <b>If you file:</b>   | <b>Additions and/or subtractions will be entered on:</b>  |
| Form CT-3, <i>General Business Corporation Franchise Tax Return</i> | Form CT-3, Part 3, lines 2 and 4  |
| Form CT-3-S, <i>New York S Corporation Franchise Tax Return</i>     | Form CT-34-SH, <i>New York S Corporation Shareholders' Information Schedule</i> , lines 3 and 5 |
| Form CT-33, <i>Life Insurance Corporation Franchise Tax Return</i>  | Form CT-33, lines 71 and 79   |

### Combined groups

If you are filing as a member of a combined group under Tax Law Article 9-A or 33, do **not** file Form CT-225. Instead, you must file:

- Form CT-225-A, *New York State Modifications (for filers of combined franchise tax returns)*, and
- if applicable, Form CT-225-A/B, *Group Member's Detail Spreadsheet*.

### Using Form CT-225

If you are a **New York C corporation**, use Form CT-225 to report additions to and subtractions from federal taxable income included in Article 9-A (for general business corporations) and Article 33 (for life insurance corporations) that you are not reporting on a specific line of Form CT-3 or CT-33. For a definition of federal taxable income, see the instructions for the specific form.

If you are a **New York S corporation**, use Form CT-225 to report the modifications that you are entering on Form CT-34-SH, lines 3 and 5. When a New York S corporation reports a modification on this form, a **shareholder** of the New York S corporation must add or subtract their share of the modification from their recomputed federal adjusted gross income when computing their New York adjusted gross income. Because the shareholders must ultimately make those addition and subtraction modifications, those modifications are included in Tax Law Article 22.

**Note:** *Recomputed federal adjusted gross income* means federal adjusted gross income after addition and subtraction adjustments from Form IT-558.

## Completing Schedules A and B

You must report the addition and subtraction modifications on this form using the number assigned to each (for example, A-109 or S-117).

Use Schedule A to report New York additions and Schedule B to report New York subtractions. For a list of the modifications, see *New York State addition and subtraction modification charts*. If there is an **X** in a column under a specific form and you file that specific form, you may need to report the modification in that row.

### Schedule A or Schedule B, Part 1

Enter the modification number that includes the prefix of A or S and the amount of each addition or subtraction modification generated by the entity filing this Form CT-225.

### Schedule A or Schedule B, Part 2

Enter the modification number that includes the prefix of EA or ES and the amount of the filer's share of these modifications that flow through to the entity filing this Form CT-225 from a partnership, estate, or trust.

### Using the same modification number more than once

You may list the same modification number in both Parts 1 and 2 of either Schedule A or B.

**Example:** For environmental remediation insurance premiums a corporation deducted when it computed federal income and for which it is taking a New York State tax credit, the corporation enters addition modification number **A-212** in Schedule A, Part 1.

**Then,** for the corporation's share of the amount of environmental remediation insurance premium that a partnership, in which the corporation is a partner, has deducted in computing partnership income federally, the corporation enters number **EA-212** in Schedule A, Part 2, if:

- the partnership is allowed a New York State tax credit for those premiums, and
- a share of the credit flowed through to the corporation.

**Note:** If a corporation is a qualified entity (or a corporate partner of a qualified entity) in an innovation hot spot(s), you must report on Form CT-225 the amount of income or gain attributable to the innovation hot spot(s) you reported on Form CT-223, *Innovation Hot Spot Deduction*.

### Additional forms

If you need more room to report all your addition and subtraction modifications, submit additional Forms CT-225 to list the remaining modifications.

### Line instructions

Enter all amounts as **positive** numbers. The modification applies to CT-3, CT-33, and CT-3-S filers unless otherwise noted.

### Corporations (includes federal and New York State S corporations)

- To report certain New York State **additions** to federal income that did **not** flow through to you from a partnership, estate, or trust, complete Schedule A, Part 1.
- To report certain New York State **subtractions** from federal income that did **not** flow through to you from a partnership, estate, or trust, complete Schedule B, Part 1.

### Corporate partners and beneficiaries

- To report your share of certain New York State **additions** to federal income from a partnership, estate, or trust, complete Schedule A, Part 2.
- To report your share of certain New York State **subtractions** from federal income from a partnership, estate, or trust, complete Schedule B, Part 2.

**Corporate partners filing under Article 9-A:** The partnership should report to you the amount of certain New York State additions and subtractions to enter from each partnership on Form IT-204-CP, *New York Corporate Partner's Schedule K-1*.

## Schedule A: Certain New York State additions to federal income

### Part 1: For certain additions to federal income that did not flow through from a partnership, estate, or trust

**Lines 1a through 1p:** Enter the modification number and amount for each New York State addition that applies. See *New York State additions*.

## Part 2: Corporation's share of certain additions to federal income from a partnership, estate, or trust

**Lines 3a through 3p:** Enter the modification number and amount for each New York State addition that applies. If you are a partner or beneficiary in more than one partnership, estate, or trust, enter the total amount of any specific other addition that flows through from all partnerships, estates, or trusts.

**Line 5:** Enter this amount as a **positive** number. Transfer this amount to Form CT-3, Part 3, line 2; Form CT-34-SH, line 3; or Form CT-33, line 71.

## Schedule B: Certain New York State subtractions from federal income

### Part 1: For certain subtractions from federal income that did not flow through from a partnership, estate, or trust

**Lines 6a through 6p:** Enter the modification number and amount for each New York State subtraction that applies. See *New York State subtractions*.

### Part 2: Corporation's share of certain subtractions from federal income from a partnership, estate, or trust

**Lines 8a through 8p:** Enter the modification number and amount of each New York State subtraction that applies. If you are a partner or beneficiary in more than one partnership, estate, or trust, enter the total amount of any specific subtraction that flows through from **all** partnerships, estates, or trusts.

**Line 10:** Enter this amount as a **positive** number. Transfer this amount to Form CT-3, Part 3, line 4; Form CT-34-SH, line 5; or Form CT-33, line 79.

## New York State addition and subtraction modifications

### New York State additions

**A-102 Income from certain obligations of U.S. government agencies or instrumentalities** (CT-3-S filers only): Enter any interest or dividend income from any U.S. government authority, commission, or instrumentality you received or were credited during the tax year that federal laws:

- exempt from federal income tax, **and**
- do **not** exempt from state income tax.

If you are uncertain whether a particular federal bond or obligation is subject to state income tax, contact us for assistance.

See § 612(b)(2).

**A-105 Federal deduction for special additional mortgage recording tax** (CT-3 and CT-33 filers only): If you deducted special additional mortgage recording tax when you computed your federal income, enter that amount if you also claimed a New York State tax credit by filing Form CT-43, *Claim for Special Additional Mortgage Recording Tax Credit*.

See §§ 208.9(b)(4-a)(A) and 1503(b)(2)(E).

**A-106 Special additional mortgage recording tax basis adjustment** (CT-3 and CT-33 filers only): If the property on which you paid a special additional mortgage recording tax was sold or disposed of, enter the amount, if any, of the federal basis of the property that was not adjusted to reflect the amount of special additional mortgage recording credit previously allowed on Form CT-43, *Claim for Special Additional Mortgage Recording Tax Credit*.

See §§ 208.9(b)(4-a)(B) and 1503(b)(2)(F).

**A-109 New business investment; deferral recognition** (CT-3-S filers only): If you (1) subtracted all or a portion of a long term capital gain from your federal income in a tax year beginning on or after January 1, 1982, and before January 1, 1988, because you reinvested that amount in a new New York State business and (2) sold that reinvestment in the current tax year, enter the amount you previously subtracted.

See § 612(b)(22).

**A-110 Qualified emerging technology investments:** If you (1) elected to defer the gain from the sale of qualified emerging technology investment because you reinvested in a New York State qualified emerging technology company and (2) sold that reinvestment during the current tax year, enter the amount you previously deferred.

See §§ 612(b)(35), 208.9(m), and 1503(b)(13). Also see S-115.

**A-111 Expenses relating to income exempt from New York State tax** (CT-3-S filers only): If your federal income includes a deduction for:

- interest expense on loans used to buy bonds, obligations, or securities whose interest income is (1) federally taxable and (2) exempt from New York State tax, include that interest expense;
- the amortization of bond premiums on bonds whose interest income is (1) federally taxable and (2) exempt from New York State tax, include that amortized premium; or
- expenses relating to the production or collection of income exempt from New York State tax, include those expenses.

See §§ 612(b)(4) through-(5).

**A-113 Interest income on state and local bonds and obligations (but not those of New York State or its local governments)** (CT-3-S filers only): Enter interest income on obligations of other states, or political subdivisions of those states, that is (1) exempt from federal income tax and (2) subject to New York State tax. This includes:

- interest income on state and local bonds (but not those of New York State and local governments within the state),
- interest and dividend income from tax-exempt bond mutual funds, and
- tax-exempt money market funds that invest in obligations of states other than New York.

See § 612(b)(1).

**A-114 Form 4970 accumulation distribution of trusts** (CT-3-S filers only): If you filed federal Form 4970, *Tax on Accumulation Distribution of Trusts*, include the amount of income you reported on Form 4970, line 1, after subtracting any interest income on state and local bonds and obligations on New York State and its local governments (if you included it on Form 4970, line 5).

See IRC §§ 665 and 667.

**A-116 Resident beneficiary accumulation distribution** (CT-3-S filers only): For tax years beginning on or after January 1, 2014, if you are the beneficiary of a trust that, in any tax year, was not subject to tax because it met the conditions of § 605(b)(3)(D) except for an incomplete gift non-grantor trust add any amount determined under the first sentence of IRC § 677, but not already included, to your federal income for the tax year.

In computing the amount to be added, **you must** disregard:

- IRC § 665(c),
- income earned by the trust in any tax year the trust was subject to New York State tax,
- income earned by the trust in any tax year before the beneficiary first became a resident of New York State, and
- income paid to the beneficiary before June 1, 2014.

See § 612(b)(40).

For more information, see TSB-M-14(3)l, *Important Information for Beneficiaries and Grantors of Exempt Resident Trusts*.

**A-117 Incomplete gift non-grantor trust** (CT-3-S filers only): If you transferred property to an incomplete gift non-grantor trust, include the income (after deductions) of the trust, to the extent you would take that income into account when you compute your federal income if the trust in its entirety were treated as a grantor trust for federal tax purposes. Do **not** include any income from a trust that was liquidated before June 1, 2014.

An *incomplete gift non-grantor trust* is a resident trust that meets the following criteria:

- it does not qualify as a grantor trust under IRC §§ 671 through 679, **and**
- the grantor's transfer of assets to the trust is treated as an incomplete gift under IRC § 2511 and its regulations.

See § 612(b)(41).

**A-201 Personal income taxes and unincorporated business taxes deducted in determining partnership ordinary income** (CT-3-S filers that are corporate partners only): See § 612(b)(3).

**A-202 Percentage depletion** (CT-3-S filers only): If you deducted an amount for percentage depletion on mines, oil or gas wells, or other natural deposits when computing your federal income, enter that amount.

See § 612(b)(10). Also see S-206.

**A-203 Safe harbor leases** (CT-3 and CT-3-S filers only): If, when you computed your federal income, you claimed a deduction attributable to a safe harbor lease (except for mass transit vehicles) solely as a result of an election made under IRC § 168(f)(8) as it was in effect on December 31, 1983, enter that deduction.

See §§ 612(b)(23) and 208.9(b)(8). Also see A-204, S-208, and S-209.

**A-204 Safe harbor leases** (CT-3 and CT-3-S filers only): If your financial matters during the tax year involved a safe harbor lease (except for mass transit vehicles) made under the election provided for by IRC § 168(f)(8) as it was in effect on December 31, 1983, enter the income you would have included in federal income if you had **not** made the election.

See §§ 612(b)(24) and 208.9(b)(9). Also see S-208, S-209, and A-203.

**A-205 Accelerated cost recovery system deduction** (CT-3-S filers that are corporate partners only): See § 612(b)(25).

**A-206 Accelerated cost recovery system year of disposition adjustment** (CT-3-S filers that are corporate partners only): See § 612(b)(27).

**A-207 Federal deduction for farmers' school taxes** (CT-3 filers only): If, when you computed your federal taxable income, you deducted real property taxes on qualified agricultural property and you claimed the farmers' school tax credit on Form CT-47, *Claim for Farmers' School Tax Credit*, enter the lesser of the amount of the deduction or the amount of the credit allowed.

See § 208.9(b)(15).

**A-208 Federal IRC § 179 deduction for a sport utility vehicle** (CT-3 and CT-3-S filers only): If you are not an eligible farmer and, when computing your federal income, claimed an IRC § 179 deduction for a sport utility vehicle that weighs more than 6,000 pounds, include the deduction amount.

**Note:** If a partner is an eligible farmer for purposes of the farmers' school tax credit, the partner is not required to make an addition modification for their share of the A-208 modification.

For purposes of this modification, a *sport utility vehicle* is any four-wheeled passenger vehicle manufactured primarily for use on public streets, roads, and highways. However, *sport utility vehicle* does not include:

- any ambulance, hearse, or combination ambulance-hearse used directly in a trade or business;
- any vehicle used directly in the trade or business of transporting persons or property for compensation or hire; or
- any truck, van, or motor home.

A *truck* is any vehicle that has a primary load-carrying device or container attached, or is equipped with an open cargo area or covered box not readily accessible from the passenger compartment.

See §§ 612(b)(36) and 208.9(b)(16).

**A-209 IRC § 168(k) property depreciation** (CT-3-S filers that are corporate partners only): See § 612(b)(8).

**A-210 Special depreciation** (CT-3-S filers that are corporate partners only): See § 612(b)(6).

**A-211 Royalty payments:** If, during the tax year, you paid, accrued, or incurred royalty payments in connection with one or more transactions with one or more related members, enter the amount of these payments to the extent deductible when calculating federal income.

There are exceptions to this addition modification (see TSB-M-13(6)C, *Summary of Budget Bill Corporation Tax Changes Enacted in 2013: Effective for Tax Years 2013 and After*).

If you believe you do not need to make this modification because one of the exceptions applies, attach a statement to your return:

- explaining how you meet each requirement for the exception, **and**
- indicating the amount of royalty payments excluded.

In addition, CT-3 filers must mark the box on Form CT-3, Part 1, Section B, line 5.

See §§ 612(b)(17), 208.9(o), and 1503(b)(14).

**A-212 Federal deduction for environmental remediation insurance premiums:** If, when determining federal income, you deducted premiums for environmental remediation insurance and claimed the environmental remediation insurance credit by filing Form CT-613, *Claim for Environmental Remediation Insurance Credit*, enter the lesser of the amount of deductions or the amount of the credit allowed.

See §§ 612(b)(37), 208.9(b)(18), and 1503(b)(2)(N-1).

**A-214 Federal deduction for the metropolitan commuter transportation mobility tax under Article 23** (CT-3-S and CT-33 filers only): If you claimed a federal deduction for the metropolitan commuter transportation mobility tax, enter the amount deducted when determining federal income.

See §§ 612(b)(39) and 1503(b)(2)(V).

**A-216 Federal deduction for real property taxes of manufacturers** (CT-3 and CT-3-S filers only): If you claimed any federal deduction for real property taxes and you also claimed the manufacturer's real property tax credit by filing Form CT-641, *Manufacturer's Real Property Tax Credit*, enter the amount of the federal deduction for real property taxes you used as the basis of the calculation of that credit.

See §§ 612(b)(40) and 208.9(b)(21).

**A-217 Federal deduction for Tax Law § 186-e tax that flow through to a START-UP NY business** (CT-3 and CT-3-S filers only): If you claimed any federal deduction for the New York State excise tax on telecommunication services that were passed on to you by your telecommunication provider, and you also claimed the START-UP NY telecommunication services excise tax credit on Form CT-640, *START-UP NY Telecommunication Services Excise Tax Credit*, enter the amount of the federal deduction for excise taxes of telecommunication services you used as the basis of the calculation of that credit.

See §§ 612(b)(39-a) and 208.9(b)(20-a).

**A-218 Farm donations to food pantries** (CT-3 filers only): If you claimed any federal deduction for charitable contributions allowed under IRC § 170 and you claimed the farm donations to food pantries credit by filing Form CT-649, *Farm Donations to Food Pantries Credit*, enter the amount of the contributions used as the basis of the calculation of that credit.

See § 208.9(b)(22).

**A-221 Investments in a qualified opportunity fund:** If you excluded a gain invested in a qualified opportunity fund from federal income in the current tax year as a result of IRC § 1400Z-2(a)(1)(A), enter the amount of the gain.

See §§ 612(b)(42), 208.9(b)(27), and 1503(b)(2)(Z). Also see *S-218*.

**A-301 Reduction for S corporation taxes** (CT-3-S filers only): Include the New York State S corporation's reductions for federal taxes imposed on built-in gains and reductions for federal taxes imposed on excess net passive income as described in IRC §§ 1366(f)(2) and (3).

See § 612(b)(18).

**A-502 Addback based on §§ 208.9(c-2) and 208.9(c-3)** (CT-3 filers only): Qualified public utility corporations, qualified power producers, and qualified pipeline corporations, see Form CT-224-I, *Instructions for Form CT-224*.

Also see *S-503*.

**A-504 Interest on federal, state, municipal, and other obligations not included in federal taxable income** (only CT-3 filers that are **not** alien corporations; alien corporations, see *A-508*): *Include* all interest received or accrued from federal, state, municipal, and other obligations that was exempt from federal income tax and is, therefore, not included in federal taxable income.

See § 208.9(b)(2). Also see *S-510*.

**A-505 Certain taxes deducted on your federal return** (CT-3 filers only)—Include:

- All amounts deducted for New York State taxes imposed under Articles 9 (§§ 183, 183-a, 184, and 184-A), 9-A, 23, and former Article 32. This includes the metropolitan transportation business tax (MTA surcharge). However, **do not** include New York City taxes.
- The amount deducted for taxes paid or accrued to the United States, or any of its possessions, territories or commonwealths, other U.S. states or their political subdivisions, and the District of Columbia, if the tax or taxes:
  - are on or are measured by profits or income, or
  - include profits or income as a measure of tax, including taxes expressly in lieu of the foregoing.

See §§ 208.9(b)(3), 208.9(b)(3-a), 208.9(b)(4), and 208.9(b)(20).

**A-506 Federal treaty obligations** (only CT-3 filers that **are** alien corporations): If under any provision of the IRC, you are not treated as a domestic corporation as defined in IRC § 7701, enter any income exempt from federal taxable income under any treaty obligation of the United States, but only if this income would be treated as effectively connected in absence of that exemption, provided that the treaty obligation does not preclude the taxation of that income by a state.

Attach a statement to your return with each amount that is included in the total addback amount being reported, and a brief description of what each amount represents.

See § 208.9(b)(1)(ii). Also see *S-509*.

**A-507 Federal depreciation from Form CT-399, if applicable** (CT-3 filers only): If the corporation:

- claims the federal accelerated cost recovery system/modified accelerated cost recovery system deduction for property placed in service either **in or outside** New York State after 1980 in tax periods beginning before 1985; or
- claims the federal accelerated cost recovery system/modified accelerated cost recovery system deduction for property placed in service **outside** New York State in tax periods beginning after 1984 and before tax periods beginning in 1994, **and** the corporation made the election to continue using the IRC § 167 depreciation deduction for the property; or
- claims a federal special depreciation deduction under IRC § 168(k) for qualified property (excluding qualified resurgence zone property described in § 208.9(q) or qualified New York liberty zone property described in IRC § 1400L(b)(2)) placed in service on or after June 1, 2003, in tax years beginning after December 31, 2002; or

- disposes this year of either accelerated cost recovery system/modified accelerated cost recovery system property, or property for which you claimed a federal special depreciation deduction under IRC § 168(k), **and** the New York depreciation modifications applied to the property in any prior years, include the amount from Form CT-399, line 3, column E; or if you have disposed of property this year, use the amount from Form CT-399, line 10, column A.

See §§ 208.9(b)(10), 208.9(b)(11), 208.9(b)(17), and 208.9(p). Also see S-507.

**A-508 Dividend or interest income received, or accrued, by alien corporations** (only CT-3 filers that **are** alien corporations): If under any provision of the IRC, you are **not** treated as a domestic corporation as defined in IRC § 7701, enter any part of any income received, or accrued, from dividends or interest on any kind of stock, securities, or indebtedness, but only if that income is treated as effectively connected with conducting a trade or business in the United States under IRC § 864.

See §§ 208.9(b)(1)(i) and 208.9(b)(1)(iii). Also see S-511.

**A-510 IRC § 965(c) deduction amount** (only CT-3 filers that filed an 1120-REIT): You must include the amount of deduction allowed under IRC § 965(c) to the extent that amount was deducted when computing your federal taxable income.

See § 208.9(b)(23).

**A-602 Unearned premiums** (CT-33 filers only): Include the amount of unearned premiums on outstanding business at the end of the preceding tax year excluded from premiums earned as a result of IRC §§ 832(b)(4)(B), 832(b)(7)(B)(i), and 832(b)(8)(A)(i).

See §§ 1503(b)(2)(O), 1503(b)(2)(P), and 1503(b)(2)(Q).

**A-603 Discounted unpaid losses** (CT-33 filers only): Include the difference between the amount of discounted unpaid losses at the end of the preceding tax year used in the computation of losses incurred as a result of IRC § 832(b)(5)(A), and the amount of unpaid losses at the end of the preceding tax year that you would have used in your computation if these losses were not discounted for federal income tax purposes. Attach a copy of the loss reserves discount summary schedule you used to compute discounted unpaid losses from federal Form 1120-PC, *U.S. Property and Casualty Insurance Company Income Tax Return*, and a copy of Schedule P, *Analysis of Losses and Loss Expenses, Part 1, Summary*, from the prior year's *Annual Statement*.

See § 1503(b)(2)(R).

**A-606 Deductions attributable to IRC § 951A(a)** (CT-33 filers only): Include interest deductions directly or indirectly, and any other amount directly, attributable to the income described in §§ 1503(b)(1)(U) and 1503(b)(1)(V), to the extent not included on Form CT-33, line 67.

See § 1503(b)(2)(H). Also see S-606 and S-607.

**A-901 Beneficiary's share of fiduciary adjustment** (CT-3-S filers only): If the S corporation has income from an estate or trust, any New York adjustments that apply to that income, as well as any additions to, or subtractions from, federal itemized deductions, will be shown in your share of a single fiduciary adjustment. If the adjustment is a net addition, you must include this amount in Schedule A, Part 2.

See § 612(d). Also see S-901.

## New York State subtractions

**S-102 Build America Bond interest** (CT-3-S filers only): Include any interest income attributable to a Build America Bond issued by New York State or its local governments that was included in federal income.

For more information, see TSB-M-10(4), *Treatment of Interest Income from Build America Bonds*.

**S-110 Contributions for Executive Mansion, natural and historical resources (not deducted elsewhere)** (CT-3-S filers only): Include contributions you made, but did not deduct elsewhere to:

- preserve, improve, and promote the Executive Mansion as a New York State historical resource, or
- the Natural Heritage Trust to preserve and improve the natural and historical resources of New York State.

Do **not** include amounts you deducted in determining federal income.

See New York Arts and Cultural Affairs Law §§ 54.15 and 55.15.

**S-111 Distributions made to victims or targets of Nazi persecution:** Include the amount received (including accumulated interest) from an eligible settlement fund, or from an eligible grantor trust established for the benefit of these victims or targets, if included in your applicable federal income.

Do **not** include amounts received from assets acquired with those assets or with the proceeds from the sale.

See § 13.

**S-112 Items of income related to assets stolen from or otherwise lost to a victim of Nazi persecution** (CT-3-S filers only): Include items of income included in federal income attributable to, derived from, or in any way related to assets stolen from, hidden from, or otherwise lost to a victim of Nazi persecution immediately prior to, during, and immediately after World War II, including, but not limited to, interest on the proceeds receivable as insurance under policies issued to a victim of Nazi persecution by European insurance companies immediately prior to and during World War II, or as a spouse or heir of that victim.

Do **not** include income attributable to assets acquired with assets as described above or with the proceeds from the sale of any asset described above. Also, do not include any income if you were not the first recipient of the asset, or if you are not considered a victim of Nazi persecution, or a spouse or descendent of a victim.

See § 612(c)(36).

**S-114 Gain to be subtracted from the sale of a new business investment included in federal income** (CT-3-S filers only): If you reported a capital gain on your federal income tax return from the sale of a new business investment, as defined in § 612(o), that was issued before January 1, 1988, then include 100% of that federal gain.

See § 612(c)(20).

**S-115 Qualified emerging technology investments:** A *qualified emerging technology investment* is an investment in the stock of a corporation, or an ownership interest in a partnership or limited liability company that is a qualified emerging technology company, or an investment in a partnership or a limited liability company to the extent that the partnership or limited liability company invests in these companies. The taxpayer must acquire the investment as provided in IRC § 1202(c)(1)(B), or from a person who acquired it based on that section. IRC § 1202(c)(1)(B) requires the acquisition to be original issue from the company, either directly or through an underwriter, and in exchange for cash, services, or property (but not in stock).

You may defer the gain on the sale of qualified emerging technology investments that are:

- sold on or after March 12, 1998,
- held for more than 36 months, **and**
- rolled over into the purchase of a qualified emerging technology investment within the 365-day period beginning on the date of sale.

However, you must:

- recognize the amount realized on the sale of the original qualified emerging technology investment that exceeds the cost of a replacement qualified emerging technology investment;
- apply gain deferral **only** to any qualified emerging technology investment sold on or after March 12, 1998, that meets the holding-period criteria; and
- add back the gain deferred in the year the replacement qualified emerging technology investment is sold.

If you elect to defer the gain from the sale of a qualified emerging technology investment, enter the amount of the gain deferral (to the extent the gain is included in federal income).

**Purchase of replacement** qualified emerging technology investment: If purchase of the replacement qualified emerging technology investment within the 365-day period occurs in:

- the **same** tax year as the sale of the original qualified emerging technology investment, take the deduction on that return;
- the following tax year and **before** the date the corporation's franchise tax return is filed, take the deduction on that return; or
- the following tax year and **on or after** the date the corporation's franchise tax return is filed, file an amended return to claim the deduction.

For more information, see TSB-M-98(7)C, *1998 Summary of Corporation Tax Legislative Changes*.

Also see §§ 612(c)(34), 208.9(a)(14), and 1503(b)(1)(Q).

**S-116 Sales or disposition of assets acquired before 1960 with greater state than federal basis** (CT-3-S filers only): When federal taxable gains are realized from the sale of certain assets that have a greater adjusted basis for New York State tax purposes, you may make a subtraction adjustment to reduce the gain for New York State tax purposes.

Enter the smaller of the gain itself, or the difference in the adjusted basis, for a federal taxable gain that was from property that:

- had a greater adjusted basis for New York State income tax purposes than for federal income tax purposes on December 31, 1959 (or on the last day of a fiscal year ending during 1960); or
- was held in connection with mines, oil or gas wells, or other natural deposits and that had a greater adjusted basis for New York State income tax purposes than for federal tax purposes when sold.

See § 612(c)(4).



**S-117 Income earned before 1960 and previously reported to New York State** (CT-3-S filers only): Include any income (including annuity income) or gain included in federal income that was properly reported to New York State before 1960 (or during a fiscal year ending in 1960).

See § 612(c)(5).

**S-121 Certain investment income from U.S. government agencies** (CT-3-S filers only): Include any interest or dividend income on bonds or securities of any U.S. authority, commission, or instrumentality that is exempt from state income taxes under federal laws but is included in federal income.

See § 612(c)(2).

**S-123 Certain investment income exempted by other New York State laws** (CT-3-S filers only): Include any interest or dividend income from any obligations or securities authorized to be issued and exempt from state taxation under the laws of New York State. This includes, but is not limited to, income received from bonds, mortgages, and income debenture certificates of limited dividend housing corporations organized under the Private Housing Finance Law.

See § 612(c)(6).

**S-125 Interest income on U.S. government bonds** (CT-3-S filers only): Include interest income on bonds or other obligations of the U.S. government included in S corporation income. Dividends received from a regulated investment company (mutual fund) that invests in obligations of the U.S. government and meet the 50% asset requirement each quarter qualify for this subtraction. The portion of dividends you may subtract is based upon the portion of taxable income received by the mutual fund that is derived from federal obligations.

See § 612(c)(1).

**S-201 Small business modification** (CT-3-S filers only): If the New York S corporation:

- is a farm business that employs one or more persons during the tax year, **and**
- has net farm income of greater than zero but less than \$250,000,

include the amount equal to 15% of the net items of income, gain, loss and deduction attributable to the farm business included in federal income (but not less than zero).

A New York S corporation that is a farm business must compute the subtraction modification based on the net business income at the entity level.

For more information, see the *small business subtraction modification section* under *New for 2022*.

See § 612(c)(39).

**S-202 Interest expense on loans used to buy federal tax-exempt obligations subject to New York State tax** (CT-3-S filers only)—If:

- this interest was a business expense for the tax year, **and**
- you did not deduct the expense from income on the federal return,

include interest expense on money borrowed to buy or carry bonds or securities, the income of which is subject to New York State tax but exempt from federal income tax.

See § 612(c)(9).

**S-203 Expenses (other than interest expense) connected with federal tax-exempt income subject to New York State tax** (CT-3-S filers only): If you did not deduct the expenses from income on the federal return, include ordinary and necessary business expenses paid or incurred during the tax year in connection with income, or property used to produce income, that is subject to New York State income tax but exempt from federal income tax.

See § 612(c)(10).

**S-204 Amortizable bond premiums** (CT-3-S filers only)—If:

- this amortization was a business expense for the tax year, **and**
- you did not deduct the expense from income on the federal return,

include amortization of bond premiums attributable to the tax year on any bond whose interest income is subject to New York State income tax but exempt from federal income tax.

See § 612(c)(10).

**S-205 Wage and salary expenses allowed as federal credits but not as federal expenses:** Include the amount of wages disallowed under IRC § 280C in the computation of your applicable federal income because you claimed a federal credit.

Attach a copy of the appropriate federal credit form.

See §§ 612(c)(15), 208.9(a)(7), and 1503(b)(1)(D).

**S-206 Cost depletion** (CT-3-S filers only): If you are making addition A-202 for any percentage depletion deducted for federal purposes, include the cost depletion that IRC § 611 would allow on that property without any reference to either IRC §§ 613 or 613-A.

See § 612(c)(13).

**S-207 Special depreciation expenditures or carryover of research and development expenditures** (CT-3-S filers that are corporate partners only): See § 612(c)(11).

**S-208 Safe harbor leases** (CT-3 and CT-3-S filers only): Include all amounts that were included in your applicable federal income solely as a result of an election made under IRC § 168(f)(8) as it was in effect on December 31, 1983.

Leases for qualified mass-commuting vehicles as defined in IRC § 103(b)(9) do not qualify this adjustment.

See §§ 612(c)(24) and 208.9(a)(9). Also see S-209, A-203, and A-204.

**S-209 Safe harbor leases** (CT-3 and CT-3-S filers only): Include all amounts you **could have excluded** from your applicable federal income if you had **not** made the election provided for in IRC § 168(f)(8) as it was in effect on December 31, 1983.

Leases for qualified mass-commuting vehicles as defined in IRC § 103(b)(9) do not qualify this adjustment.

See §§ 612(c)(25) and 208.9(a)(10). Also see S-208, A-203, and A-204.

**S-210 Accelerated cost recovery system depreciation** (CT-3-S filers that are corporate partners only): See § 612(c)(26).

**S-211 Accelerated cost recovery system year of disposition adjustment** (CT-3-S filers that are corporate partners only): See § 612(c)(28).

**S-212 Federal IRC § 179 deduction recapture for a sport utility vehicle** (CT-3 and CT-3-S filers only): If you previously claimed an IRC § 179 deduction with respect to a sport utility vehicle, you must include the amount of that deduction that was recaptured in computing federal income.

See §§ 612(c)(37) and 208.9(a)(16).

**S-213 IRC § 168(k) property depreciation** (CT-3-S filers that are corporate partners only): See § 612(c)(16).

**S-214 IRC § 168(k) property (year of disposition adjustment)** (CT-3-S filers that are corporate partners only): See § 612(l).

**S-215 Refund of certain business tax credits** (CT-3 and CT-33 filers only): Include the amount of refund of certain New York State business tax credits that you are required to include in your applicable federal income.

For more information, see TSB-M-10(9)C, (15)I, *New York State Tax Treatment of Refunds of the Qualified Empire Zone Enterprise (QEZE) Credit for Real Property Taxes*.

**S-216 New York State innovation hot spot deduction** (CT-3 and CT-3-S filers only): Include any income or gain attributable to the innovation hot spot (as reported on Form CT-223, *Innovation Hot Spot Deduction*, column G). A taxpayer who claims this benefit is no longer eligible for any other New York State exemption, deduction, credit, or refund under the Tax Law to the extent that this exemption, deduction, credit, or refund is attributable to the business operations of a tenant in, or as part of, the New York State innovation hot spot.

Claiming this subtraction represents an irrevocable election.

See §§ 612(c)(39) and 208.9(a)(18).

**S-217 Taxable refunds or credits** (CT-3-S filers only): If you included in your federal income any refunds, credits, or offsets for overpayment of any income tax (including the New York City unincorporated business tax and metropolitan commuter transportation mobility tax imposed under Article 23), include that amount here.

See § 612(c)(7).

**S-218 Gains from qualified opportunity fund investments:** If you included a gain from a qualified opportunity fund investment in federal income in the current tax year, enter the amount of the gain (or portion of) that you previously added back when you computed New York State taxable income.

See §§ 612(c)(43), 208.9(a)(21), and 1503(b)(1)(W). Also see A-221.

**S-219 Income from COVID-19 pandemic small business recovery grant program** (CT-3 and CT-3-S filers only): If you received any grant(s) based on the COVID-19 pandemic small business recovery grant program, established in the New York State Urban Development Corporation Act, § 16-ff, enter the amount of the grants to the extent they were included in federal income.

See §§ 612(c)(45) and 208.9(a)(22).

**S-220 Deductions related to the production and distribution of adult-use cannabis products** (CT-3 and CT-3-S filers only): Include the amount of any federal deduction disallowed under IRC § 280E related to the production and distribution of adult-use cannabis products (as defined under Tax Law Article 20-C), provided that the amount:

- was not used as the basis for any other tax deduction, exemption, or credit; and
- was not otherwise required to be added back when computing New York State taxable income.

See §§ 612(c)(46) and 208.9(a)(23).

**S-303 Franchise tax refunds** (CT-3-S filers only): Include the amount of any refund or credit of the tax imposed under Tax Law Article 9-A for a New York S corporation tax year beginning on or after January 1, 1990, or under former Tax Law Article 32 for a New York S corporation tax year beginning on or after January 1, 1997, to the extent the tax was included in federal income in a prior tax year under § 612(b)(3).

**S-501 Taxable refunds or credits of certain taxes** (CT-3 and CT-33 filers only): Include any refund or credit of a tax that:

- is now being properly included as income for federal income tax purposes and for which no exclusion or deduction was allowed in determining the taxpayer's entire net income for any prior year; and
- was previously added back on:
  - Form CT-225 (see A-505), **other than** taxes paid or accrued to the United States, or any of its possessions, territories or commonwealths, other U.S. states or their political subdivisions, and the District of Columbia; or
  - Form CT-33, line 68 or 71.

Do **not** include on this line:

- any refund or credit of tax that was used to offset an addition of tax on Form CT-3, CT-225, or CT-33, line 68 or 71; or
- any refund or credit of New York City taxes.

See §§ 208.9(a)(5) and 1503(b)(1)(C).

**S-503 Deductions based on §§ 208.9(c-2) and 208.9(c-3)** (CT-3 filers only): Qualified public utility corporations, qualified power producers, and qualified pipeline corporations, see Form CT-224-I.

Also see A-502.

**S-504 Receipts from the operation of school buses** (CT-3 filers only): Include all receipts from the transportation of pupils, teachers, and others acting in a supervisory capacity to and from school or school activities, minus any deductions allowed in computing federal taxable income that are directly or indirectly attributable to those receipts.

See § 208.9(a)(4).

**S-505 Real estate investment trust deduction** (CT-3 filers only): Enter the deduction for total dividends paid from federal Form 1120-REIT, line 21b and the IRC § 857(b)(2)(E) deduction from Form 1120-REIT, line 21c.

See § 209.5.

**S-506 Regulated investment company deduction** (CT-3 filers only): Enter the deduction for total dividends paid from federal Form 1120-RIC, line 25(a) and the IRC §§ 851(d)(2) and 851(i) deduction from Form 1120-RIC, line 25(b).

See § 209.7.

**S-507 Allowable New York State depreciation from Form CT-399, if applicable** (CT-3 filers only): If the corporation:

- claims the federal accelerated cost recovery system/modified accelerated cost recovery system deduction for property placed in service either **in or outside** New York State after 1980 in tax periods beginning before 1985; or
- claims the federal accelerated cost recovery system/modified accelerated cost recovery system deduction for property placed in service **outside** New York State in tax periods beginning after 1984 and before tax periods beginning in 1994, and the corporation made the election to continue using the IRC § 167 depreciation deduction for the property; or
- claims a federal special depreciation deduction under IRC § 168(k) for qualified property (excluding qualified resurgence zone property described in § 208.9(q) or qualified New York liberty zone property described in IRC § 1400L(b)(2)) placed in service on or after June 1, 2003, in tax years beginning after December 31, 2002; or
- disposes this year of either accelerated cost recovery system/modified accelerated cost recovery system property, or property for which you claimed a federal special depreciation deduction under IRC § 168(k), and the New York depreciation modifications applied to the property in any prior years, include the amount from Form CT-399, line 3, column I, or, if you have disposed of property this year, use the amount from Form CT-399, line 10, column B.

See §§ 208.9(a)(11), 208.9(a)(12), 208.9(a)(17), and 208.9(p). Also see A-507.

**S-508 Amounts treated as IRC § 78 dividends** (CT-3 filers only): You may deduct any amount treated as dividends under IRC § 78 to the extent that this deduction is not already reflected in your federal taxable income.

See § 208.9(a)(6).

**S-509 Expenses related to federal treaty obligations** (only CT-3 filers that **are** alien corporations): If under any provision of the IRC, you are not treated as a domestic corporation as defined in IRC § 7701, enter any expenses attributable to income that is not included in federal taxable income due to a federal tax treaty.

Also see A-506.

**S-510 Expenses related to interest on federal, state, municipal, and other obligations not included in federal taxable income** (only CT-3 filers that are **not** alien corporations; alien corporations, see *S-511*): Include any expense that was denied deductibility under IRC § 265 and is attributable to the exempt interest received, or accrued, on federal, state, municipal, and other obligations.

Also see A-504.

**S-511 Expenses related to dividend or interest income received, or accrued, by alien corporations** (only CT-3 filers that are alien corporations): If under any provision of the IRC you are not treated as a domestic corporation as defined in IRC § 7701, include any expenses attributable to income received, or accrued, from dividends or interest on any kind of stock, securities, or indebtedness, but only if this income is treated as effectively connected with conducting a trade or business in the United States under IRC § 864.

Also see A-508.

**S-513 Amount excluded from the term *contribution to capital* by IRC § 118(b)(2)** (CT-3 and CT-33 filers only): Enter the amount of contributions to your capital that you included in your federal taxable income as a result of IRC § 118(b)(2).

See §§ 208.9(a)(20) and 1503(b)(1)(T).

**S-601 Unearned premiums** (CT-33 filers only): Include the amount of unearned premiums on outstanding business at the end of the tax year included in premiums earned as a result of IRC §§ 832(b)(4)(B), 832(b)(7)(B)(i) and 832(b)(8)(A)(i).

See §§ 1503(b)(1)(J), 1503(b)(1)(K), and 1503(b)(1)(L).

**S-602 Discounted unpaid losses** (CT-33 filers only): Include the difference between the amount of discounted unpaid losses at the end of the tax year used in the computation of losses incurred as a result of IRC § 832(b)(5)(A), and the amount of unpaid losses at the end of the tax year that would have been used in this computation if these losses were not discounted for federal income tax purposes.

Attach a copy of the loss reserves discount summary schedule you used to compute discounted unpaid losses from federal Form 1120-PC, and a copy of Schedule P, *Analysis of Losses and Loss Adjustment Expenses, Part 1, Summary*, from the current year's *Annual Statement*.

See § 1503(b)(1)(N).

**S-604 IRC § 832(b)(5)(B)** (CT-33 filers only): Include the amount by which losses incurred were reduced as a result of IRC § 832(b)(5)(B).

See § 1503(b)(1)(O).

**S-606 Amounts treated as IRC § 78 dividends** (CT-33 filers only): Include any amount treated as a dividend under IRC § 78 that is attributable to the global intangible low-taxed income included in federal gross income based on IRC § 951A(a), to the extent this amount is **not** included in income from subsidiary capital reported on Form CT-33, line 73.

See § 1503(b)(1)(V). Also see A-606.

**S-607 Global intangible low-taxed income exclusion** (CT-33 filers only): Include 95% of the income required to be included in your federal gross income based on IRC § 951A(a), without regard to the IRC § 250 deduction, to the extent this amount is not included in income from subsidiary capital reported on Form CT-33, line 73.

See § 1503(b)(1)(U). Also see A-606.

**S-901 Beneficiary's share of fiduciary adjustment** (CT-3-S filers only): If the S corporation has income from an estate or trust, any New York adjustments that apply to that income, as well as any additions to or subtractions from federal itemized deductions, will be shown in your share of a single fiduciary adjustment.

If the adjustment is a net subtraction, you must include this amount in Schedule B, Part 2.

See § 612(d). Also see A-901.

## New York State addition and subtraction modification charts

The charts below are a quick reference guide listing each modification and showing (with an **X** in the column) if the modification applies to your form. This guide should only be used in conjunction with the instructions for each modification noted above.

### Addition modifications

| Modification number | Description  | CT-3 | CT-33 | CT-34-SH |
|---------------------|--|------|-------|----------|
| A-102               | Income from certain obligations of U.S. government agencies or instrumentalities |      |       | X        |
| A-105               | Special additional mortgage recording tax deduction                              | X    | X     |          |

| Modification number | Description  | CT-3 | CT-33 | CT-34-SH |
|---------------------|--|------|-------|----------|
| A-106               | Special additional mortgage recording tax basis adjustment   | X    | X     |          |
| A-109               | New business investment; deferral recognition  |      |       | X        |
| A-110               | Qualified emerging technology investments  | X    | X     | X        |
| A-111               | Interest expense on loans used to buy obligations exempt from New York State tax, amortized bond premium on bonds that are exempt from New York State tax and other expenses relating to the production of income exempt from New York State tax |      |       | X        |
| A-113               | Interest income on state and local bonds and obligations   |      |       | X        |
| A-114               | Form 4970 accumulation distribution of trusts  |      |       | X        |
| A-116               | Resident beneficiary accumulation distribution   |      |       | X        |
| A-117               | Incomplete gift non-grantor trust  |      |       | X        |
| A-201               | Personal income taxes and unincorporated business taxes deducted in determining recomputed federal adjusted gross income   |      |       | X        |
| A-202               | Percentage depletion   |      |       | X        |
| A-203               | Safe harbor leases   | X    |       | X        |
| A-204               | Safe harbor leases   | X    |       | X        |
| A-205               | Accelerated cost recovery system deduction   |      |       | X        |
| A-206               | Accelerated cost recovery system property; year of disposition adjustment  |      |       | X        |
| A-207               | Farmers' school tax credit   | X    |       |          |
| A-208               | Sport utility vehicle expense deduction  | X    |       | X        |
| A-209               | IRC § 168(k) property depreciation   |      |       | X        |
| A-210               | Special depreciation   |      |       | X        |
| A-211               | Royalty and interest payments made to a related member or members  | X    | X     | X        |
| A-212               | Environmental remediation insurance premiums   | X    | X     | X        |
| A-214               | Article 23 metropolitan commuter transportation mobility tax   |      | X     | X        |
| A-216               | Manufacturer's real property tax   | X    |       | X        |
| A-217               | START-UP NY excise tax on telecommunication services   | X    |       | X        |
| A-218               | Farm donations to food pantries  | X    |       |          |
| A-221               | Investments in a qualified opportunity fund  | X    | X     | X        |
| A-301               | Reduction for S corporation taxes  |      |       | X        |

| Modification number | Description   | CT-3 | CT-33 | CT-34-SH |
|---------------------|---|------|-------|----------|
| A-502               | Qualified public utility corporations, qualified power producers, and pipeline corps                | X    |       |          |
| A-504               | Interest on federal, state, municipal, and other obligations not included in federal taxable income | X    |       |          |
| A-505               | New York State and other state and local taxes deducted on your federal return                      | X    |       |          |
| A-506               | Federal treaty obligations  | X    |       |          |
| A-507               | Federal depreciation from Form CT-399, if applicable  | X    |       |          |
| A-508               | Dividend or interest income received, or accrued, by alien corporations                             | X    |       |          |
| A-510               | IRC § 965(c) deduction amount   | X    |       |          |
| A-602               | Unearned premiums   |      | X     |          |
| A-603               | Discounted unpaid losses  |      | X     |          |
| A-606               | Deductions attributable to IRC § 951A(a)  |      | X     |          |
| A-901               | Beneficiary's share of fiduciary adjustment   |      |       | X        |

### Subtraction modifications

| Modification number | Description   | CT-3 | CT-33 | CT-34-SH |
|---------------------|---|------|-------|----------|
| S-102               | Build America Bond interest   |      |       | X        |
| S-110               | Contributions for Executive Mansion, natural and historical resources (not deducted elsewhere)              |      |       | X        |
| S-111               | Distributions made to a victim or target of Nazi persecution  | X    | X     | X        |
| S-112               | Items of income related to assets stolen from or otherwise lost to a victim of Nazi persecution             |      |       | X        |
| S-114               | Gain to be subtracted from the sale of a new business investment reported on your federal income tax return |      |       | X        |
| S-115               | Qualified emerging technology investments   | X    | X     | X        |
| S-116               | Sales or dispositions of assets acquired before 1960 with greater state than federal basis                  |      |       | X        |
| S-117               | Income earned before 1960 and previously reported to New York State   |      |       | X        |
| S-121               | Certain investment income from U.S. government agencies   |      |       | X        |
| S-123               | Certain investment income exempted by other New York State laws   |      |       | X        |

| Modification number | Description  | CT-3 | CT-33 | CT-34-SH |
|---------------------|--|------|-------|----------|
| S-125               | Interest income on U.S. government bonds   |      |       | X        |
| S-201               | Small business modification  |      |       | X        |
| S-202               | Interest expense on loans used to buy federal tax-exempt obligations subject to New York State tax                               |      |       | X        |
| S-203               | Expenses (other than interest expense) connected with federal tax-exempt income subject to New York State tax                    |      |       | X        |
| S-204               | Amortizable bond premiums  |      |       | X        |
| S-205               | Wage and salary expense allowed as federal credits but not as federal expenses   | X    | X     | X        |
| S-206               | Cost depletion   |      |       | X        |
| S-207               | Special depreciation expenditures or carryover of research and development activities  |      |       | X        |
| S-208               | Safe harbor leases   | X    |       | X        |
| S-209               | Safe harbor leases   | X    |       | X        |
| S-210               | Accelerated cost recovery system depreciation  |      |       | X        |
| S-211               | Accelerated cost recovery system year of disposition adjustment  |      |       | X        |
| S-212               | Sport utility vehicle expense deduction recapture  | X    |       | X        |
| S-213               | IRC § 168(k) property depreciation   |      |       | X        |
| S-214               | Amount of IRC § 168(k) property deduction that is greater than the depreciation claimed for NYS (year of disposition adjustment) |      |       | X        |
| S-215               | Refund of certain business tax credits   | X    | X     |          |
| S-216               | New York State innovation hot spot program   | X    |       | X        |
| S-217               | Taxable refunds or credits   |      |       | X        |
| S-218               | Gains from qualified opportunity fund investments  | X    | X     | X        |
| S-219               | Income from COVID-19 pandemic small business recovery grant program  | X    |       | X        |
| S-220               | Deductions related to the production and distribution of adult-use cannabis products   | X    |       | X        |
| S-303               | Franchise tax refunds  |      |       | X        |
| S-501               | Taxable refunds or credits of state tax  | X    | X     |          |
| S-503               | Qualified public utility corporations, qualified power producers, and pipeline corps   | X    |       |          |
| S-504               | Receipts from the operation of school buses  | X    |       |          |

| Modification number | Description   | CT-3 | CT-33 | CT-34-SH |
|---------------------|---|------|-------|----------|
| S-505               | Real estate investment trust deduction  | X    |       |          |
| S-506               | Regulated investment company deduction  | X    |       |          |
| S-507               | Allowable New York State depreciation   | X    |       |          |
| S-508               | Amounts treated as IRC § 78 dividends   | X    |       |          |
| S-509               | Expenses related to federal treaty obligations  | X    |       |          |
| S-510               | Expenses related to interest on federal, state, municipal, and other obligations not included in federal taxable income | X    |       |          |
| S-511               | Expenses related to dividend or interest income received, or accrued, by alien corporations                             | X    |       |          |
| S-513               | Amount excluded from the term contribution to capital by IRC § 118(b)(2)  | X    | X     |          |
| S-601               | Unearned premiums   |      | X     |          |
| S-602               | Discounted unpaid losses  |      | X     |          |
| S-604               | IRC § 832(b)(5)(B)  |      | X     |          |
| S-606               | Amounts treated as IRC § 78 dividends   |      | X     |          |
| S-607               | Global intangible low-taxed income exclusion  |      | X     |          |
| S-901               | Beneficiary's share of fiduciary adjustment   |      |       | X        |