



Subtraction Modification for Qualified Banks

Legal name of corporation	Employer identification number (EIN)
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Attach to Form CT-3 or CT-3-A

Schedule A – Modification used in the current tax year *(use only one; see instructions)*

1 Subtraction modification for qualified banks *(enter amount from line 3; if line 3 is zero, enter amount from line 14 or line 16; do not enter less than zero)* ●

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Note: All filers must complete Schedule B even if it is not applicable to you. If this is the case, skip to line 3 and enter **0**, then continue with the rest of the form.

Schedule B – Computation of modification for a captive real estate investment trust (REIT) (§208.9(t)) *(see instr.)*

Identify the captive REIT which you maintained as of April 1, 2014, and which you also maintained for federal income tax purposes on the last day of this tax year ●

EIN of captive REIT

2 Amount of dividends paid deductions allowed to the captive REIT maintained as identified above ●

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3 Subtraction modification for a captive REIT *(Multiply line 2 by 160% (1.6); enter here and on line 1 above. If not applicable, enter 0.)* ●

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Schedule C – Computation of modification for qualified residential loan portfolios (§208.9(r)) *(see instructions)*

4 Qualified residential loan portfolio assets *(Form CT-3-A filers include assets for all qualifying members; see instructions)* ●

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5 Total assets *(Form CT-3-A filers include assets for all qualifying members; see instructions)* ●

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6 Divide line 4 by line 5 *(see instructions)* ●

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Form CT-3-A filers: Complete lines 7 through 10, as applicable.

7 Enter average total assets of members that are thrifts and qualified community banks *(see instr.)* ... ●

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8 Enter average total assets of all corporations included in the combined group *(see instructions)* ●

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9 Divide line 7 by line 8 *(see instructions)* ●

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10 Entire net income (ENI) before this modification *(multiply line 9 by the amount from Form CT-3-A, Part 3, line 5; see instructions)* ●

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11 **Form CT-3 filers:** ENI before this modification *(from Form CT-3, Part 3, line 5; see instructions)* ●

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12 Multiply line 10 or line 11, as applicable, by 32% (.32) *(see instructions)* ●

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13 Amounts deducted per IRC sections 166 and 585 in the computation of federal taxable income (FTI), less any amounts included in FTI as a result of the recovery of loans *(see instructions)* ●

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14 Subtraction modification for qualified residential loan portfolios *(Subtract line 13 from line 12; enter here and on line 1 above, if applicable. If zero or less, enter 0.)* ●

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Schedule D – Computation of modification for community banks and small thrifts (§208.9(s)) *(see instructions)*

15 Total net interest income from qualifying loans *(see instructions)* ●

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Form CT-3-A filers: enter the total number of all Schedules E attached to this form ... ●

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16 Subtraction modification for community banks and small thrifts *(multiply line 15 by 50% (.5); enter here and on line 1 above, if applicable)* ●

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Note: You **must** attach Form CT-3.2 to Form CT-3 or CT-3-A if you have an entry on Form CT-3 or CT-3-A, Part 3, line 6.



Schedule E – Computation of total net interest income from qualifying loans

Complete this schedule to compute net interest income from qualifying loans.

EIN of qualifying entity

Form CT-3-A filers: Compute on a separate basis for each combined entity (see instructions) ...

1 Gross interest income from loans for the entity identified	•	1		
2 Gross interest expense for the entity identified	•	2		
3 Average total value of loans owned during the tax year by the entity identified	•	3		
4 Average total assets during the tax year owned by the entity identified	•	4		
5 Loan factor (divide line 3 by line 4)	•	5		
6 Gross interest expense from loans (multiply line 2 by line 5)	•	6		
7 Net interest income from loans (subtract line 6 from line 1; if less than zero, enter 0 on line 7 and on line 11)	•	7		
8 Gross interest income from qualifying loans for the entity identified	•	8		
9 Gross interest income from all loans for the entity identified (from line 1)	•	9		
10 Qualifying loan interest income factor (divide line 8 by line 9)	•	10		
11 Net interest income from qualifying loans for the entity identified (multiply line 7 by line 10; enter on Schedule D, line 15)	•	11		

Form CT-3-A filers: Total line 11 amounts for all combined entities in the group; enter the total on Schedule D, line 15 (see instructions).

