



# Instructions for Form IT-658

## Additional Restaurant Return-to-Work Credit

### General information

For tax years that include December 31, 2022, the additional restaurant return-to-work credit is available to small business entities who operate predominately in the food services sector and have suffered economic harm due to the COVID-19 pandemic.

You must submit a completed application to Empire State Development (ESD) to claim the credit. If your application is approved, ESD will issue a certificate detailing the amount of tax credit available to claim. All determinations regarding eligibility are made by ESD.

For more information about the additional restaurant-return-to-work credit, visit the ESD website at [www.esd.ny.gov](http://www.esd.ny.gov) and see Restaurant Return-to-Work Credit.

### Eligibility

You are eligible for this credit if you:

- are subject to tax under Tax Law Article 9-A or 22;
- received the restaurant return-to-work credit for your 2021 tax year;
- did not cease operations on or before March 31, 2022; and
- have received or are the owner of a business entity that has received, a certificate of additional tax credit issued by ESD.

### Credit details

The additional restaurant return-to-work credit is equal to \$5,000 per each increase in the number of full-time equivalent employees that is more than 10 but no more than 20, up to a maximum of \$50,000 per entity. You must use the same date you chose to compute your 2021 restaurant return-to-work credit. The jobs for these employees must continue to exist as of March 31, 2022.

The credit cannot reduce the tax due to less than **zero**. If you have any unused amount of this credit for the current tax year, you may choose to have the overpayment of tax refunded or credited to next year's tax. Interest will not be paid on the refund or overpayment.

### How to claim the credit

If you are an individual, a beneficiary or fiduciary of an estate or trust, a partner in a partnership (including members of a limited liability company (LLC) treated as a partnership for federal tax purposes), or a shareholder of an S corporation claim the credit by filing Form IT-658 with your tax return.

An **estate or trust** that divides the credit among itself and its beneficiaries must submit Form IT-658 with Form IT-205, *Fiduciary Income Tax Return*, showing each beneficiary's share of the credit.

A **partnership** must file Form IT-658 with Form IT-204, *Partnership Return*, showing the total credit.

A **New York S corporation** does **not** file Form IT-658. It must file Form CT-658, *Additional Restaurant Return-to-Work Credit*.

If you are a **shareholder of an S corporation**, obtain your share of the credit from the S corporation and follow the instructions on this form for claiming the credit on your personal income tax return.

### Line instructions

**Line A:** Mark an **X** in the appropriate box to determine the parts of this form that you need to complete. If you are claiming this credit **both** as an individual (sole proprietor), partnership, or fiduciary of an estate or trust that earned the credit and as a partner, shareholder, or beneficiary receiving a share of the credit, mark an **X** in the Yes box and complete all appropriate schedules on one Form IT-658.

**Individuals (including sole proprietors):** Complete Schedules A, D, E, and F, if applicable.

**Partnerships:** Complete Schedules A, D, and F, if applicable.

**A married couple in a business enterprise that made an IRC 761(f) election to file two federal Schedule C forms instead of a partnership return:** If you file jointly, compute your credit as if you were filing one federal Schedule C for the business. Complete Schedules A, D, E, and F if applicable.

**Fiduciary:** Complete Schedules A, C, D, E, and F, if applicable.

**Partner in a partnership, shareholder of a New York S corporation, and beneficiary of an estate or trust:** Complete Schedules B, D, and F, if applicable.

**Note:** If more than one set of instructions applies to you, complete all the appropriate parts of the form on one Form IT-658.

**Additional forms:** If you have more entries than will fit on the lines provided in Schedules A, B, C, and F, submit additional Forms IT-658, completing only the necessary schedules. Include your name and taxpayer identification number on each form and include the totals from all additional Forms IT-658 on the indicated lines. Place the additional forms behind the first Form IT-658 and submit them with your return.

## **Schedule A: Individual (including sole proprietor), partnership, and estate or trust**

Use the information from the *Additional Restaurant Return to Work 2022 Certificate of Tax Credit* you received from ESD to complete this schedule. The amount entered cannot exceed the amount shown on the certificate. If needed, see *Additional forms*.

Retain your *Additional Restaurant Return to Work 2022 Certificate of Tax Credit* and be prepared to produce a copy in the case of an audit.

## **Schedule B: Partner's, shareholder's, or beneficiary's share of credit**

Enter the appropriate information for each partnership, New York S corporation, or estate or trust from which you received a share of the credit. Obtain your share of the credit and certificate information from your partnership, S corporation, or estate or trust. If needed, see *Additional forms*.

## **Schedule C: Beneficiary's and fiduciary's share of credit**

An estate or trust must complete this schedule. If an estate or trust allocates or assigns the credit to its beneficiaries, it must base the division on each beneficiary's proportionate share of the income of the estate or trust. Provide the beneficiaries with their share of the credit. If needed, see *Additional forms*.

## **Schedule D: Computation of credit**

**Fiduciaries:** Do not enter any amounts on lines 6 or 7.

## **Schedule E: Reconciliation of advance payments (*Partnerships: do not complete this schedule.*)**

**Line 11:** If you requested and received one or more additional restaurant return-to-work advance payments, enter the total amount of all payments received. If you did not receive an advance payment, enter **0**.

**Line 12:** If line 10 is greater than line 11, subtract line 11 from line 10 and enter the result. This is your additional restaurant return-to-work credit amount. Enter this amount and code **658** on:

- Form IT-201-ATT, line 12;
- Form IT-203-ATT, line 12; or
- Form IT-205, line 33.

If line 10 is equal to line 11, enter **0** on line 12. Do **not** carry this amount to another form.

If line 11 is greater than line 10, skip line 12 and go to line 13.

**Line 13:** If line 11 is greater than line 10, subtract line 10 from line 11 and enter the result. You received more additional restaurant return-to-work credit than you were allowed. Enter this amount and code **658** on:

- Form IT-201-ATT, line 20;
- Form IT-203-ATT, line 19; or
- Form IT-205, line 12.

## **Schedule F: Recapture of additional restaurant return-to-work credit**

If ESD has adjusted or revoked a previously claimed additional restaurant return-to-work credit that you earned directly or from a partnership, enter the certificate number in column A, and the amount of credit that was adjusted or revoked in column B. If needed, see *Additional forms*.

### **Line 14**

**Individuals, partners, S corporation shareholders and beneficiaries:** Enter the line 14 amount and code **658** on Form IT-201-ATT, line 20, or Form IT-203-ATT, line 19.

**Partnerships:** Enter the line 14 amount and code **658** on Form IT-204, line 148.

**Fiduciaries:** Include the line 14 amount on Form IT-205, line 12.

**Note:** If you have amounts on both lines 13 and 14, combine the two amounts, then enter the total on the appropriate form.