



# Instructions for Form CT-2658-E

## Certificate of Exemption from Partnership Estimated Tax Paid on Behalf of Corporate Partners

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### General information

The following entities with New York source income must make estimated corporation tax payments on behalf of partners that are C corporations (any corporation other than a federal S corporation):

- partnerships (other than publicly traded partnerships as defined in Internal Revenue Code section 7704); and
- limited liability companies (LLCs) or limited liability partnerships (LLPs) that are treated as partnerships for federal income tax purposes.

**Note:** This does not apply to a federal S corporation. If the corporation is a federal S corporation and the partnership sent you Form CT-2658-E, *Certificate of Exemption from Partnership Estimated Tax Paid on Behalf of Corporate Partners*, do **not** complete the certification section. Mark an **X** in the *S corporation* box in the signature area, sign and date the form, and return it to the partnership.

### Exception

If the estimated tax required to be paid for the tax year by the partnership on behalf of the **corporate partner is \$300 or less**, corporate partners are **automatically exempt** from estimated tax payments.

### Claiming exemption using Form CT-2658-E

If the corporation does not meet the above exception, the corporation may still claim exemption from estimated tax payments by providing Form CT-2658-E to the partnership.

A corporation qualifies to claim exemption by certifying **one** of the following on Form CT-2658-E:

- The corporation is exempt from any tax imposed by New York State Tax Law, Articles 9, 9-A, and 33 (a tax-exempt corporation that is only subject to the unrelated business income tax under New York State Tax Law, Article 13 still meets this condition).
- The corporation will comply, in its corporate capacity, with all New York State corporation estimated tax payment provisions and tax return filing requirements.

If, after considering all of the corporation's individual circumstances, you determine that the corporation is not required to pay estimated tax or file a New York State tax return, the corporation is considered in compliance with the New York State requirements and may provide Form CT-2658-E to the partnership.

### Estimated tax and corporation tax filing requirements

For filing and estimated tax requirements, see the appropriate New York State corporation tax form instructions.

The corporation may be subject to penalties if it provides Form CT-2658-E to its partnership but fails to comply with the New York State estimated tax and corporation tax filing requirements in its corporate capacity.

### How and when to claim exemption from estimated tax

Complete Form CT-2658-E and provide it to the partnership as soon as you determine that the corporation meets one of the qualifying conditions above. Mark an **X** in the appropriate box in the *Certification* section, indicating which condition the corporation has met. Do **not** send Form CT-2658-E to the Tax Department.

Form CT-2658-E (12/23) expires on February 1, 2026. If the corporation is still exempt from estimated tax payments after that date, the corporation must provide a new *Certificate of Exemption* to the partnership to retain with its records.

### Revocation of exemption by corporate partner

The corporation must notify the partnership within 10 days from the date that it no longer meets the conditions in Form CT-2658-E.

## Instruction for partnerships

Keep this certificate with your records. Do **not** send Form CT-2658 to the Tax Department.

## Need help?

Visit our website at [www.tax.ny.gov](http://www.tax.ny.gov)

- get information and manage your taxes online
- check for new online services and features

### Telephone assistance

Automated income tax refund status: 518-457-5149

Personal Income Tax Information Center: 518-457-5181

Corporation Tax Information Center: 518-485-6027

To order forms and publications: 518-457-5431

Text telephone (TTY) or TDD equipment users: Dial 7-1-1 for the New York Relay Service