



**Instructions for Form CT-3-A**  
**General Business Corporation Combined**  
**Franchise Tax Return**

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

## New for 2025

For a detailed list of what's new, including a summary of tax law changes, see *New for 2025* on our website at [www.tax.ny.gov](http://www.tax.ny.gov) (search: 2025).

## Tax law

For current tax laws, see *New York State Tax Law* on our website at [www.tax.ny.gov](http://www.tax.ny.gov) (search: law).

## Tax regulations

For the full text of the adopted regulation, see *Corp Regulations Adoption* on our website at [www.tax.ny.gov](http://www.tax.ny.gov) (search: regulation).

## Form CT-1, Supplement to Corporation Tax Instructions

This form is for general instructions that apply to all corporation tax forms. It includes a variety of topics about how to fill out your form (for example, entry formats and third-party designee), filing and payment information (such as when CT-200-V is required), collection options that we may take, tax shelter information, and your rights under the Tax Law. Form CT-1 also has our contact information if you need help, and our privacy notification.

For details, see Form CT-1 on our website at [www.tax.ny.gov](http://www.tax.ny.gov) (search: CT-1).

## Corporate tax filing requirements

All New York C corporations subject to tax under Article 9-A must file using the following returns, as applicable:

- Form CT-3, *General Business Corporation Franchise Tax Return*
- Form CT-3-A, *General Business Corporation Combined Franchise Tax Return*. When filing Form-CT-3-A, Form CT-3-A/BC, *Member's Detail Report, Filed by a Corporation Included in a Combined Franchise Tax Return*, must be filed by each member of the combined group, except for the designated agent, including non-taxpayer members. Form CT-3-A/BC provides individual group member detail concerning each member's: general information, fixed dollar minimum tax, prepayments, capital base, investment capital, and apportionment.
- Form CT-3-M, *General Business Corporation MTA Surcharge Return*

All business corporations that have elected to be treated as a New York S corporation by filing Form CT-6, *Election by a Federal S Corporation to be Treated as a New York S Corporation*, or are a *mandated New York S corporation*, must file Form CT-3-S, *New York S Corporation Franchise Tax Return*, instead of Form CT-3 or Form CT-3-A.

**Important:** Use the correct form for the correct tax year when you file (see *When to use the 2025 tax return*). If you use an incorrect form or form for the incorrect tax year:

- we will not process your return,
- your return will be considered late, and
- we may assess penalties and interest.

## When to use the 2025 tax return

Use this tax return for:

- calendar year 2025,
- fiscal years that begin in 2025 and end in 2026, and
- tax years of less than 12 months that begin on or after January 1, 2025, but before January 1, 2026.

You can also use the 2025 return if:

- you have a tax year of less than 12 months that begins and ends in 2026, **and**
- the 2026 return is not yet available at the time you are required to file the return.

In this case, you must show your 2026 tax year on the 2025 return and take into account any tax law changes that are effective for tax years beginning **after** December 31, 2025.

## Taxpayers using a 52-53 week year

A taxpayer who reports on the basis of a 52-53 week accounting period for federal income tax purposes may report on the same basis for Article 9-A purposes. If a 52-53 week accounting period begins within seven days from the first day of any calendar month, the tax year is deemed to begin on the first day of that calendar month. If a 52-53 week accounting period ends within seven days from the last day of any calendar month, the tax period will be deemed to end on the last day of the calendar month.

## Corporations subject to tax under Article 9-A [§ 208.1]

The definition of a corporation, as used in Article 9-A and in these instructions, includes:

- associations,
- limited liability companies,
- limited liability partnerships, and
- publicly traded partnerships that are taxed as corporations under the Internal Revenue Code (IRC).

## General rule

A business corporation subject to tax in New York State is taxable under Article 9-A unless it is one of the following that is subject to a franchise tax under another article:

- insurance corporations (including for-profit HMOs required to obtain a certificate of authority under Public Health Law Article 44) [Article 33];
- transportation and transmission corporations (other than aviation corporations, corporations principally engaged in transportation, transmission, or distribution of gas, electricity, or steam, and nonelecting railroad and trucking corporations) [Article 9];
- nonstock, not-for-profit corporations, as long as no part of their net earnings benefits any officer, director, or member [Article 13]; or
- continuing § 186 taxpayers [Article 9].

## Domestic corporations

A domestic corporation (incorporated in New York State) subject to tax under Article 9-A is generally liable for franchise taxes for each fiscal or calendar year (or partial year) during which it is incorporated until it is formally dissolved with the Department of State.

However, a domestic corporation that is no longer doing business, employing capital, owning or leasing property, or

deriving receipts from activity, in New York State is exempt from the fixed dollar minimum tax after its final tax year and is not required to file a franchise tax return as long as it meets the requirements listed in § 209.8.

## Foreign corporations

A foreign corporation (incorporated outside of New York State) is liable for franchise taxes under Article 9-A during the period in which it is doing business, employing capital, owning or leasing property, maintaining an office, or *deriving receipts* from activity, in New York State. For what subjects foreign corporations to tax, see 20 NYCRR 1-2.2.

A foreign corporation is **not** considered to be doing business, employing capital, owning or leasing property, maintaining an office, or deriving receipts from activity in this state, if their activity is limited to certain activities. For exceptions to taxability, see § 209.2 and 20 NYCRR 1-2.9.

## Alien corporations

An alien corporation (a corporation organized under the laws of a country, or any political subdivision thereof, other than the United States, or organized under the laws of a possession, territory, or commonwealth of the United States) is **not** deemed to be doing business, employing capital, owning or leasing property, maintaining an office, or deriving receipts from activity, in this state if its activities in this state are limited to certain activities. For exceptions to taxability for alien corporations, see 20 NYCRR 1-2.9(b).

An alien corporation that under any provision of the IRC is not treated as a domestic corporation as defined under IRC § 7701 and has no effectively connected income, gain, or loss, for the tax year is not subject to tax under Article 9-A for that tax year. See § 209.2-a.

## Other exceptions

For other corporations exempt from Article 9-A taxation, see §§ 3, 8, 13, 209(4), (9), (10), and (12); and 20 NYCRR 1-2.11.

## Deriving receipts

A corporation is considered to be *deriving receipts* in this state if it has receipts within New York of \$1.283 million or more in a tax year. For additional information, see § 209.1 and *Deriving receipts for Article 9-A tax and MTA surcharge* on our website at [www.tax.ny.gov](http://www.tax.ny.gov) (search: *deriving*).

A unitary group is considered to be deriving receipts in this state if the total New York receipts of the group are \$1.283 million or more. When determining whether this threshold is met, only receipts from corporations conducting a unitary business that meet the ownership requirements under § 210-C [except corporations that may not be included in a combined return due to the exclusions in § 210-C.2(c)], with at least \$12 thousand in New York receipts, are aggregated.

*Receipts within this state* means the receipts included in the numerator of the apportionment factor reported in Part 6.

For more information for foreign corporations that are a partner in a partnership, see *Corporate partners*.

## Qualified subchapter S subsidiary

The filing requirements for a qualified subchapter S subsidiary that is owned by a federal S corporation that is a New York C corporation or a nontaxpayer corporation depend on whether New York State follows federal qualified subchapter S subsidiary treatment in each situation.

In those instances where New York State follows federal qualified subchapter S subsidiary treatment:

- the qualified subchapter S subsidiary is not considered a subsidiary of the parent corporation;
- the qualified subchapter S subsidiary is ignored as a separate taxable entity, and the assets, liabilities, income, and deductions of the qualified subchapter S subsidiary are included with the assets, liabilities, income, and deductions of the parent for franchise tax purposes; and
- for other taxes, such as sales and excise taxes, the qualified subchapter S subsidiary continues to be recognized as a separate corporation.

Qualified subchapter S subsidiary treatment is **not** allowed in any case when the parent and qualified subchapter S subsidiary file under different Articles of the Tax Law (or would file under different Articles if both were subject to New York State franchise tax).

In this case, each corporation must file as a distinct entity under its applicable Article, subject to the Article 9-A combined reporting rules, as applicable.

For additional information on qualified subchapter S subsidiaries, see *New York qualified subchapter S subsidiary treatment* on our website at [www.tax.ny.gov](http://www.tax.ny.gov) (search: *subchapter*).

## Mandated New York S corporations

If the investment income of an eligible federal S corporation is more than 50% of its federal gross income for that year, shareholders that have not made the election to be treated as a New York S corporation for the current tax year will be deemed to have made that election and **must** file Form CT-3-S.

For purposes of the mandated New York State S election, investment income means the sum of an eligible S corporation's gross income from interest, dividends, royalties, annuities, rents and gains derived from dealings in property, including the corporation's share of such items from a partnership, estate, or trust, to the extent such items would be includable in the corporation's federal gross income for the tax year. To determine whether an eligible S corporation is deemed to have made this election, you must include the income of a qualified subchapter S subsidiary owned, directly or indirectly, by the eligible S corporation with the income of the eligible S corporation.

## Corporate partners [§ 209.1(f) and 20 NYCRR 1-2.8 and 9-2]

- If a partnership is doing business, employing capital, owning or leasing property, maintaining an office, or deriving receipts from activity, in New York State, then a corporation that is a **general** partner in that partnership is subject to tax under Article 9-A.
- If a partnership is doing business, employing capital, owning or leasing property, maintaining an office, or deriving receipts from activity, in New York State, then a corporation that is a **limited** partner of that partnership (other than a portfolio investment partnership) is subject to tax under Article 9-A if it is engaged, directly or indirectly, in the participation or in the domination or control of all or any portion of the business activities or affairs of the partnership.

A limited liability company or limited liability partnership that is treated as a partnership for federal income tax purposes is treated as a partnership for New York State tax purposes.

To determine economic nexus for corporate partners, see *Deriving receipts for Article 9-A tax and MTA surcharge* on our website at [www.tax.ny.gov](http://www.tax.ny.gov) (search: *deriving*).

## Tax-exempt domestic international sales corporations [20 NYCRR 9-5]

A corporation that qualifies as a domestic international sales corporation under IRC § 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.

All corporate stockholders in tax-exempt domestic international sales corporations must adjust each item of its receipts, expenses, assets, and liabilities, as otherwise calculated under Article 9-A, by adding thereto its attributable share of each such domestic international sales corporation's receipts, expenses, assets, and liabilities as reportable by each such domestic international sales corporation to the United States Treasury for its annual reporting period ending during the current tax year of such taxpayer. The tax-exempt domestic international sales corporation itself has no franchise tax filing requirement.

## Taxable domestic international sales corporations

Domestic international sales corporations that do not meet the 5% test under *Tax-exempt domestic international sales corporations* are taxable domestic international sales corporations. Taxable domestic international sales corporations must file on or before the 15th day of the ninth month after the end of the tax year. Such a domestic international sales corporation is subject to the tax on apportioned capital or the fixed dollar minimum, whichever is larger. Write **DISC** after the legal name of the corporation in the address section of the return.

## Who must file a combined return [§ 210-C, 20 NYCRR 6.2 and 9-4.4]

Under Tax Law § 210-C.2(a), an Article 9-A taxpayer:

- which owns or controls, either directly or indirectly, more than 50% of the voting power of the capital stock of one or more other corporations; **or**
- more than 50% of the voting power of the capital stock of such taxpayer is owned or controlled, either directly or indirectly, by another corporation; **or**
- more than 50% of the voting power of the capital stock of such taxpayer, and the capital stock of one or more other corporations, is owned or controlled, directly or indirectly, by the same interests; **and**
- that is engaged in a unitary business with such other corporations,

**must** file a combined return with those other corporations.

A corporation required to file a combined return also includes [§ 210-C.2(b)]:

- a captive real estate investment trust (as defined in § 2.9) or captive regulated investment company (as defined in § 2.10) that is not required to be included in a combined return under Article 33;
- a combinable captive insurance company (as defined in § 2.11); **and**
- an alien corporation that satisfies the conditions in § 210-C.2(a) (see above for such conditions), **if** such corporation is treated, under any provision of the IRC, as

a *domestic corporation* as defined in IRC § 7701, **or** has effectively connected income pursuant to § 208.9(iv).

A corporation required or permitted to file a combined return does **not** include [§ 210-C.2(c)]:

- a corporation that is taxable, or would be taxable if subject to tax, under a franchise tax imposed by Article 9 or Article 33;
- a non-captive real estate investment trust (other than with its qualified real estate investment trust subsidiary);
- a non-captive regulated investment company;
- a New York State S corporation; **or**
- an alien corporation that, under any provision of the IRC, is not treated as a *domestic corporation* as defined in IRC § 7701 and has no effectively connected income for the tax year pursuant to § 208.9(iv).

If a corporation is subject to tax under Article 9-A solely as a result of its ownership of a limited partner interest in a limited partnership, or its membership interest that is equated to the interest of a limited partner, in a limited liability company that is being treated as a partnership for federal income tax purposes, that is doing business, employing capital, owning or leasing property, maintaining an office, or deriving receipts from activity in this state, and none of the corporation's related corporations are subject to tax under Article 9-A, such corporation is not required or permitted to file a combined return with such related corporations.

Corporations included in a combined group are **not** eligible to make the election under NYCRR 9-2.6 (the separate accounting election).

**Commonly owned group election [§ 210-C.3]** - Subject to the restrictions of § 210-C.2(c) (see above for such restrictions), a taxpayer may elect to treat as its combined group all corporations that meet only the ownership requirements of § 210-C.2(a) (see above for such requirements) without regard to also meeting the unitary business requirement. **Caution:** A New York State commonly owned group is **not** limited to those entities included in a federal consolidated group under IRC § 1504. When the commonly owned group election is made, the **more than 50%** ownership test is applied to all corporations that meet the criteria specified in § 210-C.2(a). If this election is made, such corporations must calculate the combined business income, combined capital, and fixed dollar minimum bases of all members of the group, whether or not that business income or business capital is from a single unitary business.

The election must be made on an original, timely filed return of the combined group, determined with regard to valid extensions of time for filing, by marking an **X** in the box on Part 1, Section C, line 5a. You **must** continue to mark the box at line 5a in each subsequent year the election is in effect. Any corporation entering a commonly owned group subsequent to the year of election **must** be included in the combined group, and is considered to have waived any objection to its inclusion in the combined group. If the commonly owned group election is not in effect in the current tax year, mark an **X** in the box at line 5b.

**Note:** In Part 1, Section C, either the box at line 5a or the box at line 5b **must** be marked, but not both.

The election is irrevocable, and binding for and applicable to the tax year for which it is made, and for the next six tax years (not including short tax years). The election will automatically be renewed for another seven tax years, unless it has been revoked by the designated agent on an original, timely filed return for the first tax year after the completion of the prior seven year period. A revocation prohibits a new election in any of the immediately



following three tax years (not including short tax years) by any member of the commonly owned group.

**Designated agent** – Each combined group **must** have one designated agent, which **must** be a taxpayer. The designated agent files the combined return of the combined group. Only the designated agent may act on behalf of the members of the combined group for matters relating to the combined return [§ 210-C.7]. However, every member of the combined group that is subject to tax under Article 9-A is jointly and severally liable for the tax due pursuant to a combined return.

When a member of a combined group has a tax year that differs from that of its designated agent, the member's tax year that ends within the designated agent's tax year is included in the combined return.

## Other forms you may need to file

**Form CT-3.1, *Investment and Other Exempt Income and Investment Capital***, must be filed by a combined group that has:

- investment capital;
- investment income;
- other exempt income;
- stock that generates (or could generate) other exempt income; or
- is required to make the addback for prior years' presumed investment capital items that failed to meet the holding period presumption.

**Form CT-3.2, *Subtraction Modification for Qualified Banks***, must be filed to utilize one of the three modifications available to certain thrifts and community banks.

**Form CT-3.3, *Prior Net Operating Loss Conversion (PNOLC) Subtraction***, must be filed to calculate and utilize the prior net operating loss conversion subtraction and carryforward. This form must be filed for **every** tax year a combined group carries a balance of a prior net operating loss conversion subtraction, even if the group is unable to utilize the subtraction in a given year.

**Form CT-3.4, *Net Operating Loss Deduction (NOLD)***, must be filed to calculate and utilize the net operating loss deduction and carryforward. This form must also be filed with the amended return when the carryback of a net operating loss is claimed. This form is also used to elect to waive the carryback of a loss in the year a loss is incurred.

**Form CT-3-M, *General Business Corporation MTA Surcharge Return***, must be filed by a combined group taxable under Article 9-A that does business, employs capital, owns or leases property, maintains an office, or derives receipts from activity, in the Metropolitan Commuter Transportation District (MCTD). The MCTD includes the counties of New York, Bronx, Kings, Queens, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester. An exception applies to a *qualified entity of a New York State innovation hot spot* when the qualified entity is located solely within a hot spot.

**Form CT-33-D, *Tax on Premiums Paid or Payable to an Unauthorized Insurer***, must be filed if you purchase or renew a taxable insurance contract directly from an insurer not authorized to transact business in New York State under a *Certificate of Authority* from the Superintendent of Financial Services; you may be liable for a tax of 3.6% (0.036) of the premium.

**Form CT-60, *Affiliated Entity Information Schedule***, must be filed if you are an Article 9-A taxpayer and you have included the activities of any of the following on your return:

- a qualified subchapter S subsidiary;
- a single member limited liability company; **or**
- a tax-exempt domestic international sales corporation.

You must also file Form CT-60 if:

- you are a federal S corporation but are filing as a New York C corporation;
- you are a partner in a partnership;
- you are a federal qualified subchapter S subsidiary where New York State does **not** follow federal qualified subchapter S subsidiary treatment; **or**
- you have affiliated entities.

**Form CT-186-E, *Telecommunications Tax Return and Utility Services Tax Return***, must be filed by a corporation that provides telecommunication services. The corporation must pay an excise tax on its gross receipts from the sale of telecommunication services under Article 9, § 186-e.

**Form CT-222, *Underpayment of Estimated Tax by a Corporation***, must be filed to inform the Tax Department that your corporation meets one of the exceptions to reduce or eliminate the underpayment of estimated tax penalty pursuant to § 1085(d).

**Form CT-223, *Innovation Hot Spot Deduction***, must be filed if you are a corporation that is a qualified entity located both inside and outside a hot spot, or you are a corporate partner of a qualified entity, or both.

**Form CT-224, *Public Utility, Power Producer, and Pipeline Adjustments***, must be filed by each corporation in the combined group that is required to make adjustments to federal taxable income.

**Form CT-225-A, *New York State Modifications (for filers of combined franchise tax returns)***, must be filed if you are entering an amount on Form CT-3-A, Part 3, line 2, 4, or both.

**Form CT-225-A/B, *Group Member's Detail Spreadsheet***, must be filed if the combined group files Form CT-225-A, and there are two or more members in the combined group other than the designated agent.

**Form CT-227, *New York State Voluntary Contributions***, must be filed if you choose to make a voluntary contribution to any of the available funds.

**Form CT-300, *Mandatory First Installment (MFI) of Estimated Tax for Corporations***, must be filed to pay the mandatory first installment if your second preceding year's franchise tax after credits exceeds a certain threshold. For information about the threshold amount, see Form CT-300-I, *Instructions for Form CT-300*.

**Form CT-399, *Depreciation Adjustment Schedule***, must be filed to calculate the proper depreciation modification allowed.

**Form CT-400, *Estimated Tax for Corporations***, must be filed if your New York State franchise tax liability can reasonably be expected to exceed a certain threshold. For information about the threshold amount, see Form CT-400-I, *Instructions for Form CT-400*.

**Form DTF-664, *Tax Shelter Disclosure for Material Advisors***, must be filed to assist material advisors in complying with New York State's disclosure requirements.

**Form DTF-686, Tax Shelter Reportable Transactions Attachment to New York State Return**, must be filed to assist taxpayers and persons in complying with New York State's disclosure requirements.

For more information about other taxes that may apply to you, see *Businesses* on our website at [www.tax.ny.gov](http://www.tax.ny.gov) (search: *businesses*).

## When to file

File your return within 3½ months after the end of your reporting period. If you are reporting for the calendar year, your return is due on or before April 15. If your filing date falls on a Saturday, Sunday, or legal holiday, then you must file your return on or before the next business day. For more information, see *Non business days - legal holidays*, on our website at [www.tax.ny.gov](http://www.tax.ny.gov) (search: *holidays*).

## How to request an extension of time to file

If you cannot meet the filing deadline, you may request a six-month extension of time by filing Form CT-5.3, *Request for Six-Month Extension to File (for combined franchise tax return, or combined MTA surcharge return, or both)*, and paying your properly estimated franchise tax and metropolitan transportation business tax (MTA surcharge) on or before the original due date of the return.

Most corporations are required to request their extension electronically. You may use approved commercial software or request your extension using your Business Online Services account. For a list of forms you may Web File through your account, see *Corporation Tax Web File* on our website at [www.tax.ny.gov](http://www.tax.ny.gov) (search: *corporation*).

You may request up to two additional extensions by filing Form CT-5.1, *Request for Additional Extension of Time to File (for franchise/business taxes, MTA surcharge, or both)*. File it on or before the expiration date of the original extension or previously filed additional extension. **Note:** Form CT-5.1 is **not** available in your Online Services account. Use corporation tax software to file electronically. If you are not mandated to file electronically, complete and mail Form CT-5.1.

## How to file

### Electronically

To file electronically, see *Approved software developers for corporation tax e-file* on our website at [www.tax.ny.gov](http://www.tax.ny.gov) (search: *approved software*).

### By mail

NYS CORPORATION TAX  
PO BOX 15181  
ALBANY NY 12212-5181

**Private delivery services:** See Publication 55, *Designated Private Delivery Services*.

## Penalties and interest

### If you pay after the due date

If you do not pay the tax due on or before the original due date, you must pay interest on the amount of the underpayment from the original due date of the return (**without** regard to any extension of time for filing) to the date the tax is paid. Interest is always due, without any exceptions, on any underpayment of tax. An extension of time for filing **does not** extend the due date for payment of tax.

### If you file and pay after the due date

Calculate additional charges for late filing and late payment on the amount of tax minus any payment made on or before the due date (**with** regard to any extension of time for filing).

- If you do not file a return when due, or if the request for extension is invalid, add to the tax 5% per month up to 25% [§ 1085(a)(1)(A)].
- If you do not file a return within 60 days of the due date, the additional charge in item A above cannot be less than the smaller of \$100 or 100% of the amount required to be shown as tax [§ 1085(a)(1)(B)].
- If you do not pay the tax shown on a return when due, add to the tax ½% per month up to a total of 25% [§ 1085(a)(2)].
- The total of the additional charges in items A and C may not exceed 5% for any one month, except as provided for in item B above [§ 1085(a)].

If you think you are not liable for these additional charges, attach a statement to your return explaining the delay in filing, payment, or both. See § 1085.

**Note:** You may calculate your penalty and interest on our website at [www.tax.ny.gov](http://www.tax.ny.gov) (search: *penalty*), or you may call and we will calculate the penalty and interest for you (see *Need help?* in Form CT-1).

### If you understate your tax

If the tax you report is understated by 10% or \$5,000, whichever is greater, you must pay a penalty of 10% of the amount of understated tax. You can reduce the amount on which you pay penalty by subtracting any item for which:

- there is or was substantial authority for the way you treated it; or
- there is adequate disclosure on the return or in an attached statement.

See § 1085(k).

### If you underpay your estimated tax

If you can reasonably expect your New York State franchise tax liability to exceed a certain threshold, you must make payments of estimated tax. For information about the threshold amount, see Form CT-400-I. A penalty will be imposed if you fail to file a declaration of estimated tax or fail to timely pay the entire installment payment of estimated tax due. For complete details, see Form CT-222.

### Other penalties

Civil and criminal penalties may be imposed for negligence or fraud.

## Amended returns

If you are filing an amended return, mark an **X** in the *Amended return* box on page 1 of the return. If you file an amended federal return, you **must** file an amended New York State return within 90 days thereafter.

**Important:** Use the correct year's form for the tax year you are amending. If you file an amended return using a form for the wrong tax year:

- we may reject your amended return, and
- it may delay any tax benefits you are claiming.

## For amended returns based on changes to federal income

If your federal income 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 change to federal income within 90 days (120 days if filing an amended combined return) of the final federal determination (as final determination is described under the regulations of the Commissioner of Taxation and Finance).

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

## For credits or refunds based upon carryback of a net operating loss

To claim a credit or refund resulting from the carryback of a net operating loss to a prior year, file an amended return for the year to which the carryback is being applied within three years of the date the return was due (including extensions thereof) for the tax year of the loss.

However, see § 1087(d) for the last date to claim such credit or refund when:

- the last date for assessing tax for the tax year of the loss was extended by agreement [§ 1087(b)], or
- you were required to file an amended return due to notice of change or correction of federal income for the tax year to which the loss is being carried back [§ 1087(c)].

You must attach Form CT-3.4 and a copy of the New York State return previously filed with New York State for the loss year to your amended return.

## For credits or refunds of corporation tax paid

To claim any refund type that requires an amended return, other than a net operating loss carryback (see *For credits or refunds based upon carryback of a net operating loss*), file an amended New York State return for the year being amended and, if applicable, attach a copy of the claim form filed with the Internal Revenue Service (IRS) (usually Form 1120X) and proof of federal refund approval, *Statement of Adjustment to Your Account*. You must use the tax return for the year being amended.

You must file the amended return within three years of the date the original return was filed or within two years of the date the tax was paid, whichever is later. If you did not file an original return, you must make the request within two years of the date the tax was paid. However, a claim for credit or refund based on a federal change must be filed within two years from the time the amended return reporting the change or correction was required to be filed (see *For amended returns based on changes to federal income*).

For additional limitations on credits or refunds, see § 1087.

## Filing your final return

Mark an **X** in the *Final return* box on page 1 of the return if the corporation is a:

- domestic corporation that ceased doing business, employing capital, owning or leasing property, or deriving receipts from activity, in New York State during the tax year and wishes to dissolve; or
- foreign corporation that is no longer subject to the franchise tax in New York State.

Do not mark an **X** in the *Final return* box:

- if you are only changing the type of return that you file (for example, from Form CT-3-A to CT-3-S); or
- in the case of a merger or consolidation.

On your final return, include:

- the full profit from any installment sale made in your final tax year on your final return; and
- any remaining profit not yet received from all prior years' installment sales.

Each member of the combined group must include these amounts in its own separate federal income in accordance with the provisions of the IRC that govern the calculation of taxable income for separate return purposes, but subject to U.S. Treasury Regulations § 1.1502-12 (as that member reports on its Form CT-3-A/BC, Part 1, line 9 or, in the case of the designated agent, on Form CT-3-A, line F).

For information on voluntary dissolution and surrender of authority, see *Instructions for voluntary dissolution of a New York corporation* on our website at [www.tax.ny.gov](http://www.tax.ny.gov) (search: *dissolution*) and *Instructions for surrender of authority by foreign business corporation* on our website at [www.tax.ny.gov](http://www.tax.ny.gov) (search: *surrender*).

Individual combined group members seeking to dissolve, see Form CT-3-A/BC-I, *Instructions for Form CT-3-A/BC*.

## New York S corporation termination year

When a New York S corporation terminates its federal or New York S election on a day other than the first day of a tax year, the tax year is divided into two tax periods (an S short year and a C short year). The corporation must file Form CT-3-S for the New York S short year and Form CT-3 for the New York C short year.

The total tax for the S short year and the C short year may not be less than the fixed dollar minimum tax determined as if the corporation were a C corporation for the entire tax year. For more information, see Form CT-3-S-I, *Instructions for Form CT-3-S*.

## Calculating corporation franchise tax

### Tax bases

*Corporations subject to tax under Article 9-A* filing as a combined group generally must calculate three distinct taxes and pay the tax that results in the largest amount owed. The three taxes are:

- a tax on combined business income,
- a tax on combined business capital, and
- a fixed dollar minimum tax of the group's designated agent.

In addition, the tax on a combined return includes the fixed dollar minimum tax of each member of the combined group (other than the designated agent) that is a taxpayer.

**Note:** A qualified entity of a New York State innovation hot spot filing as part of a combined group may not elect to file subject only to the fixed dollar minimum tax.

### Tax on combined business income

The tax on the combined business income base is calculated in Part 3. The business income base is determined using a single receipts factor calculated in Part 6.



## Tax on combined business capital

The tax on the combined business capital base is calculated in Part 4. The business capital base is determined using a single receipts factor calculated in Part 6.

## Fixed dollar minimum tax

The fixed dollar minimum tax is determined by a corporation's New York receipts.

## Calculation of tax for corporate partners [20 NYCRR 9-2]

A taxpayer that is a partner in a partnership (a corporate partner) calculates its tax for its interest in the partnership using either the *aggregate method* or *entity method*, whichever applies.

### Aggregate method

Under the aggregate method, a corporate partner is viewed as having an undivided interest in the partnership's assets, liabilities, and items of receipts, income, gain, loss, and deduction. The partner is treated as participating in the partnership's transactions and activities.

### Corporate partners required to file under the aggregate method

A corporate partner receiving a complete Form IT-204-CP, *New York Corporate Partner's Schedule K-1*, must file using the aggregate method. In addition, a corporate partner must file using the aggregate method if the corporate partner has access to the information necessary to calculate its tax using the aggregate method. A corporate partner is presumed to have access to the information and therefore is required to file using the aggregate method if it meets **one or more** of the following conditions:

- it is conducting a unitary business with the partnership;
- it is a general partner of the partnership or is a managing member of a limited liability company that is treated as a partnership for federal income tax purposes;
- it has a 5% or more interest in the partnership;
- it has reported information from the partnership for a prior tax year using the aggregate method;
- its partnership interest constitutes more than 50% of its total assets;
- its basis in its interest in the partnership determined under IRC § 705 and 26 CFR 1.705-1 on the last day of the partnership year that ends within or with the taxpayer's tax year is more than \$5 million;
- any member of its *affiliated group* or New York combined group has the information necessary to perform such calculation; or
- it is claiming a tax credit based upon the activities of the partnership or claiming a credit calculated at the partnership level that flows through from the partnership.

### Calculation of tax under the aggregate method

Include the taxpayer's **distributive share** [IRC § 704] of each partnership item of receipts, income, gain, loss, and deduction, and the taxpayer's **proportionate part** of each partnership asset, liability, and partnership activity in the calculation of the taxpayer's business income base, capital base, and the fixed dollar minimum.

These items have the same source and character in the hands of the partner for Article 9-A purposes that the items have for the partner for federal income tax purposes.

## Entity method

Under the entity method, a partnership is treated as a separate entity and a corporate partner is treated as owning an interest in the partnership entity. The partner's interest is an intangible asset that is classified as business capital. To the extent a corporate partner's entire net income includes its distributive share of partnership items of income, gain, loss, or deduction, those items are treated as business income.

A corporate partner may file using the *entity method only* if it does **not** meet the requirements to file using the aggregate method and certifies these facts to the Commissioner of Taxation and Finance.

### Calculation of tax under the entity method

A corporate partner is treated as owning an interest in the partnership entity for purposes of determining the taxes measured by the business income base, capital base, and the fixed dollar minimum. The partner's interest is an intangible asset that is business capital.

## Foreign airlines

Foreign airlines that have a foreign air carrier permit pursuant to § 402 of the Federal Aviation Act of 1958 may exclude from entire net income all income from international operations effectively connected to the United States, foreign passive income, and income earned from overseas operations, provided the foreign country in which the airline is based has a similar exemption from tax with respect to United States airlines. See § 208.9(c-1).

When calculating the tax on capital, foreign airlines may also exclude from business capital those assets used to generate the income that was excluded based on the previous paragraph (to the extent the assets were employed in generating that income). See § 208.7(b).

However, if the country in which the foreign airline is based does not provide a similar exemption from tax with respect to United States airlines, the foreign airline is not entitled to the exclusions from income and capital described above.

## How to fill out your corporation tax return

### Important identifying information

When preparing your corporation tax return, be sure to accurately complete the corporation's identifying information (employer identification number [EIN] and file number) including your current address. Keep a record of your identifying information for future use.

If you use a paid preparer or accounting firm, make sure they use your complete and accurate information when completing all your forms.

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



## Tax rates schedule

Business income base	Tax rates
Qualified New York manufacturers	0.00
Qualified emerging technology companies	0.04875
General business taxpayers with a business income base of more than \$5,000,000	0.0725
All other general business taxpayers	0.065
Capital base	Tax rates
Qualified New York manufacturers, qualified emerging technology companies, cooperative housing corporations, and small business taxpayers	0.00
All other general business taxpayers	0.001875
Fixed dollar minimum tax	
For a corporation with New York receipts of:	The fixed dollar minimum is:
Not more than \$100,000:	\$ 25
More than \$100,000 but not over \$250,000:	\$ 75
More than \$250,000 but not over \$500,000:	\$ 175
More than \$500,000 but not over \$1,000,000:	\$ 500
More than \$1,000,000 but not over \$5,000,000:	\$ 1,500
More than \$5,000,000 but not over \$25,000,000:	\$ 3,500
More than \$25,000,000 but not over \$50,000,000:	\$ 5,000
More than \$50,000,000 but not over \$100,000,000:	\$ 10,000
More than \$100,000,000 but not over \$250,000,000:	\$ 20,000
More than \$250,000,000 but not over \$500,000,000:	\$ 50,000
More than \$500,000,000 but not over \$1,000,000,000:	\$ 100,000
Over \$1,000,000,000:	\$ 200,000
Fixed dollar minimum tax for qualified New York manufacturers and qualified emerging technology companies	
For a corporation with New York receipts of:	The fixed dollar minimum is:
Not more than \$100,000:	\$ 19
More than \$100,000 but not over \$250,000:	\$ 56
More than \$250,000 but not over \$500,000:	\$ 131
More than \$500,000 but not over \$1,000,000:	\$ 375
More than \$1,000,000 but not over \$5,000,000:	\$ 1,125
More than \$5,000,000 but not over \$25,000,000:	\$ 2,625
Over \$25,000,000:	\$ 3,750
Fixed dollar minimum tax for non-captive real estate investment trusts	
For a corporation with New York receipts of:	The fixed dollar minimum is:
Not more than \$100,000:	\$ 25
More than \$100,000 but not over \$250,000:	\$ 75
More than \$250,000 but not over \$500,000:	\$ 175
Over \$500,000:	\$ 500

## 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.

## Line instructions

Use Form CT-3-A to calculate the combined tax.

### Parts 4 and 6

Parts 4 and 6 provide a column A for the designated agent, and a column B to report the **totals** for all other combined members. In columns D and E, enter the sum of columns A and B, minus column C, unless otherwise instructed.

You must attach a list of intercorporate eliminations for each corporation included in the combined return for:

- Part 4, *Calculation of tax on combined capital base*, lines 1 and 6, and
- Part 6, *Calculation of combined business apportionment factor*.

**Each** corporation in the combined group (other than the designated agent) **must** complete Form CT-3-A/BC. Use Form CT-3-A/BC to:

- report each corporation's business capital and business apportionment detail, which are then included on Form CT-3-A, column B; and
- calculate each corporation's fixed dollar minimum tax, if applicable.

**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**.

**Line B:** If during the tax year, the combined group does business, employs capital, owns or leases property, maintains an office, or derives receipts from activity in the MCTD (for a listing of counties, see Form CT-3-M, *General Business Corporation MTA Surcharge Return* under *Other forms you may need to file*), it is subject to the MTA surcharge. For more information, see Form CT-3-M-I, *Instructions for Form CT-3-M*.

Mark an **X** in the appropriate box. If Yes is marked, file Form CT-3-M.

### Designated agent's information

**Line F:** *Federal separate taxable income* means, for this purpose, the amount the designated agent calculated (or if the designated agent's federal consolidated group is not the same as its New York combined group, the amount the designated agent **would** have calculated if the federal consolidated group was comprised of the same members as the New York State combined group) in accordance with the provisions of the IRC

that govern the calculation of taxable income for separate return purposes, but **subject to** Treasury Regulations § 1.1502-12.

**Line G:** Enter the value of the designated agent's total assets at the beginning of the tax year on line G1, and at the end of the tax year on line G2. Use the values that would have been shown on the balance sheet of the federal return if the designated agent had filed a separate federal Form 1120. Enter on line G3 the average value, as the average value is described in Part 4, lines 1 through 15 instructions.

**Line H:** Enter the value of the designated agent's total liabilities at the beginning of the tax year on line H1, and at the end of the tax year on line H2. Use the values that would have been shown on the balance sheet of the federal return if the designated agent had filed a separate federal Form 1120. Enter on line H3 the average value, as the average value is described in Part 4, lines 1 through 15 instructions.

## Part 1: General corporate information

### Section A: Qualification for preferential tax rates

If you fail to mark a box that pertains to you, the processing of your return may be delayed and you may lose your claimed tax benefit.

Generally, you will only mark one box in Section A, indicating which preferential tax status you are actually using to realize the tax benefits of that status. However, a qualified New York manufacturer can mark the boxes on both lines 2 and 3 if it meets the principally engaged test for *line 2* and the different principally engaged test for *line 3*.

If you are a *small business taxpayer* utilizing small business tax benefits, mark the box on *line 6* and enter your total capital contributions on *line 6a*.

### Line 1

If you are a qualified emerging technology company eligible for the lower business income base tax rate, the 0% capital base tax rate, and the lower fixed dollar minimum tax amounts, you must mark an **X** in the box. For qualifying criteria, see New York State Public Authorities Law § 3102-e(1)(c), without regard to the \$10 million limitation, and 20 NYCRR 6-2.1(e) and 9-1.2(d). All members of the combined group must meet the criteria for the group to qualify for qualified emerging technology company status. For more information, see TSB-M-12(9)C, *Clarification of Qualifications for Qualified Emerging Technology Company (QETC) Tax Credits*.

### Lines 2, 3, and 4: Qualified New York manufacturers [20 NYCRR 9-1]

#### Line 2

If you are a *qualified New York manufacturer* based on the principally engaged test and you are eligible for the 0% business income base tax rate and also the lower fixed dollar minimum tax amounts, you must mark an **X** in the box.

### The principally engaged test

A *qualified New York manufacturer* is a manufacturer that has property in New York State that they principally use in the production of goods by:

- manufacturing,
- processing,
- assembling,
- refining,
- mining,
- extracting,

- farming,
- agriculture,
- horticulture,
- floriculture,
- viticulture, or
- commercial fishing,

and either:

- the New York adjusted basis of the property is at least \$1 million at the close of the tax year; or
- all of its real and personal property is located in New York State.

A combined group qualifies as a manufacturer if during the tax year the combined group is **principally engaged** in the production of goods by manufacturing, processing, assembling, refining, mining, extracting, farming, agriculture, horticulture, floriculture, viticulture, or commercial fishing. A combined group is *principally engaged* in the above listed activities if during the tax year more than 50% of its gross receipts are derived from receipts for the sale of goods produced by these activities.

Property that does **not** qualify as property used in the production of goods, includes property principally used in the production or distribution of:

- electricity,
- natural gas after extraction from wells,
- steam, or
- water delivered through pipes and mains.

For purposes of the 0% business income base tax rate and the lower fixed dollar minimum tax amounts, the following are **not** considered qualifying activities for purposes of the principally engaged test:

- the generation and distribution of electricity,
- the distribution of natural gas, and
- the production of steam associated with the generation of electricity.

Any amount of global intangible low-taxed income included in federal income is disregarded for purposes of the principally engaged test used to determine a taxpayer's eligibility for preferential rates and amounts available to manufacturers.

For more information, see TSB-M-15(3)C, *Real Property Tax Credit and Reduction of Tax Rates for Qualified New York Manufacturers*, TSB-M-15(3.1)C, *Revised Information on the Real Property Tax Credit and Reduction of the Capital Base Tax Rate for Qualified New York Manufacturers*, and TSB-M-19(5)C, *New York State Adjusted Basis for Qualified New York Manufacturers*.

### Line 3

If you are a qualified New York manufacturer based on the *principally engaged test* eligible for the 0% capital base tax rate, you must mark an **X** in the box.

### Line 4

If you are a qualified New York manufacturer based on the *significant employment and property test* and eligible for the 0% business income base tax rate, the 0% capital base tax rate, and the lower fixed dollar minimum tax amounts, you must mark an **X** in the box.

### The significant employment and property test

The test is met for a combined group that does not satisfy the principally engaged test, if (during the tax year) your combined group:

- employs at least 2,500 employees in manufacturing in New York; and
- has property in the state used in manufacturing, the adjusted basis of which for New York State tax purposes at the close of the tax year is at least \$100 million.

For purposes of the 0% business income base tax rate and the lower fixed dollar minimum tax amounts, the generation and distribution of electricity, the distribution of natural gas, and the production of steam associated with the generation of electricity are **not** considered qualifying activities for purposes of determining if employees are employed in manufacturing, or if property is used in manufacturing.

For more information, see 20 NYCRR 9-1, TSB-M-15(3)C, TSB-M-15(3.1)C, and TSB-M-19(5)C.

### Line 5

If you are a cooperative housing corporation eligible for the 0% capital base tax rate, you must mark an **X** in the box.

A corporation that has only one class of stock that entitles the shareholder to live in a house or an apartment building owned or leased by the corporation may be a cooperative housing corporation. For complete definition, see IRC § 216(b).

**Note:** All cooperative housing corporations must file Form TP-588, *Cooperative Housing Corporation Information Return*, twice a year. For more information, see the instructions on Form TP-588.

### Line 6

If you are a small business taxpayer eligible for the 0% capital base tax rate, you must mark an **X** in the box.

A combined group qualifies as a small business taxpayer if:

1. its combined entire net income is not more than **\$390,000**,
2. the total amount of money and other property all members of the group received for stock, as a contribution to capital and as paid-in surplus, is not more than \$1 million as of the last day of its tax year,
3. the average number of individuals (excluding *general executive officers*) *employed full time* in New York State by all members of the group during the tax year is 100 or fewer, **and**
4. a member of the group is not part of an affiliated group, as defined in IRC § 1504, unless the group itself would have met the above criteria if it had filed a combined return.

Determine the average number of individuals employed full time in the state by averaging the sum of such individuals employed on March 31, June 30, September 30, and December 31 of the tax year.

An individual *employed full time* means:

- an employee in a job consisting of at least 35 hours per week, or
- two or more employees who are in jobs that together constitute the equivalent of a job of at least 35 hours per week (full-time equivalent).

A full-time equivalent employee in New York State includes any employee regularly connected with or working out of an office or place of business of the taxpayer in New York State.

*General executive officers* include:

- the chairman,
- president,
- vice president,
- secretary,

- assistant secretary,
- treasurer,
- assistant treasurer,
- comptroller, and
- any other officer charged with the general executive affairs of the corporation.

An executive officer whose duties are restricted to territory either in or outside New York State is not a general executive officer.

You must report your New York State employee information on *Part 1, Section B, line 1*.

### Short periods

A corporation that files Form CT-3-A for a tax year of less than 12 months must annualize entire net income to determine if it qualifies as a *small business taxpayer*. For a period of less than 12 months, annualize the entire net income by multiplying the entire net income by 12 and dividing the result by the number of months in the short period.

### Line 6a

If you mark the box on *line 6*, you must provide the information requested on this line. The amount taken into account with respect to any property other than money is the amount equal to the adjusted basis for the combined group of such property for determining gain, reduced by any liability to which the property was subject or was assumed by the combined group. Use the worksheet below to determine the total capital contributions to enter on this line.

	No. of shares	Amount
Par value stock.....		
No-par value stock .....		
Contributions to capital and paid-in surplus .....		
<b>Total capital contributions; enter on line 6a.....</b>		

## Part 1 Section B: New York State information

### Line 1

Enter the number of full-time employees at the end of the tax year. For more information, see *Section A, line 6* instructions.

### Line 2

Enter the total amount of all wages and compensation of employees (except general executive officers) that work out of an office or location in New York State.

### Line 3

A *business establishment* is a single physical location where business is conducted, or where services or industrial operations are performed.

### Line 4 [20 NYCRR 3-3.4]

A filer that is not included in a combined return with a related member must add back royalty payments directly or indirectly paid, accrued, or incurred in connection with one or more direct or indirect transactions with one or more related members during the tax year. The filer must add back these royalty payments to the extent deductible in calculating federal income. This addback applies unless the filer meets one of the following four exceptions:

1. The addback will not apply to the portion of the royalty payment for which the filer establishes by clear and convincing evidence of the type and in the form specified by the Commissioner of Taxation and Finance that:

- a. the related member was subject to tax in New York or another state or possession of the United States, a foreign nation, or a combination of these on a tax base that included the royalty payment paid, accrued, or incurred by the filer;
  - b. the related member during the same tax year directly or indirectly paid, accrued, or incurred the portion of the royalty payment to a person that is not a related member; and
  - c. the transaction giving rise to the royalty payment between the filer and the related member was undertaken for a valid business purpose.
2. The addback will not apply if the filer establishes by clear and convincing evidence of the type and in the form specified by the commissioner that:
    - a. the related member was subject to tax on, or measured by, its net income in New York, another state or possession of the United States, or a combination of these;
    - b. the tax base for the tax included the royalty payment paid, accrued, or incurred by the filer; and
    - c. the aggregate effective rate of tax applied to the related member in those jurisdictions is not less than 80% of the statutory rate of tax that applied to the taxpayer under § 210 for the tax year.
  3. The addback will not apply if the filer establishes by clear and convincing evidence of the type and in the form specified by the commissioner that:
    - a. the royalty payment was paid, accrued, or incurred to a related member organized under the laws of a country other than the United States;
    - b. the related member's income from the transaction was subject to a comprehensive income tax treaty between that country and the United States;
    - c. the related member was subject to tax in a foreign nation on a tax base that included the royalty payment paid, accrued, or incurred by the filer;
    - d. the related member's income from the transaction was taxed in that country at an effective rate of tax at least equal to that imposed by New York; and
    - e. the royalty payment was paid, accrued, or incurred pursuant to a transaction that was undertaken for a valid business purpose and using terms that reflect an arm's-length relationship.
  4. The addback will not apply if the filer and the commissioner agree in writing to the application or use of alternative adjustments or calculations. At the commissioner's discretion, the Tax Department may agree to the application or use of alternative adjustments or calculations if it is concluded that the income of the taxpayer would not be properly reflected without such an agreement.

If any corporation in the combined group is claiming one of these exceptions, mark an **X** in the box and see the instructions for line 4a.

### Line 4a

Enter the number of the applicable exception (see above) and the amount of royalty payments excluded from entire net income. Attach a statement to your return explaining how you meet each requirement for the exception.

## Part 1 Section C: Filing information

To avoid an erroneous assessment or delayed refund, all filers **must** complete the applicable lines in this section.



## Part 2: Calculation of balance due or overpayment

### Line 1b: Capital base tax

Enter **0** here and on Part 4, line 15, if you are a non-captive real estate investment trust as defined in 20 NYCRR 1-1.8.

In addition, you **must** mark an **X** in the *Other* box on Part 1, Section C, line 1, and enter **1120-REIT** on the line to avoid an erroneous assessment or delayed refund.

### Line 1c: Fixed dollar minimum tax for designated agent only

Report the sum of the fixed dollar minimum taxes for each taxable group member on line 4b.

The fixed dollar minimum tax is determined by the corporation's New York receipts. Enter your New York receipts in the first box. If you do not have New York receipts, enter **0**. **To avoid an erroneous assessment or a delay in your refund, you must** enter an amount on this line.

The designated agent's New York receipts are the receipts included in the numerator of the apportionment factor as determined in *Part 6, Calculation of business apportionment factor*. Use Worksheet D in the Part 6 instructions to calculate such receipts.

For a short period, calculate New York receipts by dividing the amount of New York receipts for the tax year by the number of months in the tax year and multiplying the result by 12.

See the *Tax rates schedule* to determine the applicable fixed dollar minimum tax to enter on line 1c. The fixed dollar minimum tax may be reduced for short periods.

Period	Reduction
Not more than six months	50%
More than six months but not more than nine months	25%
More than nine months	None

### Avoid erroneous assessments or delayed refunds

To avoid errors or delays, follow the instructions below that apply to you:

A **homeowners association**, as such term is defined in IRC § 528(c), without regard to § 528(c)(1)(E), with no federal taxable income, as the term is defined in § 528(d), is not subject to the fixed dollar minimum tax and must enter **0** on line 1c. In addition, you must mark an **X** in the *Other* box on *Part 1, Section C*, line 1.

**Qualified New York manufacturers and qualified emerging technology companies** must mark an **X** in the applicable box on Part 1, Section A, line 1, 2, or 4.

### Line 2: Tax due

**Taxable domestic international sales corporations:** Enter the larger of line 1b or 1c.

### Line 3: Tax credits used

Complete *Part 7* and enter the total amount of the tax credits you are claiming to reduce your tax due. If you are claiming more than one tax credit, see Form CT-600-I, *Instructions for Form CT-600*, for the order of application under Article 9-A.

- **File** copies of all forms and schedules used. If you claim a tax credit without filing the appropriate tax credit claim form, the tax credit will be disallowed.

- There are limited instances in which the use of a tax credit can reduce your tax below the fixed dollar minimum tax shown on line 1c. The manufacturer's real property tax credit may reduce your tax to \$25. The qualified empire zone enterprise (QEZE) tax reduction credit (if you have a 100% zone allocation), the START-UP NY telecommunication services excise tax credit (if you have a 100% area allocation), and the START-UP NY tax elimination credit (if you have a 100% area allocation) may reduce your tax to \$0.

### Line 4b: Sum of fixed dollar minimum taxes for taxable group members

Enter the sum of all the amounts entered on all filed Forms CT 3-A/BC, Part 2, line 2.

### Line 5: Estimated tax penalty

Form CT-222 is filed by a corporation to inform the Tax Department that the corporation meets one of the exceptions to reduce or eliminate the underpayment of estimated tax penalty.

### Lines 6 and 7

If you are not filing this return on time, you must pay interest and additional charges. See *Penalties and interest*.

### Line 11: Mandatory first installment from Form CT-300

Determine the amount to enter by completing the *Worksheet for Part 2, line 11* below.

#### Worksheet for Part 2, line 11

From the Form CT-300 used to report the mandatory first installment for the tax period for which **this** return is being filed (**Note:** For calendar-year 2025 filers, that Form CT-300 was due March 17, **2025**):

<b>1</b> Enter the portion of line A ( <i>Payment enclosed</i> ) that represents <b>New York State</b> mandatory first installment paid: generally, the amount on line 6, column A of that Form CT-300 .....	<b>1</b>	
<b>2</b> Enter the portion of line 5, column A <b>actually</b> applied toward satisfying the amount on line 2, column A: generally, the lesser of the amount on line 5, column A or the amount on line 2, column A of that Form CT-300. This is your <i>2024 anticipated overpayment applied</i> . ....	<b>2</b>	
<b>3</b> <b>Add the amounts on lines 1 and 2, and enter the total here and on Form CT-3-A, Part 2, line 11</b> .....	<b>3</b>	

### Line 16: Overpayment credited from prior years

Enter the sum of the amounts reported on lines 22 and 27 of the Form CT-3-A that you filed for the tax period **immediately prior** to the tax period for which this return is being filed.

**Line 18: Total prepayments from members not previously included in the combined return**

Include on this line only actual payments made by members of the group that were included on the member's Form CT-3-A/BC.

**Composition of prepayments on Part 2, line 19:** If you need more space, write **see attached** in this section, and attach a separate sheet showing all relevant prepayment information. Transfer the total shown on the attached sheet to this line.

**Payment due, or overpayment to be credited or refunded**

- If line 10 is **less than** line 19, skip lines 20a, 20b, and 20c and proceed to line 21a.
- If line 10 is **greater than or equal to** line 19, proceed to line 20a.

**Line 20a: Underpayment**

Subtract line 19 from line 10 and enter the result here.

**Line 20b: Additional amount for 2026 MFI**

To complete this line, refer to line 5, column A of the Form CT-300 used to report the mandatory first installment for the **next** franchise tax period (the tax period immediately **following** the tax period for which this return is being filed).

- If you did **not** apply an anticipated overpayment amount of New York State **franchise** tax from this return to your mandatory first installment for the **next** franchise tax period, enter **0** and proceed to line 20c. **Note:** For calendar-year 2026 filers, that Form CT-300 was due March 16, **2026**.
- If you **did** apply an anticipated overpayment amount of New York State **franchise** tax from this return to your mandatory first installment for the **next** franchise tax period, enter the amount from line 5, column A of that Form CT-300 that you **actually** applied toward satisfying the amount on line 2, column A for the next franchise tax period. Generally, this is the lesser of the amount on line 5, column A or the amount on line 2, column A.

**Line 20c: Balance due**

Add lines 20a and 20b. Enter the result here, and enter the **payment amount** on page 1, *line A*. Skip lines 21a, 21b, and 21c.

**Line 21a: Excess prepayments**

Subtract line 10 from line 19 and enter the result here.

**Line 21b: Amount previously credited to 2026 MFI**

To complete this line, refer to line 5, column A of the Form CT-300 used to report the mandatory first installment for **next** franchise tax period (the tax period immediately **following** the tax period for which this return is being filed).

- If you did **not** apply an anticipated overpayment amount of New York State **franchise** tax from this return to your mandatory first installment for the **next** franchise tax period, enter **0** and proceed to line 21c. **Note:** For calendar-year 2026 filers, that Form CT-300 was due March 16, **2026**.
- If you **did** apply an anticipated overpayment amount of New York State **franchise** tax from this return to your mandatory first installment for the **next** franchise tax period, enter the amount from line 5, column A of that Form CT-300 that you **actually** applied toward satisfying the amount on line 2, column A for the next franchise tax period. Generally, this is the lesser of the amount on line 5, column A or the amount on line 2, column A.

If line 21b is **less than** or **equal to** line 21a, proceed to *line 21c*.

If line 21b is **greater than** line 21a, subtract line 21a from line 21b and enter the result on *line 20c*. This is the amount due. Enter the **payment** amount on Form CT-3-A, page 1, *line A*. Skip line 21c.

**Line 21c: Overpayment**

Subtract line 21b from line 21a. This is your overpayment amount. Proceed to line 22.

**Unrequested refunds to be credited forward**

If the group overpays its tax, it will not automatically receive a refund. Instead, we will credit your overpayment to the following tax year unless you request a refund on line 25. We will notify you that the overpayment has been credited and explain how to request a refund of the credited amount. If you choose to request a refund of such credited amount, you must claim a refund of such overpayment prior to the original due date of the following year's return.

**Lines 22 through 25**

You may apply an overpayment to your next state franchise tax period, or to your MTA surcharge for this period, or you may have it refunded. Indicate on these lines the amount of overpayment you want credited or refunded.

**Lines 26 and 27**

If you request a refund of unused tax credits, enter the total amount on line 26. If you request tax credits to be credited as an overpayment to next year's return, enter the total amount on line 27. **Do not include** these amounts in the total credits claimed on *Part 2, line 3*; or *Part 7, line 2* or *3*. File the appropriate tax credit forms.

**Part 3: Calculation of tax on combined business income base**

**Note:** All amounts entered on lines 2, 4, 6, 8, 10, 12, 16, and 18 must be entered as a positive number.

The combined business income **base** is the amount of the group's *combined business income* that is apportioned to New York State, minus any prior net operating loss conversion subtraction and any net operating loss deduction for the combined group. In calculating the combined business income base, the group is generally treated as a single corporation.

- *Combined business income* is the group's entire net income minus the group's investment income and other exempt income.
- Entire net income is federal consolidated taxable income as described under *line 1a*: Federal consolidated taxable income (CTI) of New York combined group, **plus or minus** the amounts reported on lines 1b, 1c, 1d, and 1f of Part 3, and certain New York State modifications.

If you have federal capital gains or losses included in your federal consolidated taxable income that flow from items that qualify as New York investment capital, you **must** adjust federal consolidated taxable income on line 1g by recalculating the amount of your federal net capital gain income. In this recalculation:

- You must net your federal capital gains and losses by the **type** of New York capital (business or investment) that generated the federal capital gain or loss. **Do not** net business and investment capital gains and losses against each other.
- Business capital losses are **only** allowed to be netted against business capital gains to the extent that there are business capital gains to absorb the business capital losses. Likewise, investment capital losses are only allowed to be netted against investment capital gains to the extent that there are

investment capital gains to absorb the investment capital losses. When completing Form CT-3.1 the adjustment made for purposes of line 1g **must** be taken into consideration when reporting capital gains in excess of capital losses from investment capital.

- The **sum** of the group's investment income and other exempt income must **not** exceed the group's entire net income.

See 20 NYCRR 3-7.

#### **Line 1a: Federal consolidated taxable income (CTI) of New York combined group**

Enter the federal consolidated taxable income of the New York State combined group. Calculate the group's consolidated taxable income as if the group had filed a consolidated federal Form 1120, even if:

- the group did **not** file a consolidated federal Form 1120, or
- some members of the New York State combined group would be prohibited under the IRC to file a consolidated federal Form 1120 with a member of the New York State combined group.

To calculate the group's federal consolidated taxable income:

1. Each member of the combined group must first calculate its own federal separate taxable income in accordance with the provisions of the IRC that govern the calculation of taxable income for separate return purposes, but subject to United States Treasury Regulations § 1.1502-12.
2. Report the federal separate taxable income of each member of the group on such member's Form CT-3-A/BC, Part 1, line 9.
3. Report the income of the group's designated agent on Form CT-3-A, line F.
4. Add or subtract the consolidated items stated in Treasury Regulations § 1.1502-11 to or from the aggregate of federal separate taxable incomes of all group members.
5. Enter the result on line 1a.

**Notes:** Federal consolidated taxable income reported on line 1a includes

- global intangible low-taxed income under IRC § 951A(a), and
- the corresponding deductions allowed under IRC § 250(a). Report the addback of deductions required by §§ 208.9(b)(24) and 208.9(b)(25) on line 1c, *Addback federal consolidated special deductions*, **not** on Form CT-225-A.

If you are a non-captive real estate investment trust or a captive real estate investment trust or captive regulated investment company required to file as a member of a combined group, determine your federal separate taxable income as follows (but also subject to Treasury Regulations § 1.1502-12):

- **If you file Form 1120-REIT**, use real estate investment trust taxable income (as defined in IRC § 857(b)(2), as modified by IRC § 858).

When you calculate the dividends paid deduction:

- do **not** include dividends paid by a captive real estate investment trust to any member of the *affiliated group* that includes the corporation that directly or indirectly owns over 50% of the voting stock of the captive real estate investment trust.
- include those dividends in combined business income.
- include the deduction amount for the disallowed dividends paid on Form CT-3-A, Part 3, line 1d unless you are a non-captive real estate investment trust.

An *affiliated group* is defined in IRC § 1504, but without regard to the exceptions provided for in IRC § 1504(b).

- **If you file Form 1120-RIC**, use the sum of:

- investment company taxable income as defined in IRC § 852(b)(2), as modified for IRC § 855; **plus**
- the amount taxable under IRC § 852(b)(3).

When you calculate the dividends paid deduction:

- do **not** include dividends paid by a captive regulated investment company to any member of the *affiliated group* that includes the corporation that directly or indirectly owns over 50% of the voting stock of the captive regulated investment company.
- include those dividends in combined business income.
- include the deduction amount for the disallowed dividends paid on Form CT-3-A, Part 3, line 1d unless you are a non-captive regulated investment company.

- **If you are a member of a federal affiliated group that files a consolidated return:**

- attach a copy of the federal consolidated return and the consolidating workpapers indicating the separate taxable income of each corporation before elimination of intercorporate transactions if:
  - the state combined group is the same as the federal group, or
  - all members of the state group are included in a larger federal group filing the consolidated return.

If some members of the state combined group are not included in the federal consolidated return, send the following for each corporation not included in the federal consolidated group:

- a copy of the federal consolidated return, **and**
- a complete copy of the separate federal return, as filed with the IRS.

- **If you are a federal S corporation filing federal Form 1120S but you have not made an election to be treated as a New York S corporation:**

- you must determine the amount you would have had to report as separate federal taxable income, before net operating loss and special deductions, were you not a federal S corporation. Attach a separate sheet showing how you determined this amount. In general, the items on Form 1120 affected are:
  - dividends
  - interest
  - gross rents
  - gross royalties
  - capital gain net income
  - charitable contributions

- **If you are exempt from federal income tax but subject to New York State franchise tax:**

- you must determine the amount you would have had to report as federal income, before net operating loss and special deductions, as if you were not exempt.
- attach a separate sheet showing how you determined the amount.

- **If you have an amount of excess inclusion as a result of having a residual interest in a real estate mortgage investment conduit:**

- you must report federal taxable income determined without the excess inclusion amount specified under IRC § 860E. For additional information, see 20 NYCRR 3-3.1.

### Lines 1b, 1c, 1d, and 1f

Calculate these lines as if the combined group had filed a consolidated federal Form 1120, even if:

- the group did **not** file a consolidated federal Form 1120, or
- some members of the New York State combined group would be prohibited under the IRC to file a consolidated federal Form 1120 with a member of the New York State combined group.

### Line 1f

Enter any intercorporate dividends between members of the New York State combined group that remain on line 1e after the application of the federal rules governing the calculation of federal consolidated taxable income (if any). However, if the combined group is claiming the modification for a captive real estate investment trust under § 208.9(t), do **not** eliminate intercompany dividends received from the combined captive real estate investment trust.

### Line 4

If you have included on this line an amount attributable to the operations at (or as part of) a New York State innovation hot spot, you are no longer eligible for any other New York State exemption, deduction, credit, or refund under the Tax Law to the extent they are attributable to the business operations of a tenant in (or as part of) the hot spot. Claiming the benefit on this line represents an irrevocable election.

### Line 8

The amount entered on this line must **not** exceed your combined entire net income (line 7).

### Line 12

An addback to business income is required when the presumptive holding period for qualification as investment capital is not met. See Form CT-3.1.

### Line 19

When this line is reporting a loss, Form CT-3.4 must be filed to report such loss, and to make the irrevocable election to waive the carryback of such loss, if applicable.

### Line 20

Multiply line 19 by the appropriate business income base tax rate from the *Tax rates schedule*.

Enter the result on this line and on *Part 2*, line 1a.

## Reconciliation of aggregate of federal separate taxable income to federal consolidated taxable income

**Column A:** Enter the legal name of **each** member of the New York State combined group. Use row A to enter the group's designated agent. Include non-taxpayer members of the group.

**Column C:** If the member entered the New York State combined group during the period covered by the return being filed, mark an **X** in the *New* box.

**Column D:** If the member was in the New York State combined group on the last return filed, is in the New York State combined group for the entire period covered on the return being filed, and will be in the New York State combined group beyond the period end date of the return being filed, mark an **X** in the *Existing* box.

**Column E:** If the member left the New York State combined group during the period covered by the return being filed, mark an **X** in the *Departed* box.

**Note:** It is possible for a member to mark an **X** in both column C and column E in the same tax period.

**Column F:** For each member, enter the percentage of the voting power of the capital stock that is owned, directly or indirectly, by all other members of the New York State combined group.

**Column G:** If the member filed as part of a federal consolidated group, mark an **X** in the box.

**Column H:** For each member, enter the form number of the federal return filed by, or on behalf of, that member.

**Column J:** For each member, enter the federal separate taxable income or loss **before** you apply the rules and the adjustments required by Treasury Regulations § 1.1502-12.

**Note:** Do **not** enter the amount the designated agent entered on line D, or the amount a combined group member entered on its Form CT-3-A/BC, line 9. Those amounts were **after** the application of Treasury Regulations § 1.1502-12.

If more space is needed, attach additional sheets providing the information in the same format.

### Line 2

Enter the combined group's aggregate amount of the adjustment to line 1 in accordance with the rules of Treasury Regulations § 1.1502-12. Apply those rules as if the New York State combined group had filed a consolidated federal Form 1120.

### Line 4

Enter the combined group's aggregate amount of the adjustment to line 3 in accordance with the rules of Treasury Regulations § 1.1502-11. Apply those rules as if the New York State combined group had filed a consolidated federal Form 1120.

### Line 6

The amount entered on this line should equal the amount entered on Part 3, line 1a.

### Lines 7 through 10

Report the amount of certain specific adjustments that you included on either line 2 or line 4. Calculate the amount as if the New York State combined group had filed a consolidated federal Form 1120.

## Part 4: Calculation of tax on combined capital base

The tax on the combined capital base is calculated on the portion of the *combined capital* that is apportioned to New York State. Total business capital includes the addback of capital previously reported as investment capital that subsequently does not meet the holding period requirement. In calculating combined capital, all intercorporate stockholdings, intercorporate bills, intercorporate notes receivable and payable, intercorporate accounts receivable and payable, and other intercorporate indebtedness, must be eliminated.

*Combined capital* is defined as all assets, other than investment capital and stock issued by the taxpayer, minus liabilities not deducted from investment capital. It includes:

- only those assets the income, loss, or expense of which are properly reflected (or would have been properly reflected if not fully depreciated or expensed, or depreciated or expensed to a nominal amount) in the calculation of entire net income for the tax year, and
- stock that generates, or could generate, other exempt income.



Corporate partners filing using the aggregate method must include their proportionate part of the partnership's assets and liabilities in their calculation.

See § 208.7(a) and 20 NYCRR 3-5.

### Lines 1 through 15

To determine the value of your assets for the capital base calculations, you must include real property and marketable securities at *fair market value*. You must include all other property at the value shown on your books in accordance with generally accepted accounting principles.

Use lines 2 through 5 to adjust the value of the real property and marketable securities you reported on your federal return. If you are not required to complete the balance sheet on your federal tax return, use the amount that would have been reported on the federal return. If you are an alien corporation, only report the amounts that are effectively connected with your United States trade or business.

*Average value* is generally calculated **quarterly** if your usual accounting practice permits it. However, you may use a more frequent basis such as monthly, weekly, or daily. If your usual accounting practice does not permit a quarterly or more frequent calculation of the average value of assets, you may use a semiannual or annual calculation if it does not distort the average value results.

*Fair market value* is the price (without deduction of an encumbrance, whether or not the taxpayer is personally liable) at which a willing seller will sell and a willing purchaser will buy. You can generally find the fair market value of marketable securities from price quotes in financial newspapers. For the determination of the fair market value of real property, see TSB-M-85(18.1)C, *Valuation of Real Property*.

**Short periods:** If a tax return is for a period of less than 12 months, determine the amount of business capital by multiplying the average value by the number of months covered by the return and dividing by 12. See § 210.2.

### Line 1

1. In column A, enter the average value from line G3 for the designated agent.
2. In column B, enter the sum of **all** Forms CT-3-A/BC, Part 4, line 1, column C.
3. In column C, enter any required intercorporate eliminations.
4. In column D, enter the result of column A, plus column B, minus column C.

### Line 4

Enter the *fair market value* of real property and marketable securities included on line 2.

### Line 6

Enter the amount of all liabilities attributable to assets you entered on line 1, both long and short term. Use the same method of averaging you used to determine average value of assets.

1. In column A, enter the average value entered on line H3 for the designated agent.
2. In column B, enter the sum of **all** Forms CT-3-A/BC, Part 4, line 6, column C.
3. In column C, enter any required intercorporate eliminations.
4. In column D, enter the result of column A, plus column B, minus column C.

### Line 10

An addback to business capital is required when the presumptive holding period for qualifications of investment capital is not met. See Form CT-3.1 and § 208.5(d).

### Line 15

Multiply line 13 by the appropriate capital base tax rate from the *Tax Rates schedule*.

Do **not** enter more than \$5 million.

Enter the result on this line and on *Part 2, line 1b*.

## Part 5: Calculation of combined investment capital for the current tax year

This part calculates the amount of investment capital that is excluded from, or added back to, the tax on the capital base and is reported on *Part 4*, lines 8 and 10.

**Note:** You **must** file Form CT-3.1 and identify investment capital items or the subtraction will be disallowed.

## Part 6: Calculation of combined business apportionment factor [20 NYCRR 4]

Include only the receipts, net income, net gains, and other items described in § 210-A and the applicable regulations that are included in your business income, determined without regard to the amount you subtracted on *Part 3, line 6 (Subtraction modification for qualified banks)*, and without regard to any amount from investment capital that exceeds the 8% of entire net income limitation on gross investment income.

**Note:** Generally, you should report receipts from services on *line 55 (Receipts from other services/activities not specified)*.

In determining the apportionment factor for a combined return, the receipts, net income, net gains, and other items of all members of the combined group, whether or not they are taxpayers, are included; and intercorporate receipts, income, and gains are eliminated.

Form CT-3-A/BC, Part 6, must be completed for **all** group members (**including** non-New York State taxpayers), **except** for the group designated agent. For column **B** (*Total of all combined members*) the amount to include in rows a and b of such column for any specific group member, except for the designated agent, comes from such group member's Form CT-3-A/BC, Part 6, columns A and B.

### Rows a and b, lines 1 through 56

In this section, we provide specific instructions for row a (New York State amounts) and row b (Everywhere amounts) as follows:

- **New York State row:** Refer to the specific line instructions to determine *New York State* amounts and enter those amounts in row a for each line.
- **Everywhere row:** Enter 100%, **before** intercorporate eliminations, of the amount of the item you report on a line in row b, unless otherwise specified.

If only one line of *Part 6* applies to your business, you must still complete **both** rows for that line. Skip a line only if **both** the numerator (*New York State*) and the denominator (*Everywhere*) are zero.

## Columns A through E

### Columns A and B

When calculating net gains, net income, or net interest in columns A and B, you must enter amounts less than zero if

applicable. This is allowed because you must net these amounts on a combined basis in columns D and E, to amounts that are **not** less than zero. To report amounts less than zero in columns A and B, use a minus sign (-) instead of parentheses or brackets.

Form CT-3-A/BC, Part 6, must be completed for **all** group members (**including** non-New York State taxpayers), **except** for the group designated agent. For column **B** (*Total of all combined members*) the amount to include in rows a and b of such column for any specific group member, except for the designated agent, comes from such group member's Form CT-3-A/BC, Part 6, columns A and B.

Calculate the column A, *New York State* receipt amounts for each line using the applicable apportionment rule or fraction as calculated for the **combined group** for each line.

**Example:** For line 45, in column A, the designated agent would multiply its own separate amount of receipts from the conduct of a railroad business, a trucking business, or an omnibus business by a fraction, the numerator of which is the total miles of the **combined group** within New York State and the denominator of which is the total miles of the **combined group** within and outside New York State.

### Column C

For column **C**, you may enter the requested amount as either a positive or negative amount depending on what you are eliminating. To report a negative amount, use a minus sign (-) instead of parentheses or brackets.

### Columns D and E

If the combined total for a specific line is less than zero, enter **0** for that line.

If an amount of gain or net income for a specific line is less than zero, use **0** in the calculation of that line total.

Unless instructed otherwise, to complete column D for **each line**:

1. Add the amounts in row a, column A and row a, column B amounts.
2. Subtract the amount in column C.
3. Enter the result in column D.

Similarly, to complete column E for **each line**:

1. Add the amounts in row b, column A and row b, column B.
2. Subtract the amount in column C.
3. Enter the result in column E.

### Designated agent

Use Worksheet D of these instructions to calculate your New York State receipts for the fixed dollar minimum tax base.

If a combined group has no receipts required to be included in the denominator of the apportionment factor, you must mark the box at the beginning of Form CT-3-A, *Part 6, Calculation of business apportionment factor*.

Examples include a combined group:

- that owns property in New York State but does not have federal income, effectively connected income, or receipts from the rental, sale or lease of such property amounts, or
- whose only income is dividends and net gains from the sales of stock or sales of partnership interests when the fixed percentage election is **not** made.

If you have any other everywhere receipts, this box does not apply. If you mark the box, you must attach a statement

explaining why you have no receipts required to be included in the business apportionment factor.

If you fail to properly complete *Part 6*, we may impose a 100% business apportionment factor.

## Sales of tangible personal property, electricity and real property

[§ 210-A.2 and 20 NYCRR 4-2.1 and 4-2.2]

### Line 1

**New York State row:** Include receipts and net gains from the sale of tangible personal property in the New York State row when shipments are made to points in the state, or the destination of the property is a point in the state.

Include net income from sales of tangible personal property traded as commodities on *line 27*.

### Line 2

**New York State row:** Include receipts from the sale of electricity in the New York State row when they are delivered to points in the state.

Include net income from sales of electricity traded as commodities on *line 27*.

### Line 3

**New York State row:** Net the gains from the sales of real property located within the state against the losses from the sales of real property located within the state and enter the result.

**Everywhere row:** Net the gains from the sales of real property located everywhere against the losses from the sales of real property located everywhere and enter the result.

## Rentals of real and tangible personal property, royalties, and rights for certain closed-circuit and cable TV transmissions

[§ 210-A.3 and 20 NYCRR 4-2.3]

### Line 4

**New York State row:** Include receipts from rentals of real and tangible personal property located within the state.

### Line 5

**New York State row:** Include receipts of royalties from the use of patents, copyrights, trademarks, and similar intangible personal property within the state.

### Line 6

**New York State row:** Include receipts from the sales of rights for closed-circuit and cable television transmissions of an event (other than events occurring on a regularly scheduled basis) taking place within the state as a result of the rendition of services by employees of the corporation, as athletes, entertainers, or performing artists, to the extent that those receipts are attributable to those transmissions received or exhibited within the state.

## Receipts from sale of, rental of, license to use, or granting of remote access to digital products and digital services

[§ 210-A.4 and 20 NYCRR 4-3]

### Line 7

**New York State row:** To determine the amount of receipts to include in New York receipts, use the rules in 20 NYCRR 4-3 in the following order:

1. special rules;
2. business address presumption; then
3. hierarchy of methods that begins with the primary use location.

**Note:** If the receipts are from intermediary transactions, see 20 NYCRR 4-3.8 for additional details on how to apply the hierarchy of methods.

## Qualified financial instruments and the 8% fixed percentage method [§ 210-A.5(a)(1) and 20 NYCRR 4-1.1(c), 4-2.4(c), or 9-4.3]

### Line 8

#### For taxpayers other than non-captive real estate investment trusts and non-captive regulated investment companies

A *qualified financial instrument* means a financial instrument of the following types that is marked to market in the tax year by the taxpayer under IRC § 475 or § 1256:

- type A (loans not secured by real property): reported on lines 11 and 12
- type B (federal, state, and municipal debt): reported on lines 13 through 18
- type C (asset-backed securities and other government agency debt): reported on lines 19, 20, and 21
- type D (corporate bonds): reported on lines 22, 23, and 24
- type I (physical commodities): reported on line 27
- type H (other financial instruments): reported on lines 29 and 30
- type G (certain stock or partnership interests): also reported on line 30

### Types A, B, C, D, and I

If the taxpayer has in the tax year marked to market a financial instrument within types A, B, C, D, and I, then **any** financial instrument **within that same type** that has **not** been marked to market by the taxpayer under IRC § 475 or § 1256 **is also** a qualified financial instrument in the tax year.

When the only loans that are marked to market under IRC § 475 or § 1256 are loans secured by real property, then no loans are qualified financial instruments.

### Types G and H

When a financial instrument within either types H or G is marked to market, **not** all financial instruments within type H or G, respectively, are *qualified financial instruments*, as explained further below.

When reporting interest from other financial instruments on line 29, and net gains and other income from other financial instruments on line 30, marking to market one other financial instrument does **not** necessarily cause all other financial instruments to be qualified financial instruments. You must determine separately for each instrument whether other financial instruments are of the same type. Therefore, you may report more than one **type** of other financial instruments on either

of lines 29 and 30, and some types may be qualified financial instruments while other types may not be qualified financial instruments.

You may use line 30 to report financial instruments under clause (G), clause (H), or both, of § 210-A.5(a)(2).

Use line 30 to report financial instruments under clause (G) **only** when the financial instrument is a qualified financial instrument **and** the 8% fixed percentage method has been elected.

### Determining whether a type G financial instrument is a qualified financial instrument

When **any** stock that is business capital has been marked to market, **all** stock that is business capital is a qualified financial instrument. However, a stock that generates other exempt income and that is not **itself** marked to market under IRC § 475 or § 1256 is **not** a qualified financial instrument, with respect to such other exempt income only, even if other stocks are marked to market in the tax year.

Marking to market stock that is business capital does **not** cause partnership interests in a widely held or publicly traded partnership that are **not** marked to market to be qualified financial instruments.

Stock that is investment capital is **not** a qualified financial instrument.

When **any** partnership interest in a widely held or publicly traded partnership has been marked to market, **all** partnership interests in a widely held or publicly traded partnership are qualified financial instruments.

Marking to market partnership interests in a widely held or publicly traded partnership does **not** cause stock that is business capital that is **not** marked to market to be a qualified financial instrument.

Marking to market a financial instrument of the type under clause (H) does **not** cause financial instruments of the type under clause (G) to be qualified financial instruments.

### Determining whether a type H financial instrument is a qualified financial instrument

When a financial instrument type that falls under clause (H) has been marked to market, it does **not** necessarily cause all financial instruments under clause (H) to be qualified financial instruments. It is an instrument by instrument determination as to when instruments under clause (H) are of the same **type**. Therefore, you may have more than one type of other financial instruments under clause (H) to report on line 30.

Marking to market a financial instrument of the type under clause (G) does **not** cause financial instruments under clause (H) to be qualified financial instruments.

### Non-captive real estate investment trusts

Qualified financial instruments means a financial instrument in types A (loans not secured by real property), B (federal, state, and municipal debt), C (asset-backed securities and other government agency debt), D (corporate bonds), I (commodities), H (other financial instruments), and G (certain stock or partnership interests), regardless of whether any assets have been marked to market under IRC § 475 or § 1256. Provided, it does not include loans secured by real property, stock that is investment capital, and stock that generates other exempt income with respect to such other exempt income only.

### Electing the 8% fixed percentage method

Taxpayers may elect to use the 8% *fixed percentage method* to apportion business receipts from qualified financial instruments.

This election is irrevocable, applies to **all** qualified financial instruments, and must be made on an annual basis on the original timely filed return (determined with regard to valid extensions of time for filing) by marking an **X** in the box on line 8. If you do not mark the box but still apportion qualified financial instrument receipts by 8%, you will be considered to have made the election and to have marked the box.

### General lines 9 through 55 instructions

For all financial instruments that do **not** meet the definition of a qualified financial instrument, or for instruments that meet the definition of a qualified financial instrument where the 8% fixed percentage method election is **not** in effect, use the customer-based sourcing rules as detailed in the specific line instructions for lines 9 through 27, 29, and 30.

Worksheets A, B, and C of these instructions calculate certain amounts for lines 10, 12, 21, 24, 28, and 30 of Forms CT-3-A, Part 6; CT-3-A/BC, Part 6; and Worksheet D of these instructions.

When **any** financial instrument has been marked to market that is described on:

1. **either** line 11 or 12, mark the boxes on **both** lines 11 and 12, and all financial instruments reported on such lines are qualified financial instruments (Type A financial instruments);
2. **any** of lines 13 through 18, mark the box above line 13, and all financial instruments reported on such lines are qualified financial instruments (Type B financial instruments);
3. **any** of lines 19, 20, and 21, mark the box above line 19, and all financial instruments reported on such lines are qualified financial instruments (Type C financial instruments);
4. **any** of lines 22, 23, and 24, mark the box above line 22, and all financial instruments reported on such lines are qualified financial instruments (Type D financial instruments);
5. line 27, mark the box above line 27, and all financial instruments reported on line 27 are qualified financial instruments (Type I financial instruments);
6. line 28, mark the box above line 28;
7. line 29, mark the § 210-A.5(a)(2)(H) box above line 29;
8. line 30, due to clause (H), mark the § 210-A.5(a)(2)(H) box above line 29; and
9. line 30, due to clause (G), mark the § 210-A.5(a)(2)(G) box above line 29.

A marked qualified financial instrument (QFI) box does **not** indicate which method of sourcing (8% fixed percentage method or customer-based sourcing rule) is being used to apportion such instruments. Also, because you may report more than one **type** of financial instrument on lines 28, 29, and 30, when the QFI box above line 28 is marked, or one of the boxes above line 29 is marked:

- in the case of line 28, it does **not** indicate that all financial instruments being reported on line 28 are qualified financial instruments, and
- in the case of lines 29 and 30 it does **not** indicate that all financial instruments being reported on lines 29 and 30 are qualified financial instruments.

For purposes of these apportionment instructions, an individual is deemed to be located in New York State if the billing address is in the state. A business entity is deemed to be located in New York State if its *commercial domicile* is located in the state.

Use the following methods in order to determine the *commercial domicile* of a business entity, based on known, public, or readily

available information, or information that **would be** known upon reasonable inquiry:

1. The seat of management and control of the business entity.
2. The billing address of the business entity in the taxpayer's records.

You must exercise due diligence before rejecting the first method and proceeding to the second method.

For purposes of these apportionment instructions, *registered securities broker or dealer* means a broker or dealer registered as such by the Securities and Exchange Commission or a broker or dealer registered as such by the Commodities Futures Trading Commission, and includes an over-the-counter derivatives dealer as defined under regulations of the Securities and Exchange Commission [17 CFR 240.3b-12].

### Loans [§ 210-A.5(a)(2)(A) and 20 NYCRR 4-2.5]

A loan is secured by real property if 50% or more of the value of the collateral used to secure the loan (when valued at fair market value as of the time the loan was originated) consists of real property.

#### Line 9

**New York State row:** Include interest from loans secured by real property located within the state.

#### Line 10

**New York State row:** Multiply the amount of **net** gains from sales of loans secured by real property by a fraction, the numerator of which is the amount of gross proceeds from sales of loans secured by real property located within the state, and the denominator of which is the amount of gross proceeds from sales of such loans everywhere. *Gross proceeds* are determined after the deduction of any cost to acquire the loans.

**Everywhere row:** Include the amount of net gains from sales of loans secured by real property both within and outside New York State.

Use *Worksheet A* at the end of these instructions.

#### Line 11

When the 8% fixed percentage method **is** elected (the box on Part 6, line 8, is marked), **and** the QFI box on line 11 **is** marked, enter 8% of the applicable receipts in row a, columns A and B.

Otherwise, use the customer-based sourcing rule below for **all** financial instruments to be reported on this line.

**New York State row:** Include interest from loans **not** secured by real property if the borrower is located in New York State.

#### Line 12

**New York State row:** Multiply net gains from sales of loans **not** secured by real property by a fraction, the numerator of which is the amount of gross proceeds from sales of loans not secured by real property to purchasers located within the state, and the denominator of which is the amount of gross proceeds from sales of such loans to purchasers located within and outside the state. *Gross proceeds* are determined after the deduction of any cost to acquire the loans.

**Everywhere row:** Include the amount of net gains from sales of loans **not** secured by real property within and outside the state.

Use *Worksheet A*.



## Federal, state, and municipal debt [§ 210-A.5(a)(2)(B)]

### Lines 13 through 18

**New York State row:** Do **not** include receipts in row a **unless** you have made the election to apportion qualified financial instrument receipts using the 8% fixed percentage method. If the 8% fixed percentage election has been made (the box on line 8 is marked) **and** the QFI box above line 13 is marked, enter 8% of the applicable receipts in columns A and B.

#### Everywhere row:

- For lines 13 and 15, enter 100% of the applicable receipts in columns A and B regardless of whether the 8% fixed percentage method election was made.
- For line 16, if the 8% fixed percentage method election has been made, **and** the QFI box above line 13 is marked, enter 100% of the applicable receipts in columns A and B.
- For line 16, if the 8% fixed percentage method election was **not** made, enter 100% of the applicable receipts in columns A and B. For column E, add column A to column B, then subtract column C and enter the result. If the result is less than zero, enter **0** in column E.
- For lines 17 and 18, if the 8% fixed percentage method election was made, **and** the QFI box above line 13 is marked, enter 100% of the receipts constituting interest and net gains from the sale of debt instruments issued by other states and their political subdivisions in columns A and B.
- For line 17, if the 8% fixed percentage method election was **not** made, enter 50% (not 100%) of the applicable receipts in columns A and B.
- For line 18, if the 8% fixed percentage method election was **not** made, enter 100% of the applicable receipts in columns A and B. For column E, add column A to column B, then subtract column C. If the result is less than zero, enter **0** in column E. If the result is greater than zero, multiply the result by 50% and enter the result in column E.

## Asset-backed securities and other government agency debt [§ 210-A.5(a)(2)(C) and 20 NYCRR 4-2.6]

### Line 19

**Everywhere row:** Enter 100% of the interest income from **all**:

- asset-backed securities issued by government agencies;
- other securities issued by government agencies, including but not limited to securities issued by the Government National Mortgage Association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the Small Business Administration; and
- asset-backed securities issued by other entities.

**New York State row:** Enter 8% of the amount in the *Everywhere* row.

### Line 20

**Everywhere row:** Enter the result of netting the gains and losses from **all**:

- sales of asset-backed securities or other securities issued by government agencies, including but not limited to securities issued by Government National Mortgage Association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the Small Business Administration; and

- sales of other asset-backed securities that are sold through a registered securities broker or dealer, or through a licensed exchange.

**New York State row:** Enter 8% of the amount in the *Everywhere* row.

### Line 21

**New York State row:** Multiply net gains from sales of other asset-backed securities **not** reported on line 20 by a fraction, the numerator of which is the amount of gross proceeds from such sales to purchasers located in the state, and the denominator of which is the amount of gross proceeds from such sales to purchasers located within and outside the state. *Gross proceeds* are determined after the deduction of any cost incurred to acquire the securities.

**Everywhere row:** Enter 100% of the amount of net gains from sales of other asset-backed securities not reported on line 20.

Use *Worksheet A*.

## Corporate bonds [§ 210-A.5(a)(2)(D) and 20 NYCRR 4-2.7]

### Line 22

**New York State row:** Enter interest from corporate bonds when the commercial domicile of the issuing corporation is in the state.

If you marked the box on line 8 to elect the 8% fixed percentage method, **and** you marked the QFI box above line 22, enter 8% of the applicable receipts in the New York State row columns A and B.

### Line 23

**Everywhere row:** Enter the result of netting the gains and losses from the sales of all corporate bonds sold through a registered securities broker or dealer, or through a licensed exchange.

**New York State row:** Enter 8% of the amount in the *Everywhere* row.

### Line 24

**New York State row:** Multiply net gains from those sales of corporate bonds **not** reported on line 23 by a fraction, the numerator of which is the amount of gross proceeds from such sales to purchasers located within the state, and the denominator of which is the amount of gross proceeds from such sales to purchasers located within and outside the state. *Gross proceeds* are determined after the deduction of any cost incurred to acquire the securities.

**Everywhere row:** Enter the amount of net gains from sales of corporate bonds **not** reported on line 23 to purchasers within and outside the state.

Use *Worksheet A*.

## Interest income from reverse repurchase and securities borrowing agreements [§ 210-A.5(a)(2)(E) and 20 NYCRR 4-2.8]

### Line 25

**Everywhere row:** Enter the **combined group's net interest income** after intercorporate eliminations, from reverse repurchase agreements and securities borrowing agreements.

For this calculation, the combined group's *net interest income* is determined after the deduction of the amount of the combined group's interest expense, after intercorporate eliminations, from repurchase agreements and securities lending agreements.

The amount of the combined group's interest expense to be deducted is the combined group's interest expense associated with the sum, determined after intercorporate eliminations, of the value of the combined group's:

- repurchase agreements where a member of the combined group is the seller or borrower, **plus**
- securities lending agreements where a member of the combined group is the securities lender;

provided such interest expense is limited to the sum, determined after intercorporate eliminations, of the value of the combined group's:

- reverse repurchase agreements where a member of the combined group is the purchaser or lender, **plus**
- securities lending agreements where a member of the combined group is the securities borrower.

**New York State row:** Enter 8% of the amount in the *Everywhere* row.

### Interest income from federal funds

[§ 210-A.5(a)(2)(F) and 20 NYCRR 4-2.9]

#### Line 26

**Everywhere row:** Enter 100% of the net interest from federal funds. In determining net interest from federal funds, deduct interest expense that is from federal funds.

**New York State row:** Enter 8% of the amount in the *Everywhere* row.

**Note:** Interest paid directly by the Federal Reserve on reserves maintained at a Federal Reserve Bank is **not** considered interest from federal funds and is entered on line 29.

### Net income from sales of commodities

[§ 210-A.5(a)(2)(I) and 20 NYCRR 4-2.10]

#### Line 27

**New York State row:** Multiply the net income from sales of commodities, as defined in IRC § 475(e)(2)(A)-(C), by a fraction:

- the **numerator** of which is:
  - the amount of receipts from sales of commodities actually delivered to points within the state, or
  - if there is no actual delivery of the commodity, the amount sold to purchasers located in the state, and
- the **denominator** of which is:
  - the amount of receipts from all sales of commodities actually delivered to points within and outside the state, or
  - if there is no actual delivery of the commodity, the amount sold to purchasers located both within and outside the state.

Determine net income from sales of commodities after you deduct the cost to acquire or produce the commodities.

If you marked the box on line 8 to elect the 8% fixed percentage method, **and** you marked the QFI box above line 27, enter 8% of the applicable receipts in row a, columns A and B.

**Everywhere row:** Enter 100% of the net income from sales of commodities.

### Marked to market net gains [§ 210-A.5(a)(2)(J) and 20 NYCRR 4-1.1(c) and 4-2.11]

#### Line 28

Report **all** *marked to market* net gains on this line for **all** financial instruments.

If you **did** elect the 8% fixed percentage method:

- use that method to source marked to market net gains for all financial instruments **that are qualified financial instruments**.
- use the customer-based sourcing rule below to source the marked to market net gains for those financial instruments that are **not** qualified financial instruments.

If you **did not** elect the 8% fixed percentage method, use the customer-based sourcing rule below to source **all** marked to market net gains for **all** financial instruments.

#### § 210-A.5(a)(2)(J)(ii)

**New York State row:** To determine the amount of marked to market net gains from each type of financial instrument that you are including in the New York State row, multiply the gains by a fraction as follows:

- **numerator**—the amount included in the numerator of the apportionment fraction for the net gains from **actual** sales of financial instruments as reported on lines 9 through 30 (as applicable).
- **denominator**—the amount included in the denominator of the apportionment fraction for the net gains from **actual** sales of that type of financial instrument determined on the applicable line.

**Everywhere row:** Enter 100% of the marked to market net gains from financial instruments for which the amount to be included in the New York State row is determined in the New York State row section above.

#### § 210-A.5(a)(2)(J)(iii)

**New York State row:** If the type of financial instrument that is marked to market is **not** otherwise sourced by the taxpayer on lines 9 through 30, **or** if the taxpayer has a net **loss** from the sales of **that type** of financial instrument not otherwise sourced on lines 9 through 30, multiply the marked to market net gains by a fraction as follows:

- **numerator**—the **sum** of the amounts entered in the New York State row on lines 9 through 30, **plus** any New York State receipts determined under § 210-A.5(a)(2)(J)(ii) above.
- **denominator**—the **sum** of the amount of receipts entered in the Everywhere row on lines 9 through 30, **plus** any everywhere receipts determined under § 210-A.5(a)(2)(J)(ii) above.

**Everywhere row:** Enter 100% of the marked to market net gains from financial instruments for which the amount to be included in the New York State row is determined in the New York State row section above.

Use *Worksheet C*.

However, when sourcing the marked to market net gain from loans secured by real property, always use customer-based sourcing (even when the 8% fixed percentage method election was made). If using customer-based sourcing to source such marked to market net gains, when § 210-A.5(a)(2)(J)(iii) applies, never include any amounts sourced under the 8% fixed percentage method election in calculating the New York State aggregate marked to market factor in *Part 2 of Worksheet C*.

### Income from other financial instruments

[§ 210-A.5(a)(2)(H) and 20 NYCRR 4-2.12]

#### Line 29

When the 8% fixed percentage method **is** elected:

- use such method for all financial instruments to be reported on this line **that are qualified financial instruments**.

- use the customer-based sourcing rule below for those financial instruments to be reported on this line that are **not** qualified financial instruments.

Also, use the customer-based sourcing rule below for all financial instruments to be reported on this line when the 8% fixed percentage method **is not** elected.

*Interest income from other financial instruments* includes, but is not limited to, interest income on:

- deposit accounts;
- money market accounts;
- debt issued by a country, or political subdivision thereof, other than the United States; and
- reserves maintained with the Federal Reserve

**New York State row:** Enter interest from other financial instruments when the payer is located in New York State.

### Line 30

You may report more than one type of financial instrument on this line. Report financial instrument types under clause (G) or clause (H) of § 210-A.5(a)(2).

Include clause (G) financial instruments **only** when the 8% fixed percentage method **is** elected. Include the following clause (G) instruments:

- dividends and net gains from stock that is business capital if you have, in the tax year, marked to market any stock under IRC § 475 or § 1256; provided dividends that qualify as other exempt income should **not** be included; and
- net gains from the sale of partnership interests in widely held or publicly traded partnerships if you have, in the tax year, marked to market any partnership interest in a widely held or publicly traded partnership under IRC § 475 or § 1256.

### Customer-based sourcing rules for clause (H) instruments included on line 30

#### Gains from other financial instruments

**Everywhere row:** For gains from other financial instruments, net the gains from all sales of a type of other financial instrument against the losses from all sales of the **same** type of other financial instrument.

**New York State row:** For the **same** type of other financial instrument being reported in the *Everywhere* row, net the gains from all sales of such **same** type of other financial instrument, where the purchaser or payor is located in New York State, against the losses from all sales of such **same** type of other financial instrument, where the purchaser or payor is located in New York State.

**However**, if the purchaser or payor is a registered securities broker or dealer, or the transaction is made through a licensed exchange, then include 8% of the *Everywhere* amount in the New York State row.

#### Other income from other financial instruments

**Everywhere row:** Calculate the other income from a type of other financial instrument.

**New York State row:** For the **same** type of other financial instrument being reported in the *Everywhere* row, calculate the other income from such **same** type of other financial instrument, where the purchaser or payor is located in New York State.

**However**, if the purchaser or payor is a registered securities broker or dealer, or the transaction is made through a licensed exchange, then include 8% of the *Everywhere* amount in the New York State row.

Use *Worksheet B*.

### Other receipts from broker or dealer activities [§ 210-A.5(b) and NYCRR 4-2.13]

For the purposes of lines 31 through 37, *securities* has the same meaning as in IRC § 475(c)(2), and *commodities* has the same meaning as in IRC § 475(e)(2). If the taxpayer receives any of the receipts reported on lines 31 through 35 as a result of a securities correspondent relationship that the taxpayer has with another broker or dealer (with the taxpayer acting in this relationship as the introducing or clearing firm), those receipts are deemed generated within the state using the rules for lines 31 through 35, provided the amount of those receipts excludes the amount the taxpayer is required to pay to the correspondent firm for the correspondent relationship, as applicable.

If the taxpayer is unable to determine the mailing address of the customer from its records, include 8% of the receipts in the numerator of the apportionment fraction.

### Line 31

**New York State row:** Enter brokerage commissions derived from the execution of securities or commodities purchase or sales orders for the accounts of customers if in the records of the taxpayer, the mailing address of the customer responsible for paying the commissions is in the state.

### Line 32

**New York State row:** Enter margin interest earned on behalf of brokerage accounts if in the records of the taxpayer, the mailing address of the customer responsible for paying such margin interest is in the state.

### Line 33

**New York State row:** Enter the amount of fees for advisory services to a customer in connection with the underwriting of securities for the entity that is contemplating issuing or is issuing securities, or fees for managing an underwriting, if in the records of the taxpayer, the mailing address of the customer responsible for paying such fees is in the state.

### Line 34

**New York State row:** Enter the receipts constituting the primary spread of selling concession from underwritten securities if the customer is located in the state. The term *primary spread* means the difference between the price paid by the taxpayer to the issuer of the securities being marketed and the price received from the subsequent sale of the underwritten securities at the initial public offering price, less any selling concession and any fees paid to the taxpayer for advisory services or any manager's fees, if those fees are not paid by the customer to the taxpayer separately. The term *public offering price* means the price agreed upon by the taxpayer and the issuer at which the securities are to be offered to the public. The term *selling concession* means the amount paid to the taxpayer for participating in the underwriting of a security where the taxpayer is not the lead underwriter.

### Line 35

**New York State row:** Enter account maintenance fees if in the records of the taxpayer, the mailing address of the customer responsible for paying such account maintenance fees is in the state.

### Line 36

**New York State row:** Enter fees for management or advisory services, including fees for advisory services in relation to



merger or acquisition activities, if in the records of the taxpayer, the mailing address of the customer responsible for paying such fees is in the state. Exclude fees paid for services reported on line 43.

#### Line 37

**New York State row:** Interest earned on loans and advances made by the taxpayer to a corporation affiliated with the taxpayer, but with which the taxpayer is not included in a combined return under Article 9-A is deemed to arise from services performed at the principal place of business of the affiliated corporation. If such principal place of business is in New York State, include the interest in the New York State row.

### Receipts from credit card and similar activities [§ 210-A.5(c) and 20 NYCRR 4-2.14 and 4-2.15]

#### Lines 38 through 42

These lines are used by corporations that **issue or process** credit cards and **not** by businesses that accept credit cards as payment for goods or services.

#### Line 38

**New York State row:** Enter interest, fees, and penalties in the nature of interest from bank, credit, travel, and entertainment card receivables, if in the records of the taxpayer, the mailing address of the card holder is in the state.

#### Line 39

**New York State row:** Enter service charges and fees from such cards, if in the records of the taxpayer, the mailing address of the card holder is in the state.

#### Line 40

**New York State row:** Enter receipts from merchant discounts when the merchant is located within the state. If the merchant has locations both within and outside of New York State, **only** receipts from merchant discounts attributable to sales made from locations within New York State are entered in the New York State row. The location of the merchant is presumed to be the address of the merchant shown on the invoice submitted to the taxpayer by the merchant.

#### Line 41

**New York State row:** Enter receipts from credit card authorization processing, and clearing and settlement processing, received by credit card processors if the location where the customer of the credit card processor accesses the credit card processor's network is located within the state.

#### Line 42

**New York State row:** Multiply the total amount of all other receipts received by credit card processors not reported on lines 1 through 41, lines 43 through 54, or line 56 by the average of 8% and the percent of its New York access points. The *percent of New York access points* is the number of locations within the state from which the credit card processor's customers access the credit card processor's network, divided by the total number of locations in the United States where the credit card processor's customers access the credit card processor's network.

### Receipts from certain services to regulated investment companies [§ 210-A.5(d)]

#### Line 43

**New York State row:** Multiply the receipts received from a regulated investment company arising from the sale of

management, administration, or distribution services to such regulated investment company by a fraction, the numerator of which is the sum of the monthly percentages determined for each month of the regulated investment company's federal tax year that ends within the tax year of the taxpayer (but excluding any month during which the regulated investment company had no outstanding shares), and the denominator of which is the number of those monthly percentages.

To determine the monthly percentage for each month, divide the number of shares in the regulated investment company that are owned on the last day of the month by shareholders that are located in New York State by the total number of shares in the regulated investment company outstanding on that date.

**Everywhere row:** Enter 100% of the receipts received from a regulated investment company arising from the sale of management, administration, or distribution services to the regulated investment company.

### Global intangible low-taxed income [§ 210-A.5-a]

#### Line 44

Enter 100% of the global intangible low-taxed income that is included in New York State business income in the *Everywhere* row. Generally, the amount of global intangible low-taxed income included in New York State business income will be 5% of the amount of global intangible low-taxed income included in federal income per IRC § 951A(a).

### Receipts from railroad, trucking, and omnibus businesses [§ 210-A.6 and 20 NYCRR 4-2.16]

#### Line 45

**New York State row:** Multiply receipts from the conduct of a railroad, trucking, or omnibus business by a fraction, the numerator of which is the revenue miles in such business within the state during the period covered by this return, and the denominator of which is the revenue miles in such business both within and outside the state during such period.

### Receipts from operation of vessels [§ 210-A.6-a]

#### Line 46

**New York State row:** Multiply receipts from the operation of vessels by a fraction, the numerator of which is the aggregate number of working days of the vessels owned or leased by the taxpayer in territorial waters of the state during the period covered by this return, and the denominator of which is the aggregate number of working days of all vessels owned or leased by the taxpayer during such period.

### Receipts from aviation services [§ 210-A.7]

#### Line 47

**New York State row:** Enter the receipts from the activity of air freight forwarding acting as principal and like indirect air carrier receipts arising from that activity as follows:

- 100% of such receipts if both the pickup and delivery associated with those receipts are made in the state; and
- 50% of such receipts if either the pickup or delivery associated with those receipts is made in this state.

**Everywhere row:** Enter the receipts from all such activity.

#### Line 48

For the *New York* and *Everywhere* rows, complete *Worksheet for Part 6, line 48* to determine the portion of receipts from aviation services, other than services described in line 47 (but



including the receipts of a *qualified air freight forwarder*, as described in *Exceptions*) to enter on line 48.

**Aircraft arrivals and departures** means the number of landings and takeoffs in the tax year, **plus** the number of air pickups and deliveries by such aircraft.

**Include:** Arrivals and departures of flights transporting officers and employees receiving air transportation without regard to remuneration (see *Exceptions*).

Do **not** include arrivals and departures:

- solely for maintenance, repair, or refueling (where no debarkation or embarkation of traffic occurs).
- of ferry and personnel training flights, or in the event of emergency situations.

### Exceptions

The Commissioner of Taxation and Finance may exempt from the calculation arrivals and departures of all non-revenue flights including flights involving the transportation of officers and employees receiving air transportation to perform maintenance or repair services, or where such officers or employees are transported in conjunction with an emergency situation or the investigation of an air disaster (other than on a scheduled flight).

**Revenue tons handled by the taxpayer at airports** means the weight, in tons, of revenue passengers (at 200 pounds per passenger) and revenue cargo first received, either as originating or connecting traffic or finally discharged at an airport.

**Originating revenue** means revenue to the taxpayer from the transportation of revenue passengers and revenue property first received by the taxpayer as originating or connecting traffic at airports.

A corporation is a *qualified air freight forwarder* with respect to another corporation if:

- it owns or controls, either directly or indirectly, all of the capital stock of such other corporation; or if all of its capital stock is owned or controlled, either directly or indirectly, by such other corporation; or if all of the capital stock of both corporations is owned or controlled, either directly or indirectly, by the same interests;
- it is principally engaged in the business of air freight forwarding; and
- its air freight forwarding business is carried on principally with the airline or airlines operated by such other corporation.

## Worksheet for Part 6, line 48

		A Within New York State	B Column A X 60% (0.60)	C Everywhere	D New York State percentage (round two three decimal places)
<b>1</b>	<b>Aircraft arrivals and departures</b> during the period of this return .....	<b>1</b>			
<b>2</b>	Divide line 1, column B, by line 1, column C .....	<b>2</b>			
<b>3</b>	<b>Revenue tons handled at airports</b> during the period of this return .....	<b>3</b>			
<b>4</b>	Divide line 3, column B, by line 3, column C .....	<b>4</b>			
<b>5</b>	<b>Originating revenue</b> during the period of this return .....	<b>5</b>			
<b>6</b>	Divide line 5, column B, by line 5, column C .....	<b>6</b>			
<b>7</b>	Add all percentage amounts in column D, lines 2, 4, and 6; then divide by 3 .....	<b>7</b>			
<b>8</b>	Enter 100% of receipts from other aviation services; also enter on line 48b of Form CT-3-A or Form CT-3-A/BC, as applicable .....	<b>8</b>			
<b>9</b>	Multiply line 7 by line 8; also enter on line 48a of Form CT-3-A or Form CT-3-A/BC, as applicable ....	<b>9</b>			

## Receipts from advertising [§ 210-A.8 and 20 NYCRR 4-2.17]

### Line 49

**New York State row:** Multiply receipts from sales of advertising in newspapers or periodicals by a fraction, the numerator of which is the number of newspapers and periodicals containing this advertising delivered to points within the state, and the denominator of which is the number of newspapers and periodicals delivered to points both within and outside the state.

### Line 50

**New York State row:** Multiply receipts from the sale of space on other physical media by a fraction, the numerator of which is the number of New York State locations of that media and the denominator of which is the total number of locations within and outside the state.

**Note:** If the physical media is rolling stock, such as buses, vans, or automobiles, the numerator of the fraction is the number of miles operated within New York State and the denominator is the number of total miles operated within and outside the state.

### Line 51

**New York State row:** Multiply receipts from sales of advertising on television or radio by a fraction, the numerator of which is the number of viewers or listeners within the state, and the denominator of which is the number of viewers or listeners both within and outside the state.

### Line 52

**New York State row:** Multiply receipts from sales of advertising **not** otherwise reported that is furnished, provided, or delivered to or accessed by the viewer or listener through the use of wire, cable, fiber-optic, laser, microwave, radio wave, satellite or similar successor media, or any combination of these by a fraction, the numerator of which is the number of viewers or listeners within the state, and the denominator of which is the number of viewers or listeners both within and outside the state.

### Line 53

**New York State row:** Multiply receipts from advertising or marketing services by a fraction, the numerator of which is the number of intended targets of such advertising or marketing in New York State and the denominator of which is the total of intended targets

## Receipts from the transportation or transmission of gas through pipes [§ 210-A.9]

### Line 54

**New York State row:** Multiply receipts from the transportation or transmission of gas through pipes by a fraction, the numerator of which is the taxpayer's transportation units within the state, and the denominator of which is the taxpayer's transportation units both within and outside the state. A *transportation unit* is the transportation of one cubic foot of gas over a distance of one mile.

## Receipts from other services/activities not specified [§ 210-A.10 and 20 NYCRR 4-4]

### Line 55

**New York State row:** Enter receipts from services and other business receipts not reported on lines 1 through 54 or line 56, if the location of the customer is within the state.

In determining the amount of receipts to include in New York receipts, use the rules in 20 NYCRR 4-4 in the following order:

1. special rules;
2. business address presumption; then
3. hierarchy of methods that begins where the benefit is received.

**Note:** If the receipts are from intermediary transactions, see 20 NYCRR 4-4.8 for additional details on how to apply the hierarchy of methods.

## Discretionary adjustments [§ 210-A.11 and 20 NYCRR 4-1.6]

### Line 56

If it appears that the apportionment fraction determined according to § 210-A does not result in a proper reflection of the taxpayer's business income or capital within the state, the Commissioner of Taxation and Finance is authorized in their discretion to adjust it, or the taxpayer may request that the commissioner adjust it.

A corporation **must** use line 56 to report discretionary adjustments. If the corporation has received the approval of the commissioner it must attach a copy of the approval to its return. If the corporation has not received the approval of the commissioner before filing its original return, it must file using the statutory rules for apportionment. The corporation may file an amended return after it receives approval.

A corporation may also file an amended return using its proposed business apportionment factor if the commissioner did not respond to its request before the time of its original report. However, the claim is subject to review and may be denied on audit.

## Calculation of business apportionment factor

### Line 58

The business apportionment factor should be shown as a decimal, not a percent. When calculating the business apportionment factor, round to 6 decimal places. For example,  $5,000/7,500 = 0.666666 = 0.666667$ . **Note:** If all of your receipts are New York State receipts, enter decimal as 1.000000.

Worksheet A: Gross proceeds factors and net gains for lines 10, 12, 21, and 24 (see instructions)						
		A	B	C	D	E
		EIN	Intercompany eliminations	Combined group New York State total	Combined group everywhere total	Combined group New York State gross proceeds factor
		Entity specific detail				
Line 10	<b>Gross proceeds</b> from sales of loans secured by real property [§ 210-A.5(a)(2)(A)(iii)]					
	10a	New York State				
	10b	Everywhere				
	10c	New York State gross proceeds factor				
	<b>Net gains</b> from sales of loans secured by real property [§ 210-A.5(a)(2)(A)(iii)]					
	10d	Everywhere				
	10e	New York State				
Line 12	10f	New York State fixed dollar minimum				
	<b>Gross proceeds</b> from sales of loans <b>not</b> secured by real property [§ 210-A.5(a)(2)(A)(iv)]					
	12a	New York State				
	12b	Everywhere				
	12c	New York State gross proceeds factor				
	<b>Net gains</b> from sales of loans <b>not</b> secured by real property [§ 210-A.5(a)(2)(A)(iv)]					
	12d	Everywhere				
Line 21	12e	New York State				
	12f	New York State fixed dollar minimum				
	<b>Gross proceeds</b> from all other asset backed securities not reported on line 20 [§ 210-A.5(a)(2)(C)]					
	21a	New York State				
	21b	Everywhere				
	21c	New York State gross proceeds factor				
	<b>Net gains</b> from all other asset backed securities not reported on line 20 [§ 210-A.5(a)(2)(C)]					
Line 24	21d	Everywhere				
	21e	New York State				
	21f	New York State fixed dollar minimum				
	<b>Gross proceeds</b> from other sales of corporate bonds not reported on line 23 [§ 210-A.5(a)(2)(D)]					
	24a	New York State				
	24b	Everywhere				
	24c	New York State gross proceeds factor				
<b>Net gains</b> from other sales of corporate bonds not reported on line 23 [§ 210-A.5(a)(2)(D)]						
Line 24	24d	Everywhere				
	24e	New York State				
	24f	New York State fixed dollar minimum				

**Worksheet A: Gross proceeds factors and net gains:**  
**Form CT-3-A and Form CT-3-A/BC, Part 6, lines 10, 12,**  
**21, and 24 and Worksheet D lines 10, 12, 21, and 24**

**General information**

This worksheet calculates the amounts for Forms CT-3-A and CT-3-A/BC, Part 6, lines 10, 12, 21, and 24, as well as the

amounts for these lines for Worksheet D, *Designated agent's New York State Receipts for purposes of fixed dollar minimum tax base*. The line numbers correspond to the line numbers on Form CT-3-A, Part 6. See the corresponding Form CT-3-A-I, Part 6 line instructions and also the specific instructions below.

In the instructions below, **all lines** refers to lines 10, 12, 21, and 24, and specific rows (a, b, c, d, e, or f) are indicated to clarify which rows of these lines the specific instruction applies to.

Complete Worksheet A, **column A** (for **all lines** of Worksheet A, rows a through f) for the designated agent and for **each** combined member, as explained in these instructions.

Complete as many columns A as there are entities in your combined return. Enter the EIN of the applicable entity at the top of each column A you complete.

You may enter amounts less than zero in an entity's Worksheet A, column A, rows a, b, d, and e.

For rows a and b, determine the *gross proceeds* amounts after you deduct any cost incurred to acquire the securities.

Complete **columns B, C, D, and E** only once on a combined group basis, as instructed below.

## Line instructions for Worksheet A

### Column A

Complete column A using the instructions for Condition 1 or Condition 2 below, whichever applies.

#### Condition 1

Use Condition 1 for:

- **line 10**;
- **line 12** when the QFI box on line 12 (of Form CT-3-A, Part 6) is **not** marked;
- **line 21** when the QFI box above line 19 (of Form CT-3-A, Part 6) is **not** marked;
- **line 24** when the QFI box above line 22 (of Form CT-3-A, Part 6) is **not** marked;
- **lines 12, 21, and 24**, when the fixed percentage method for qualified financial instruments is **not** in effect for the combined group (Form CT-3-A, Part 6, line 8 box is **not** marked).

**1.1.** In each entity's column A, for all lines, rows a and b respectively, enter **that entity's** New York State and Everywhere gross proceeds amount for **that** line's category of receipts.

**Example:** *Entity X is a member of a combined group and is completing a column A for itself. Entity X has receipts from the sales of loans secured by real property to report on Worksheet A, line 10. The amount of all such sales of loans secured by real property for Entity X is \$10 million. The cost incurred to acquire such loans that were sold by Entity X is \$3 million. Entity X enters \$7 million in Line 10, column A, row 10b (Everywhere). Entity X must now determine the receipts from the sales by Entity X of loans secured by real property located within New York State, and subtract from that amount the cost incurred to acquire such loans. The result of this subtraction is entered in Line 10, column A, row 10a (New York State).*

**1.2.** In each entity's column A, for all lines, row c, divide the amount in column A, row a by the amount in column A, row b, and enter the result rounded to four decimal places; however, if **either** the amount in row a or the amount in row b for an entity is an amount less than **or** equal to zero, enter **0**. Row c is the New York State gross proceeds factor for each entity, for each respective line, calculated on a **separate** company basis. It is used to calculate the row f (*New York State fixed dollar minimum*) amount for all lines in each entity's column A.

**1.3.** In each entity's column A, for all lines, row d, enter the entity's *Everywhere* net gains being reported on each such line. If the netting of gains and losses for a particular line, for a particular entity, results in zero or less, enter **0** or the negative amount, with a minus (-) sign in row d.

**Note:** To complete each line's column E, which is needed for 1.4 below, you must first complete, for all lines, that line's row a, columns B and C, and row b, columns B and D. Move to the **Columns B through E** instructions now.

**1.4.** In each entity's row e, for each line, multiply the factor in column E of that line's row c (the combined New York State gross proceeds factor) by the amount in that line's row d for each respective entity, and enter the result. If the result is less than zero, enter the negative amount with a minus (-) sign.

**1.5.** In each entity's row f, for each line, multiply the factor in that line's column A, row c (the New York State gross proceeds factor on a separate company basis) by the amount in that line's row d for each respective entity, and enter the result (but **not** less than zero). For fixed dollar minimum purposes only, the net gains (not less than zero) are calculated on a separate company basis.

### Condition 2

Use Condition 2 when the fixed percentage method for qualified financial instruments **is** in effect for the combined group (Form CT-3-A, Part 6, line 8 box **is** marked). **However:**

- only use Condition 2 for line 12 when the QFI box on line 12 (of Form CT-3-A, Part 6) is **also** marked;
- only use Condition 2 for line 21 when the QFI box above line 19 (of Form CT-3-A, Part 6) is **also** marked;
- only use Condition 2 for line 24 when the QFI box above line 22 (of Form CT-3-A, Part 6) is **also** marked;
- **never** use Condition 2 for line 10.

**2.1.** In each entity's column A, for such specific lines, leave rows a, b, and c blank.

**2.2.** In each entity's row d, for such specific lines, enter that entity's *Everywhere* net gains for the net gains being reported on each such line.

**2.3.** In each entity's **rows e and f**, for such specific lines, multiply row d for each respective entity by 8% (0.08) and enter the result; however, if the result is an amount less than zero, enter the negative amount with a minus (-) sign in row **e**, but enter **0** in row **f**.

### Columns B through E

If Condition 2 applies for any of lines 12, 21, and 24, leave rows a and b of columns B through D **blank**.

**Column B:** For all lines for which the immediately preceding paragraph did **not** apply, enter in row **a** the amount of the combined group's **New York State** gross proceeds generated from intercorporate transactions for the receipts being reported on **that** line; enter in row **b** the amount of the combined group's **Everywhere** gross proceeds generated from intercorporate transactions for the receipts being reported on **that** line.

**Column C:** For all lines for which amounts are entered in column B, enter in column C the **sum** of **all** entities' column A, row a **less** any intercorporate eliminations in column **B** for row a.

**Column D:** For all lines for which amounts are entered in column B, enter in column D the **sum** of **all** entities' column A, row b **less** any intercorporate eliminations in column **B** for row b. **However**, if the resulting combined total for **either** row is less than zero, enter **0** for that row.

**Column E:** For **all** lines, **row c**, divide column C by column D for each line, and enter the result rounded to four decimal places; however, if **either** column C or column D is less than **or** equal to zero, enter **0**. This is the combined New York State gross proceeds factor for each respective line. It is used to calculate the row e amount for all lines in each entity's column A.



**Where are the amounts calculated on Worksheet A entered?**

The amounts entered or calculated in columns B, C, D, and E and in rows a, b, and c, for all lines, are only used for Worksheet A calculations and do not get transferred to any other form or worksheet.

The amounts entered or calculated in rows d, e, and f need to be entered on Form CT-3-A, Form CT-3-A/BC, or Worksheet D, as follows:

Amount from Worksheet A, column A completed for the designated agent	Amount is entered on
Line 10d (Everywhere)	CT-3-A, Part 6, column A, line 10b (Everywhere)
Line 10e (New York State)	CT-3-A, Part 6, column A, line 10a (New York State)
Line 10f (New York State fixed dollar minimum)	Worksheet D, line 10 (New York State fixed dollar minimum)
Line 12d (Everywhere)	CT-3-A, Part 6, column A, line 12b (Everywhere)
Line 12e (New York State)	CT-3-A, Part 6, column A, line 12a (New York State)
Line 12f (New York State fixed dollar minimum)	Worksheet D, line 12 (New York State fixed dollar minimum)
Line 21d (Everywhere)	CT-3-A, Part 6, column A, line 21b (Everywhere)
Line 21e (New York State)	CT-3-A, Part 6, column A, line 21a (New York State)
Line 21f (New York State fixed dollar minimum)	Worksheet D, line 21 (New York State fixed dollar minimum)
Line 24d (Everywhere)	CT-3-A, Part 6, column A, line 24b (Everywhere)
Line 24e (New York State)	CT-3-A, Part 6, column A, line 24a (New York State)
Line 24f (New York State fixed dollar minimum)	Worksheet D, line 24 (New York State fixed dollar minimum)

Amount from Worksheet A, column A completed for each combined entity <b>other than</b> the designated agent	Amount is entered in <b>each entity's</b> Form CT-3-A/BC, as follows:
Line 10d (Everywhere)	CT-3-A/BC, Part 6, column A, line 10 (Everywhere)
Line 10e (New York State)	CT-3-A/BC, Part 6, column B, line 10 (New York State)
Line 10f (New York State fixed dollar minimum)	CT-3-A/BC, Part 6, column C, line 10 (New York State fixed dollar minimum)
Line 12d (Everywhere)	CT-3-A/BC, Part 6, column A, line 12 (Everywhere)
Line 12e (New York State)	CT-3-A/BC, Part 6, column B, line 12 (New York State)
Line 12f (New York State fixed dollar minimum)	CT-3-A/BC, Part 6, column C, line 12 (New York State fixed dollar minimum)
Line 21d (Everywhere)	CT-3-A/BC, Part 6, column A, line 21 (Everywhere)
Line 21e (New York State)	CT-3-A/BC, Part 6, column B, line 21 (New York State)
Line 21f (New York State fixed dollar minimum)	CT-3-A/BC, Part 6, column C, line 21 (New York State fixed dollar minimum)
Line 24d (Everywhere)	CT-3-A/BC, Part 6, column A, line 24 (Everywhere)
Line 24e (New York State)	CT-3-A/BC, Part 6, column B, line 24 (New York State)
Line 24f (New York State fixed dollar minimum)	CT-3-A/BC, Part 6, column C, line 24 (New York State fixed dollar minimum)

Worksheet B: Net gains and other income for line 30 (see instructions)									
		A		B		C		D	
		EIN		Intercorporate eliminations		Combined group New York State total		Combined group everywhere total	
		Entity specific detail							
<b>Part 1</b>									
<b>Net gains from all other financial instruments of one type</b>									
30.1a	Everywhere								
30.1b	New York State								
30.1c	New York State fixed dollar minimum								
<b>Net gains from all other financial instruments of a second type</b>									
30.1a	Everywhere								
30.1b	New York State								
30.1c	New York State fixed dollar minimum								
<b>Net gains from all other financial instruments of a third type</b>									
30.1a	Everywhere								
30.1b	New York State								
30.1c	New York State fixed dollar minimum								
<b>Other income from all other financial instruments of one type</b>									
30.2a	Everywhere								
30.2b	New York State								
30.2c	New York State fixed dollar minimum								
<b>Other income from all other financial instruments of a second type</b>									
30.2a	Everywhere								
30.2b	New York State								
30.2c	New York State fixed dollar minimum								
<b>Other income from all other financial instruments of a third type</b>									
30.2a	Everywhere								
30.2b	New York State								
30.2c	New York State fixed dollar minimum								

(continued)

Worksheet B: Net gains and other income for line 30 (see instructions) (continued)									
		A		B		C		D	
		EIN		Intercompany eliminations		Combined group New York State total		Combined group everywhere total	
		Entity specific detail							
<b>Part 2</b>									
<b>Dividends from stock that is business capital</b>									
30.3a	Everywhere								
30.3b	New York State								
30.3c	New York State fixed dollar minimum								
<b>Net gains from sales of stock that is business capital</b>									
30.4a	Everywhere								
30.4b	New York State								
30.4c	New York State fixed dollar minimum								
<b>Net gains from sales of partnership interests</b>									
30.5a	Everywhere								
30.5b	New York State								
30.5c	New York State fixed dollar minimum								
<b>Totals of Parts 1 and 2</b>									
Net gains and other income from other financial instruments									
30a	Total Everywhere								
30b	Total New York State								
30c	Total New York State fixed dollar minimum								

**Worksheet B: Net gains and other income: Form CT-3-A and Form CT-3-A/BC, Part 6, line 30 and Worksheet D, line 30**

**General information**

This worksheet calculates certain amounts for Forms CT-3-A and CT-3-A/BC, Part 6, line 30, as well as the amount for Worksheet D, line 30. See the *line 30* instructions in Part 6 and also the specific instructions below. In the instructions below, **all lines** refers to all lines 30.1 and 30.2, and lines 30.3, 30.4, 30.5, and 30, and specific rows (a, b, or c) are indicated to clarify which rows of these lines the specific instruction applies to. **Note:** Lines 30.1 through 30.5 are specific to this worksheet only. Since Form CT-3-A, Part 6, line 30 is comprised of different types of receipts that have to be netted separately, these receipt amounts are shown separately on lines 30.1 through 30.5.

Complete **Column A** (for **all lines**, rows a, b, and c), for the designated agent and for **each** combined member, as explained in these instructions. Complete as many columns A as there are entities with line 30 receipts in your combined return. Enter the EIN of the applicable entity at the top of each column A you complete.

Amounts less than zero **are** allowed in an entity's column A, rows a and b.

Complete columns **B, C, and D** only once on a combined group basis.

**Line instructions for Worksheet B**

**Part 1**

Report only clause (H) receipts in Part 1.

**Step 1: Column A, lines 30.1 and 30.2, row a**

Regardless of whether or not the 8% fixed percentage method is in effect for the combined group, for **lines 30.1 and 30.2, row a** (Everywhere), follow the applicable Form CT-3-A-I, Part 6, line 30 instructions to determine the amount of everywhere receipts, except that if the amount is less than zero, enter the negative amount with a minus (-) sign.

When you have **net gains** from sales of more than one type of other financial instruments, use separate lines 30.1 to report sales of all other financial instruments of each such type. The same is true for lines 30.2 when reporting **other income** from other financial instruments.

If you have receipts reportable on lines 30.1 or 30.2 from **more** than three separate types of other financial instruments, use an additional line 30.1 or line 30.2 for **each** additional separate type of other financial instrument for which you have net gains or losses (line 30.1) or other income or loss (line 30.2); include the amounts from these additional lines in the same manner as you would for the three lines 30.1 and 30.2 provided on the worksheet, as you complete the steps below, as applicable.

**Step 2: Column A, lines 30.1 and 30.2, row b**

Complete **column A, lines 30.1 and 30.2, rows b and c**, using the instructions for Condition 1 or Condition 2, or both, as applicable.

**Condition 1**

If the fixed percentage method for qualified financial instruments is **not** in effect for the combined group (Form CT-3-A, Part 6, line 8 box is **not** marked); **or** if the receipts from line 30.1 or 30.2 do **not** represent receipts from qualified financial instruments (see instructions for Part 6, *line 8*):

**1.1.** For such **lines 30.1 and 30.2, row b**, follow the applicable line 30 instructions to determine the amount of New York State receipts, except that if the amount is less than zero, enter the negative amount with a minus (-) sign. Use a separate line 30.1 for **net gains** from sales of all other financial instruments of each certain type, and use a separate line 30.2 for **other income** from all other financial instruments of each certain type.

**1.2.** For such **lines 30.1 and 30.2, row c**, enter the amount entered in row b for that entity, for **that** line, except that if the row b amount for that entity is less than zero, enter **0**. For fixed dollar minimum purposes only, the net gains (not less than zero) and other income (not less than zero) are calculated on a **separate** company basis. Use a separate line 30.1 for **net gains** from sales of all other financial instruments of each certain type, and a separate line 30.2 for **other income** from all other financial instruments of **each** certain type.

**Condition 2**

If the fixed percentage method for qualified financial instruments **is** in effect for the combined group (Form CT-3-A, Part 6, line 8 box **is** marked) **and**:

**2.1.** the clause (H) QFI box is **not** marked on Form CT-3-A, Part 6, above line 29, each entity's column A, lines 30.1 and 30.2, rows **b and c**, are completed in the same manner as if the fixed percentage method is **not** in effect (see above instructions).

**2.2.** the clause (H) QFI box **is** marked on Form CT-3-A, Part 6, above line 29, **and** the receipts to be reported on a line 30.1 or 30.2 represent receipts from qualified financial instruments (see instructions for Part 6, *line 8*), in each entity's column A, for such lines 30.1 or 30.2, **rows b and c**, multiply column A, row **a**, for each respective entity and line, by 8% (0.08) and enter the result; however, if the result is an amount less than zero, enter the negative amount with a minus (-) sign in row **b**, but enter **0** in row **c**. Use a separate line 30.1 for **net gains** from sales of all other financial instruments of **each** certain type, and use a separate line 30.2 for **other income** from all other financial instruments of **each** certain type.

**Step 3: Column B**

For **each** line 30.1 and 30.2, enter in column B, in row a (Everywhere) and in row b (New York State) of each such lines, the amount of the combined group's receipts generated from intercorporate transactions that are included on each such lines, row a and row b, of column A.

**Step 4: Columns C and D**

For all lines 30.1 and 30.2, **rows a and b**:

**1.** Add the amounts for each such line and row entered in **each** entity's column A (that is, the **sum** of all entities' columns A, rows a and b, respectively).

2. From the result, subtract any intercorporate eliminations in column B for each such line and row.
3. Enter the result.

**Note:** If the resulting combined total for **either** row is less than zero, enter **0** for that row.

**Part 2**

Report only clause (G) receipts in Part 2.

Part 2 of Worksheet B must **only** be completed **if** the fixed percentage method for qualified financial instruments **is** in effect. If Form CT-3-A, Part 6, line 8 box is **not** marked, leave lines 30.3, 30.4, and 30.5 blank and continue with *Totals of Parts 1 and 2* instructions below; otherwise, continue with Step 1.

**Step 1: Columns A, B, C and D, lines 30.3 and 30.4, rows a, b, and c**

If the fixed percentage method for qualified financial instruments **is** in effect and **any** member of the combined group has marked to market **any** stock that is business capital under IRC § 475 or § 1256 in the tax year, complete substeps 1.1, 1.2, and 1.3 below; otherwise, leave lines 30.3 and 30.4 blank and continue with Step 2 below.

**1.1.** In each entity's **column A**, enter on **line 30.3, row a**, 100% of dividends from stock that is business capital, provided that dividends that qualify as other exempt income should **not** be included. In each entity's **column A**, enter on **line 30.4, row a**, 100% of net gains from sales of stock that is business capital; if the amount is less than zero, enter the negative amount with a minus (-) sign.

**1.1.1.** In each entity's **column A, lines 30.3 and 30.4, rows b and c**, multiply column A, row a, for each respective entity and line, by 8% (0.08) and enter the result; however, if the result is an amount less than zero, enter the negative amount with a minus (-) sign in row **b**, but enter **0** in row **c**.

**1.2.** In **column B**, for **lines 30.3 and 30.4, rows a and b**, enter the amount of Everywhere and New York State receipts generated from intercorporate transactions, respectively, from that category of receipts.

**1.3.** In **columns C and D**, for **lines 30.3 and 30.4, rows a and b**, enter the result of taking the **sum** of the amounts for each such row entered in **each** entity's column A (for example, the **sum** of all entities' columns A, rows a and b, respectively) **minus** any intercorporate eliminations in column B for each such row; however, if the resulting combined total for **either** row is less than zero, enter **0** for that row.

**Step 2: Columns A, B, C and D, line 30.5, rows a, b, and c**

If the fixed percentage method for qualified financial instruments **is** in effect, and any member of the combined group has marked to market **any** partnership interest in a widely held or publicly traded partnership under IRC § 475 or § 1256 in the tax year, complete substeps **2.1, 2.2, and 2.3** below; otherwise leave line 30.5 blank and continue with *Totals of Parts 1 and 2* below.

**2.1.** In each entity's **column A**, enter on **line 30.5, row a**, 100% of net gains from sales of partnership interests in widely held or publicly traded partnerships; if the amount is less than zero, enter the negative amount with a minus (-) sign.

**2.1.1.** In each entity's **column A, line 30.5, rows b and c**, multiply row **a**, for each respective line, by 8% (0.08) and enter the result; however, if the result is an amount less than zero, enter the negative amount with a minus (-) sign in row **b**, but enter **0** in row **c**.



**2.2.** In **column B**, for **line 30.5, rows a and b**, enter the amount of Everywhere and New York State receipts generated from intercorporate transactions, respectively, from that category of receipts.

**2.3.** In **columns C and D**, for **line 30.5, rows a and b**, enter the result of taking the **sum** of the amounts for each such row entered in **each** entity's column A (that is, the **sum** of all entities' columns A, rows a and b, respectively) **less** any intercorporate eliminations in column B for each such row; however, if the resulting combined total for **either** row is less than zero, enter **0** for that row.

## Totals of Parts 1 and 2

### Step 1: Line 30, row c

Enter on **line 30, row c** the **sum** of the amounts in column A, row c, lines 30.1 through 30.5 for **that** entity.

### Step 2: Column D, line 30, and column C, line 30

**2.1.** For column D, line 30, enter the **sum** of the amounts in column D, lines 30.1 through 30.5.

**2.2.** For column C, line 30, enter the **sum** of the amounts in column C, lines 30.1 through 30.5.

## Where are the amounts calculated on Worksheet B entered?

The amounts entered or calculated on lines 30.1 through 30.5 are used to calculate the line 30 totals and do not get transferred to any other form or worksheet; the line 30 totals need to be entered on Form CT-3-A, Form CT-3-A/BC, or Worksheet D as follows:

Amount from Worksheet B	Amount is entered on
Column A completed for the designated agent Line 30c (Total New York State fixed dollar minimum)	Worksheet D, line 30 (New York State fixed dollar minimum)
Column A completed for each combined entity <b>other than</b> the designated agent Line 30c (Total New York State fixed dollar minimum)	<b>each entity's</b> Form CT-3-A/BC, Part 6, column C, line 30 (New York State fixed dollar minimum)
Column C Line 30b (Total New York State)	Form CT-3-A, Part 6, column D, line 30a (New York State)
Column D Line 30a (Total Everywhere)	Form CT-3-A, Part 6, column E, line 30b (Everywhere)

## Worksheet C: Marked to market net gains for line 28

		A			B			C
		EIN			Combined group New York State total			Combined group everywhere total
		Entity specific detail						
<b>Part 1: Marked to market net gains under §§ 210-A.5(a)(1) and 210-A.5(a)(2)(J) (see instructions)</b>								
Line 10	Marked to market net gains from loans secured by real property							
	10a	Everywhere						
	10b	New York State		J(ii)	J(iii)	J(ii)	J(iii)	
	10c	New York State fixed dollar minimum						
Line 12	Marked to market net gains from loans <b>not</b> secured by real property							
	12a	Everywhere						
	12b	New York State	8%	J(ii)	J(iii)	8%	J(ii)	J(iii)
	12c	New York State fixed dollar minimum						
Line 14								
Line 16	Marked to market net gains from federal, New York State, and New York State political subdivisions debt							
	16a	Everywhere						
	16b	New York State	8%	J(ii)	J(iii)	8%	J(ii)	J(iii)
	16c	New York State fixed dollar minimum						

(continued)

Worksheet C: Marked to market net gains for line 28 (continued)									
			A			B			C
			EIN			Combined group New York State total			Combined group everywhere total
			Entity specific detail						
Line 18	Marked to market net gains from other states and their political subdivisions debt								
	18a	Everywhere							
	18b	New York State	8%	J(ii)	J(iii)	8%	J(ii)	J(iii)	
	18c	New York State fixed dollar minimum							
Line 20	Marked to market net gains from government agency debt or asset-backed securities sold through an exchange								
	20a	Everywhere							
	20b	New York State	8%	J(ii)	J(iii)	8%	J(ii)	J(iii)	
	20c	New York State fixed dollar minimum							
Line 21	Marked to market net gains from all other asset-backed securities								
	21a	Everywhere							
	21b	New York State	8%	J(ii)	J(iii)	8%	J(ii)	J(iii)	
	21c	New York State fixed dollar minimum							
Line 23	Marked to market net gains from corporate bonds sold through broker/dealer or licensed exchange								
	23a	Everywhere							
	23b	New York State	8%	J(ii)	J(iii)	8%	J(ii)	J(iii)	
	23c	New York State fixed dollar minimum							
Line 24	Marked to market net gains from other corporate bonds								
	24a	Everywhere							
	24b	New York State	8%	J(ii)	J(iii)	8%	J(ii)	J(iii)	
	24c	New York State fixed dollar minimum							
Line 27	Marked to market net gains from commodities								
	27a	Everywhere							
	27b	New York State	8%	J(ii)	J(iii)	8%	J(ii)	J(iii)	
	27c	New York State fixed dollar minimum							
Line 30	Marked to market net gains from all other financial instruments of one type								
	30a	Everywhere							
	30b	New York State	8%	J(ii)	J(iii)	8%	J(ii)	J(iii)	
	30c	New York State fixed dollar minimum							
Line 30	Marked to market net gains from all other financial instruments of a second type								
	30a	Everywhere							
	30b	New York State	8%	J(ii)	J(iii)	8%	J(ii)	J(iii)	
	30c	New York State fixed dollar minimum							
Line 30	Marked to market net gains from all other financial instruments of a third type								
	30a	Everywhere							
	30b	New York State	8%	J(ii)	J(iii)	8%	J(ii)	J(iii)	
	30c	New York State fixed dollar minimum							

(continued)

Worksheet C: Marked to market net gains for line 28 (continued)							
		A			B		C
		EIN			Combined group New York State total		Combined group everywhere total
		Entity specific detail					
<b>Part 1: Marked to market net gains under §§ 210-A.5(a)(1) and 210-A.5(a)(2)(J) (see instructions) (continued)</b>							
Line 30-Stock	Marked to market net gains from stock that is business capital						
	30a Stock	Everywhere					
	30b Stock	New York State	8%		8%		
	30c Stock	New York State fixed dollar minimum					
Line 30-Partnership	Marked to market net gains from partnership interests						
	30a Partnership	Everywhere					
	30b Partnership	New York State	8%		8%		
	30c Partnership	New York State fixed dollar minimum					
<b>J(ii) Totals (see instructions)</b>							
J(ii) Total Everywhere							
J(ii) Total New York State							
Line 28	Total Marked to market net gains under § 210-A.5(a)(2)(J)						
	28a	Everywhere					
	28b	New York State					
	28c	New York State fixed dollar minimum					
<b>Part 2: New York State aggregate marked to market factor, based on net gains from actual sales, plus J(ii) marked to market net gains (see instructions)</b>							
A	New York State						
B	Everywhere						
C	New York State aggregate marked to market factor						
D	Combined New York State aggregate marked to market factor						

### Worksheet C: Marked to market net gains: Form CT-3-A and Form CT-3-A/BC, Part 6, line 28 and Worksheet D, line 28

#### General information

**Note:** You must first complete Worksheets A and B, and lines 9 through 27, 29, and 30 of Worksheet D, and Forms CT-3-A and CT-3-A/BC, Part 6; then, follow the steps below, in order, to complete Worksheet C.

This worksheet calculates the amounts for Forms CT-3-A and CT-3-A/BC, Part 6, line 28, and the amount for line 28 of Worksheet D, *Designated agent's New York State Receipts for purposes of fixed dollar minimum tax base*. See the instructions for Part 6, line 28 and also the specific instructions below. For purposes of Worksheet C, § 210-A.5(a)(2)(J)(ii) is referred to as J(ii), and § 210-A.5(a)(2)(J)(iii) as J(iii). J(ii) sources marked to market net gains based on the sourcing of net gains from **actual** sales of financial instruments of the **same** type. J(iii) is used when there are **no** actual sales of a type, or the actual sales of a type resulted in a net **loss** for that type.

**Part 1** of the worksheet calculates marked to market net gains for those financial instruments that are described on Form CT-3-A, Part 6, lines 10, 12, 16, 18, 20, 21, 23, 24, 27, and 30, **and that have been marked to market**. Columns A and B, row b are broken out into subcolumns for lines 10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30. For each such line in columns A and B, only **one** of the subcolumns will apply for that line, depending on the sourcing rule that applies for that line; the subcolumns that do **not** apply in columns A and B should be left **blank**.

**Part 2** of the worksheet is generally only applicable if the 8% fixed percentage method for qualified financial instruments is **not** in effect. **However**, if the fixed percentage method for qualified financial instruments **is** in effect, and you have marked to market gains or losses reportable on line 10 of the worksheet, you **may** have to complete Part 2 of the worksheet, as instructed further below. Part 2 calculates the New York State aggregate marked to market factor for each entity in the combined return, and also calculates the combined New York State aggregate marked to market factor for the combined group. These factors are used to determine New York State marked to market net gains under

J(iii) in Part 1, as per the specific line instructions for columns A and B under *Customer-based sourcing* below.

Complete column **A** (for all lines in all parts of the worksheet) for the designated agent and for each combined member, as explained in these instructions. Use column A, row **b** amounts to determine an entity's row **c** amounts. Complete as many columns A as there are entities in your combined return. Enter the EIN of the applicable entity at the top of each column A you complete.

You may enter amounts less than zero in an entity's Part 1, column A, row **a**.

### Line instructions for Worksheet C

If the 8% fixed percentage method for qualified financial instruments **is** in effect (Form CT-3-A, Part 6, line 8 box **is** marked), you **must** complete the steps under the *8% fixed percentage method elected* instructions below to complete *Worksheet C*. Do **not** complete the steps under the *Customer-based sourcing* instructions, **unless** specifically instructed to do so for a certain line.

If the fixed percentage method for qualified financial instruments is **not** in effect (Form CT-3-A, Part 6, line 8 box is **not** marked), you **must** complete the steps under the *Customer-based sourcing* instructions below to complete *Worksheet C*. Do **not** complete the steps under the *8% fixed percentage method elected* instructions.

**Regardless** of whether or not the fixed percentage method for qualified financial instruments is in effect, use a **separate** line 30 for marked to market gains or losses from all other financial instruments of one **same** certain type. If you need more than three lines 30, use an additional line 30 for each separate type of other financial instrument for which you have marked to market gains or losses. As you complete the steps below, include the amounts from these additional lines in the same manner as you would for the three lines 30 provided on the worksheet, as applicable.

### 8% fixed percentage method elected

When the 8% fixed percentage method for qualified financial instruments **is** in effect, follow the instructions for Condition 1 or Condition 2 below, whichever applies.

**When Condition 1 applies**, only complete Part 1 of *Worksheet C*. Leave the **Part 1, J(ii) Totals** section blank.

**When Condition 2 applies**, you may need to complete Part 2 of the worksheet and the **Part 1, J(ii) Totals** section.

**Condition 1:** If you do **not** have marked to market gains or losses reportable on line 10 of this worksheet, complete **steps 1** through **3** below and do **not** complete any of the steps under the *Customer-based sourcing* instructions.

**Condition 2:** If you have marked to market gains or losses reportable on line 10 of this worksheet, you must determine the amounts to enter on line 10 by completing the applicable steps under *Customer-based sourcing for line 10 only*. When Condition 2 applies:

1. **For line 10 only**, complete **steps 1.1** through **4.2** and **steps 5** through **9.1.2** under *Customer-based sourcing* (do **not** complete step 4.3 or step 10).
2. Complete **all of steps 1** through **3** below (under these *8% fixed percentage method elected* instructions) for all remaining lines (including lines 30-Stock and 30-Partnership, if applicable).

### Step 1: Part 1, column A, rows a, b, and c

**1.1.** In row **a** (Everywhere), lines 12, 16, 18, 20, 21, 23, 24, 27, all lines 30, 30-Stock, and 30-Partnership, enter **100%** of your marked to market net gains or losses for those financial instruments **described** on each such line (and described further in the lines corresponding line instructions in Part 6), except that if the net amount is less than zero, enter the negative amount with a minus (-) sign. If the amount is zero for an entity, for any line, enter **0** in row **a** for that line.

#### Note:

- Use **line 30** for marked to market net gains or losses from *other* financial instruments. [§ 210-A.5(a)(2)(H)]
- If **any** member of the combined group in the tax year has marked to market **any** stock under IRC § 475 or § 1256, use **line 30-Stock** for marked to market net gains or losses from sales of stock that is business capital; otherwise leave line 30-Stock blank. [§ 210-A.5(a)(2)(G)]
- If **any** member of the combined group in the tax year has marked to market **any** partnership interest in a widely held or publicly traded partnership under IRC § 475 or § 1256, use **line 30-Partnership** for marked to market net gains or losses from sales of partnership interests in widely held or publicly traded partnerships; otherwise, leave line 30-Partnership blank. [§ 210-A.5(a)(2)(G)]

**1.2.** In each entity's column A, row **b** (New York State), **subcolumn 8%**, lines 12, 16, 18, 20, 21, 23, 24, 27, all lines 30, 30-Stock, and 30-Partnership, multiply column A, row **a**, for each respective entity and line, by 8% (0.08) and enter the result. If the result is less than zero, enter **0**. You must leave row **b**, **subcolumn J(ii)** and row **b**, **subcolumn J(iii)** blank for those lines because they do not apply when the 8% fixed percentage method sourcing is in effect for qualified financial instruments.

**1.3.** In each entity's column A, row **c** (New York State fixed dollar minimum), lines 12, 16, 18, 20, 21, 23, 24, 27, all lines 30, 30-Stock, and 30-Partnership, enter the amount you entered in row **b**, **subcolumn 8%** for that line.

**1.4.** In each entity's column A, row **c**, for **line 28**, enter the **sum** of the amounts from row **c** in lines 10, 12, 16, 18, 20, 21, 23, 24, 27, all lines 30, 30-Stock, and 30-Partnership, for **that** entity.

### Step 2: Part 1, column C, row a

**2.1.** In column C, lines 10, 12, 16, 18, 20, 21, 23, 24, 27, all lines 30, 30-Stock, and 30-Partnership, enter the **sum** of **all** entities' column A, row **a** amounts for each line. However, if the resulting **combined** total is less than or equal to zero for any such line, enter **0** for column C.

**2.2.** In column C for **line 28**, enter the **sum** of the amounts from column C for lines 10, 12, 16, 18, 20, 21, 23, 24, 27, all lines 30, 30-Stock, and 30-Partnership.

### Step 3: Part 1, column B, row b

**3.1.** For column B, lines 12, 16, 18, 20, 21, 23, 24, 27, all lines 30, 30-Stock, and 30-Partnership, row **b**, **subcolumn 8%**, of each line, **multiply** the amount in column C for that line by 8% (0.08), then enter the result.

**3.2.** In column B for **line 28**, enter the **sum** of all amounts from all applicable subcolumns in column B, row **b** for lines 10, 12, 16, 18, 20, 21, 23, 24, 27, all lines 30, 30-Stock, and 30-Partnership.



## Customer-based sourcing

You must complete Parts 1 and 2 of Worksheet C when the 8% fixed percentage method for qualified financial instruments is **not** in effect.

To complete *Worksheet C* in this instance, follow Steps 1 through 10 below, in that order.

**Note:** Do **not** complete lines 30-Stock and 30-Partnership because they do not apply when customer-based sourcing is used. See § 210-A.5(a)(2)(G).

If the fixed percentage method for qualified financial instruments **is** in effect **and** you have marked to market net gains reportable on worksheet line **10**, then you must use customer-based sourcing for the marked to market net gains **for line 10 only**. In this instance follow the instructions for **Condition 2** under the *8% fixed percentage method elected* instructions, above.

### Step 1: Part 1, column A, row a, and row b, subcolumn J(ii)

**1.1.** In each entity's column A, **row a**, (Everywhere) lines 10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30, enter **100%** of each entity's **marked to market** net gains or losses for those financial instruments **described** on each line (and described further in each line's corresponding line instructions in Form CT-3-A-I, Part 6), except that if the net amount is less than zero, enter the negative amount with a minus (-) sign. If the amount is equal to zero for an entity, for any line, enter **0** in row **a** for **that** line.

**1.2.** Use **row b, subcolumn J(ii)**, lines 10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30, in each entity's column A, to calculate **New York State marked to market** net gains, for those financial instruments **described** on each line, under the sourcing rules of J(ii). Follow the steps below to calculate the subcolumn J(ii) amounts.

1. Calculate subcolumn J(ii) amounts on a **separate** company basis in column A.
2. Use the amounts to calculate:
  - a. the New York State aggregate marked to market factor in Part 2, column A, and
  - b. New York State receipts for fixed dollar minimum purposes in Part 1, row c.
3. Complete substeps 1.2.1 through 1.2.4 for each line (10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30) for each entity's column A:

**1.2.1.** If the step 1.1 amount is less than or equal to zero for an entity for any line, enter **0** in row **b**, subcolumns J(ii) and J(iii), **and** row **c** for that entity, for **that** line.

**1.2.2.** For each entity, for each line for which row **a** is **not** less than or equal to zero, determine if **that entity** has **actual** everywhere sales that generated a **net gain** during the tax year for **that** type of financial instrument.

An entity, **other than the designated agent**, had **actual** everywhere sales that generated a **net gain** during the tax year for a specific type of financial instrument if there is an amount greater than zero reported on **that** type of financial instrument's corresponding line of Form CT-3-A/BC, Part 6, Column A.

**The designated agent** had **actual** sales that generated a **net gain** during the tax year for a specific type of financial instrument if there is an amount greater than zero reported on **that** type of financial instrument's corresponding line of Form CT-3-A, Part 6, column A, row b (Everywhere).

However, **for line 30, for all entities**, an entity had **actual** everywhere sales that generated a **net gain** during the tax year for a type of financial instrument described in § 210-A.5(a)(2)(H)

if there is an amount greater than zero reported on Worksheet B, in that entity's column A, line 30.1 (used to report the **same** specific type of financial instruments), row **a**.

**1.2.3.** In each entity's column A, for each line for which row **a** is **not** less than or equal to zero, if that entity **did** have **actual** everywhere sales that generated a **net gain** for the **same** specific type of financial instrument described on such line (as determined in substep 1.2.2 above), enter in that entity's row **b**, subcolumn J(ii), for that line, the **product** of: the amount in that entity's row **a** for such line, and a fraction, the numerator and the denominator of which are determined as follows:

- If the entity is the **designated agent**, for all such lines (except line 30):
  - the **numerator** of the fraction for such line (except line 30) is the amount from Form CT-3-A, Part 6, column A, row a (New York State) of the corresponding line; and
  - the **denominator** of the fraction for such line (except line 30) is the amount from Form CT-3-A, Part 6, column A, row b (Everywhere) of the corresponding line.

However, if the numerator so determined is less than or equal to zero, enter **0**. For line 30, see the specific line 30 instructions below.

- If the entity is an entity **other than the designated agent**, for all such lines (except line 30):
  - the **numerator** of the fraction for such line (except line 30) is the amount from that entity's Form CT-3-A/BC, Part 6, column B (New York State) of the corresponding line; and
  - the **denominator** of the fraction for such line (except line 30) is the amount from that entity's Form CT-3-A/BC, Part 6, column A (Everywhere) of the corresponding line.

However, if the numerator so determined is less than or equal to zero, enter **0**. For line 30, see the specific line 30 instructions below.

- **Line 30: For all entities:**
  - the **numerator** of the fraction for any **specific** line 30 is the amount from Worksheet B from **that** entity's column A, line 30.1 (used to report the **same** specific type of financial instrument), row **b** (New York State) (but not less than zero), and
  - the **denominator** of the fraction for any **specific** line 30 is the amount from Worksheet B, from that entity's column A, line 30.1 (used to report the **same** specific type of financial instrument), row **a** (Everywhere) (but not less than zero).

However, if the numerator so determined is zero, enter **0**.

**1.2.4.** In each entity's column A, for each line for which row **a** is **not** less than or equal to zero, if that entity **did not** have **actual** everywhere sales that generated a **net gain** for the **same** specific type of financial instrument described in **that** line (as determined in substep 1.2.2 above), leave row **b**, subcolumn J(ii) **blank** for **that** line.

### Step 2: Part 1, column A, J(ii) Total Everywhere, and J(ii) Total New York State

When you have completed each entity's column A, Part 1, row a, and row b subcolumn J(ii), for lines 10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30, the next step is to calculate, for each entity's column A, the **J(ii) Total** lines for Everywhere and New York State, which are directly below line 30-Partnership. The J(ii) totals are needed to calculate the New York State aggregate marked to market factor in Part 2, Column A of this worksheet, when applicable.

**2.1.** In each entity's **column A**, enter in the **J(ii) Total Everywhere** line, the **sum** of the column A, row **a** amounts

for all lines that have an amount entered in column A, row **b**, subcolumn J(ii) even if the amount entered is zero. Do **not**, however, include in the sum any column A, row a amounts that are **less** than zero for a particular line.

**2.2.** In each entity's **column A**, enter in the **J(ii) Total New York State** line, the **sum** of the row b, subcolumn J(ii) amounts for all lines that have an amount entered in column A, row **b**, subcolumn J(ii).

### Step 3: Part 2, column A

Part 2 of the worksheet, column A, calculates each entity's New York State aggregate marked to market factor, on a **separate** company basis. You will need this factor to complete Part 1, row b, subcolumn J(iii), when applicable.

Never include any amounts sourced under the 8% fixed percentage method election when determining the amounts to include in the sums described in these step 3 instructions.

**3.1. Line A (New York State):** In each entity's column A, enter on this line the result of the applicable instruction for that entity:

- For the **designated agent**:
  - Complete Worksheet D, except for Worksheet D, line 28, now if you have not done so already.
  - Enter the **sum** of:
    - the **J(ii) Total New York State** amount from the designated agent's Part 1, column A of this worksheet, **plus**
    - the amounts from Worksheet D, lines 9 through 27, 29, and 30.
- For each entity **other than the designated agent**:
  - Complete column C of Form CT-3-A/BC, Part 6, now if you have not done so already.
  - Enter the **sum** of:
    - the **J(ii) Total New York State** amount from that entity's Part 1, column A of this worksheet, **plus**
    - the amounts from that entity's Form CT-3-A/BC, Part 6, column C (New York State fixed dollar minimum), lines 9 through 27, 29, and 30 (for each member of the group, except the designated agent).

**3.2. Line B (Everywhere):** In each entity's column A, enter on this line the result of the applicable instruction for that entity:

- For the **designated agent**, enter the **sum** of:
  - the **J(ii) Total Everywhere** amount from the designated agent's column A, Part 1 of this worksheet, **plus**
  - the amounts (but **not** less than zero from any line) from Form CT-3-A, Part 6, column A, lines 9 through 27 and 29, row b (Everywhere), **plus**
  - the amounts (but **not** less than zero for any line) from the designated agent's Worksheet B, column A, lines 30.1 and 30.2, row a (Everywhere).
- For each entity **other than the designated agent**, enter the **sum** of:
  - the **J(ii) Total Everywhere** amount from that entity's column A, Part 1, of this worksheet, **plus**
  - the amounts (but **not** less than zero from any line) from Form CT-3-A/BC, Part 6, column A (Everywhere), lines 9 through 27 and 29, **plus**
  - any amounts (but **not** less than zero for any line) from that entity's Worksheet B, column A, lines 30.1 and 30.2, row a (Everywhere).

**3.3 Line C:** For **each entity's** column A, divide the line A amount by the line B amount and enter the result, rounded to four decimal places.

### Step 4: Part 1, column A, row b, subcolumn J(iii), and row c:

**4.1.** Use **row b, subcolumn J(iii)**, lines 10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30 in each entity's column A, to calculate **New York State marked to market** net gains, for those financial instruments **described** on each line, under the sourcing rules of J(iii). Follow the steps below to calculate the subcolumn J(iii) amounts. These amounts are calculated on a **separate** company basis in column A. Complete substeps 4.1.1 and 4.1.2 for each line (10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30): for each entity's column A.

**4.1.1.** For each entity, if there is an amount greater than **or** equal to zero entered in row b, subcolumn J(ii), then leave row b, subcolumn J(iii) **blank** for that line for that entity. **Note:** When an **entity** had **actual** everywhere sales that generated a **net gain** for **that type** of financial instrument during the tax year, enter an amount in subcolumn J(ii) and leave subcolumn J(iii) **blank**.

**4.1.2.** For each entity, if the entity did **not** have **actual** everywhere sales that generated a **net gain** for **the specific type** of financial instrument described on **that** line (**row b, subcolumn J(ii)** was left blank for **that** line per substep 1.2.4):

1. Multiply the **product** of:
  - a. the amount in row a (Everywhere) for **that** line, and
  - b. the factor in Part 2, line C of that entity's column A.
2. Enter the result in that entity's row b, subcolumn J(iii), for **that** line.

**4.2.** In **row c**, lines 10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30, for each entity, for all lines that have an amount entered in row b, subcolumn J(ii), enter the amount you entered in row b, subcolumn **J(ii)** for that line. If row b, subcolumn J(ii) is **blank** for any line for an entity, enter the amount you entered in row b, subcolumn **J(iii)** for that line, for that entity. **Note:** for each entity's column A, you must complete row b, subcolumn J(iii), for all lines that do **not** have an amount entered in row b, subcolumn J(ii), **before** you can complete row **c** for those lines (see row b, subcolumn J(iii) instructions above).

**4.3.** In **row c**, for **line 28**, in each entity's column A, enter the **sum** of the amounts from row **c** in lines 10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30 for that entity.

### Step 5: Part 1, column C, row a

In **column C** of lines 10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30, enter the **sum** of **all** the amounts entered in each entity's column A, row a (Everywhere), for each line; however, if the resulting **combined** total is less than **or** equal to zero for any such line, enter **0** for column C.

### Step 6: Part 1, column B, row b, subcolumn J(ii)

**6.1.** Use **column B, subcolumn J(ii)**, lines 10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30, in column B, to calculate **New York State marked to market** net gains on a **combined** basis, for those financial instruments **described** on each line, under the sourcing rules of J(ii).

Follow the steps below to calculate the Column B, subcolumn J(ii) amounts. Calculate these amounts on a combined basis in column B, and use them to calculate the **combined** New York State aggregate marked to market factor in Part 2. Complete the following steps for each line (10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30) for column B:

**6.1.1.** If the column C amount you entered is **equal** to zero for any line, enter **0** in row b, subcolumns J(ii) and J(iii), **and** row c for that entity, for that line.

**6.1.2.** For each line for which column C is **not** equal to zero, determine if the **combined group** has **actual** everywhere sales that generated a **net gain** during the tax year for **that** type of financial instrument.

The **combined group** had **actual** everywhere sales that generated a **net gain** during the tax year for a type of specific financial instrument if you reported an amount greater than zero on the corresponding line for **that** type of financial instrument of Form CT-3-A, Part 6, column E, row b (Everywhere).

However, **for all lines 30**, the **combined group** had actual everywhere sales that generated a **net gain** for **that** type of financial instrument if you reported an amount greater than zero on the Worksheet B, column D, line 30.1 used to report the **same** specific type of financial instrument.

**6.1.3.** For each line for which column C is **not** equal to zero, if the **combined group** did have **actual** everywhere sales that generated a **net gain** for the **same** specific type of financial instrument **described** on that line (as determined in substep 6.1.2), enter in column B, subcolumn J(ii) for that line the **product** of the amount in column C for that line and a fraction, the numerator and the denominator of which are determined as follows:

- the **numerator** of the fraction for such line (except line 30) is the amount from Form CT-3-A, Part 6, column D, of the corresponding line, and
- the **denominator** of the fraction for such line (except line 30) is the amount from Form CT-3-A, Part 6, column E of the corresponding line.

However, if the numerator determined is less than or equal to zero, enter **0**.

• **Line 30:**

- The **numerator** of the fraction for any specific line 30 is the amount from the Worksheet B, column C, line 30.1 that is used to report the **same** specific type of financial instrument.
- The **denominator** of the fraction for any specific line 30 is the amount from the Worksheet B, column D, line 30.1 that is used to report the **same** specific type of financial instrument.

However if the numerator determined is zero, enter **0**.

**6.1.4.** For each line for which column C is **not** equal to zero, if the combined group did **not** have **actual** everywhere sales that generated a **net gain** for the **same** specific type of financial instrument described on that line (as determined in substep 6.1.2), leave column B, row b, subcolumn J(ii) **blank** for that line.

**Step 7: Part 1, column C, J(ii) Total Everywhere, and column B, J(ii) Total New York State**

When you have completed column C, Part 1, and column B, Part 1, row b subcolumn J(ii), for lines 10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30, you must next complete the following:

- for **column C**, the **J(ii) Total Everywhere** line, and
- for **column B**, the **J(ii) Total New York State** line.

You will need the J(ii) totals (found directly below line 30-Partnership) to calculate the **combined** New York State aggregate marked to market factor in Part 2, column B of this worksheet, when applicable.

**7.1.** In **column C**, enter in the **J(ii) Total Everywhere** line, the **sum** of all column C, **row a** amounts for all lines that have an amount entered in column B, row b, subcolumn J(ii).

**7.2.** In **column B**, enter in the **J(ii) Total New York State** line, the **sum** of the column B, row b, subcolumn J(ii) amounts.

**Step 8: Part 2, columns B and C**

Use Part 2 of the worksheet, columns B and C, to calculate your **combined** New York State aggregate marked to market factor. You will need this factor to complete Part 1, column B for those lines which are sourced to New York State on a combined basis under J(iii).

Never include any amounts sourced under the 8% fixed percentage method election when you determine the amounts to include in the sums described in these step 8 instructions.

**8.1. Column B, line A:** Enter the **sum** of the following amounts:

- the **J(ii) Total New York State** amount from Part 1, **column B**, plus
- the amounts from Form CT-3-A, Part 6, lines 9 through 27, 29, and 30, **column D**.

**8.2. Column C:** Enter the **sum** of the following amounts:

- the **J(ii) Total Everywhere** amount from Part 1, **column C**, plus
- the amounts from Form CT-3-A, Part 6, lines 9 through 27, 29, and 30, **column E**.

**8.3. Column B, line D:** Divide the column B, line A amount by the column C amount and enter the result, rounded to four decimal places.

**Step 9: Part 1, column B, row b, subcolumn J(iii)**

**9.1.** Use **column B**, **subcolumn J(iii)**, lines 10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30, in column B, to calculate **New York State marked to market** net gains on a **combined** basis for those financial instruments **described** on each line under the sourcing rules of J(iii). Follow the steps below to calculate the subcolumn J(iii) amounts. Complete substeps 9.1.1 and 9.1.2 for each line (10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30) for column B:

**9.1.1.** For each line, if you entered an amount greater than or equal to zero entered in column B, row b, subcolumn J(ii), leave column B, row b, subcolumn J(iii) **blank** for that line.  
**Note:** When the **combined group** had **actual** everywhere sales that generated a **net gain** on a **combined** basis for **that** type of financial instrument during the tax year, you should enter an amount in subcolumn J(ii) and leave subcolumn J(iii) **blank**.

**9.1.2.** For each line, if the combined group did **not** have **actual** everywhere sales that generated a **net gain** on a **combined** basis for the specific type of financial instrument **described** on **that** line, multiply the amount in column C for that line by the factor in Part 2, column B, line D, then enter that amount in column B, row b, subcolumn J(iii), for that line.

**Step 10: Part 1, columns B and C, line 28**

**10.1.** In column B for **line 28**, enter the **sum** of the amounts from column B, row b, subcolumns J(ii) **and** J(iii) for lines 10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30.

**10.2.** In column C for **line 28**, enter the sum of the amounts from column C, for lines 10, 12, 16, 18, 20, 21, 23, 24, 27, and all lines 30.

**Where are the amounts calculated on Worksheet C entered?**

The amounts entered or calculated on Part 1, lines 10, 12, 16, 18, 20, 21, 23, 24, 27, 30, 30-Stock, and 30-Partnership and

Part 2, lines A, B, C, and D are only used to calculate the **line 28** marked to market totals in Part 1. Do **not** transfer these amounts to any other form or worksheet.

Enter the **line 28 totals** from Part 1 on Form CT-3-A, Form CT-3-A/BC, or Worksheet D, as follows:

Amount from Worksheet C	Amount is entered on
Column A completed for the <b>designated agent</b> Line 28c (New York State fixed dollar minimum)	Worksheet D, line 28 (New York State fixed dollar minimum)
Column A completed for <b>each</b> combined entity <b>other than</b> the designated agent Line 28c (New York State fixed dollar minimum)	<b>each entity's</b> Form CT-3-A/BC, Part 6, column C, line 28 (New York State fixed dollar minimum)
Column B Line 28b (New York State)	Form CT-3-A, Part 6, column D, line 28a (New York State)
Column C Line 28a (Everywhere)	Form CT-3-A, Part 6, column E, line 28b (Everywhere)

(continued)



**Worksheet D: Designated agent's New York State receipts for fixed dollar minimum tax base**

		New York State receipts for fixed dollar minimum of designated agent
<b>§ 210-A.2</b>		
1 Sales of tangible personal property .....	<b>1</b>	
2 Sales of electricity .....	<b>2</b>	
3 Net gains from sales of real property .....	<b>3</b>	
<b>§ 210-A.3</b>		
4 Rentals of real and tangible personal property .....	<b>4</b>	
5 Royalties from patents, copyrights, trademarks, and similar intangible personal property .....	<b>5</b>	
6 Sales of rights for certain closed-circuit and cable TV transmissions of an event .....	<b>6</b>	
<b>§ 210-A.4</b>		
7 Sale, licensing, rental, or granting access to digital products and digital services .....	<b>7</b>	
<b>§ 210-A.5(a)(1)</b>		
8 When the fixed percentage method election is in effect for the combined group, mark an <b>X</b> in the box ( <i>see instructions</i> ) .....		<b>8</b>
<b>§ 210-A.5(a)(2) – Mark an X in each box that is applicable (<i>see instructions</i>)</b>		
<b>§ 210-A.5(a)(2)(A)</b>		
9 Interest from loans secured by real property .....	<b>9</b>	
10 Net gains from sales of loans secured by real property .....	<b>10</b>	
11 Interest from loans <b>not</b> secured by real property (QFI <input type="checkbox"/> ) .....	<b>11</b>	
12 Net gains from sales of loans <b>not</b> secured by real property (QFI <input type="checkbox"/> ) .....	<b>12</b>	
<b>§ 210-A.5(a)(2)(B) (QFI <input type="checkbox"/>)</b>		
13 Interest from federal debt .....	<b>13</b>	
<b>14</b>		
15 Interest from New York State and its political subdivisions debt .....	<b>15</b>	
16 Net gains from federal, New York State, and New York State political subdivisions debt .....	<b>16</b>	
17 Interest from other states and their political subdivisions debt .....	<b>17</b>	
18 Net gains from other states and their political subdivisions debt .....	<b>18</b>	
<b>§ 210-A.5(a)(2)(C) (QFI <input type="checkbox"/>)</b>		
19 Interest from asset-backed securities and other government agency debt .....	<b>19</b>	
20 Net gains from government agency debt or asset-backed securities sold through an exchange ....	<b>20</b>	
21 Net gains from all other asset-backed securities .....	<b>21</b>	
<b>§ 210-A.5(a)(2)(D) (QFI <input type="checkbox"/>)</b>		
22 Interest from corporate bonds .....	<b>22</b>	
23 Net gains from corporate bonds sold through broker/dealer or licensed exchange .....	<b>23</b>	
24 Net gains from other corporate bonds .....	<b>24</b>	
<b>§ 210-A.5(a)(2)(E)</b>		
25 Net interest from reverse repurchase and securities borrowing agreements .....	<b>25</b>	
<b>§ 210-A.5(a)(2)(F)</b>		
26 Net interest from federal funds .....	<b>26</b>	
<b>§ 210-A.5(a)(2)(I) (QFI <input type="checkbox"/>)</b>		
27 Net income from sales of commodities .....	<b>27</b>	
<b>§ 210-A.5(a)(2)(J) (QFI <input type="checkbox"/>)</b>		
28 Marked to market net gains .....	<b>28</b>	
<b>§ 210-A.5(a)(2)(H) (QFI <input type="checkbox"/>)</b>		
<b>210-A.5(a)(2)(G) (QFI <input type="checkbox"/>)</b>		
29 Interest from other financial instruments .....	<b>29</b>	
30 Net gains and other income from other financial instruments .....	<b>30</b>	

(continued)

**Worksheet D: Designated agent's New York State receipts for fixed dollar minimum tax base** *(continued)*

		New York State receipts for fixed dollar minimum of designated agent
<b>§ 210-A.5(b)</b>		
31 Brokerage commissions .....	31	
32 Margin interest earned on behalf of brokerage accounts .....	32	
33 Fees for advisory services for underwriting or management of underwriting .....	33	
34 Receipts from primary spread of selling concessions .....	34	
35 Receipts from account maintenance fees .....	35	
36 Fees for management or advisory services .....	36	
37 Interest from an affiliated corporation .....	37	
<b>§ 210-A.5(c)</b>		
38 Interest, fees, and penalties from credit cards .....	38	
39 Service charges and fees from credit cards .....	39	
40 Receipts from merchant discounts .....	40	
41 Receipts from credit card authorizations and settlement processing .....	41	
42 Other credit card processing receipts .....	42	
<b>§ 210-A.5(d)</b>		
43 Receipts from certain services to regulated investment companies .....	43	
<b>§ 210-A.5-a</b>		
44 Global intangible low-taxed income .....	44	
<b>§ 210-A.6</b>		
45 Receipts from railroad, trucking, and omnibus business .....	45	
<b>§ 210-A.6-a</b>		
46 Receipts from the operation of vessels .....	46	
<b>§ 210-A.7</b>		
47 Receipts from air freight forwarding .....	47	
48 Receipts from other aviation services .....	48	
<b>§ 210-A.8</b>		
49 Receipts from advertising in newspapers or periodicals .....	49	
50 Receipts from advertising on other physical media .....	50	
51 Receipts from advertising on television or radio .....	51	
52 Receipts from advertising via internet .....	52	
53 Receipts from advertising or marketing services .....	53	
<b>§ 210-A.9</b>		
54 Receipts from transportation or transmission of gas through pipes .....	54	
<b>§ 210-A.10</b>		
55 Receipts from other services/activities not specified .....	55	
<b>§ 210-A.11</b>		
56 Discretionary adjustments .....	56	
<b>Total receipts</b>		
57 Add lines 1 through 56 (enter here and in the New York receipts box on Form CT-3-A, Part 2, line 1c) .....	57	

## Worksheet D: Designated agent's New York State receipts for purposes of fixed dollar minimum tax base

Use this worksheet to calculate the amount for the New York receipts box on Form CT-3-A, Part 2, line 1c. Generally, New York receipts for purposes of the fixed dollar minimum tax are calculated on a **separate** company basis using the applicable apportionment rule or fraction, as calculated on a **separate** company basis, for each line of the worksheet.

Use Worksheets A, B, and C of these instructions to calculate certain amounts for lines 10, 12, 21, 24, 28, and 30 of Worksheet D. You must complete worksheets A, B, and C, and Form CT-3-A, Part 6, column A **before** you complete Worksheet D. However, in instances where **Part 2** of **Worksheet C** applies (for example, when J(iii) sourcing must be used), you must complete Worksheet D, lines 9 through 27, 29, and 30, **before** you complete Part 2 of Worksheet C.

For all lines involving the calculation of net gains, net income, or net interest, if the net amount is less than zero, enter **0**.

### § 210-A.5(a)(2)

For lines or section headings with a QFI box, only mark an **X** in the QFI box on the worksheet when the QFI box on the corresponding lines (in the case of lines 11 and 12) or next to the corresponding section headings on Form CT-3-A, Part 6 has been marked with an **X**.

The line numbers on Worksheet D correspond to the line numbers on Form CT-3-A, Part 6 and the line numbers on Worksheets A, B, and C. Use the corresponding line number instructions from Part 6, the chart, and the instructions below to determine the amount to enter on each line on Worksheet D.

Enter amount from	In Worksheet D, on
Worksheet A, column A completed for the designated agent, row f (New York State fixed dollar minimum), for each respective line	lines 10, 12, 21, and 24
Worksheet C, Part 1, column A completed for the designated agent, line 28c (New York State fixed dollar minimum)	line 28
Worksheet B, column A completed for the designated agent, line 30c (Total New York State fixed dollar minimum)	line 30

### Line 25

**Step 1:** Calculate the **designated agent's** net interest income (not less than zero) from reverse repurchase agreements and securities borrowing agreements. For this calculation, determine the designated agent's net interest income after you deduct the amount of the designated agent's interest expense from repurchase agreements and securities lending agreements; this amount cannot be less than zero.

The amount of the designated agent's interest expense you must deduct is:

- the designated agent's interest expense associated with the sum of the value of the designated agent's repurchase agreements where the designated agent is the seller or borrower, **plus**
- the value of the designated agent's securities lending agreements where the designated agent is the securities lender; provided that such sum is limited to the sum of

the value of the designated agent's reverse repurchase agreements where the designated agent is the purchaser or lender, **plus**

- the value of the designated agent's securities borrowing agreements where the designated agent is the securities borrower.

**Step 2:** Enter 8% of the amount calculated in step 1 above.

**For all other lines:** Calculate the **designated agent's New York State receipt** amounts for each line on a **separate** company basis using the applicable apportionment rule or fraction as calculated on a **separate** company basis for each such line (this includes **not** taking into consideration intercorporate eliminations). Refer to the corresponding line instructions in Part 6 of these instructions for information regarding the applicable apportionment rule or fraction for each line.

**Example:** For line 45, the designated agent would multiply its own separate amount of receipts from the conduct of a railroad business, a trucking business, or an omnibus business by a fraction, the numerator of which is the total miles of the designated agent within New York State and the denominator of which is the total miles of the designated agent within and outside New York State.

### Where is the total receipts amount calculated on Worksheet D entered?

Enter the line 57 total receipts amount in the designated agent's New York receipts box on Form CT-3-A, Part 2, line 1c.

### Part 7: Summary of tax credits claimed

Enter in the appropriate box the amount of each tax credit that is being used to reduce the **Part 2, line 2** tax due amount. Properly complete all corresponding credit forms and file them with the return.

For a combined group, determine qualification for tax credits, including any limitations thereon, separately for each member of the group. Do not determine qualification on a combined group basis, except as otherwise provided. Apply the credits against the combined tax of the group. When a tax credit provision limits a credit to the fixed dollar minimum, that means the fixed dollar minimum of the group's designated agent.

#### Line 2

Enter the total amount of any tax credits that you are claiming against your current year's franchise tax here and on **Part 2, line 3**. For other credits not specified, enter the total amount of credit being claimed in the **Other credits** box and include this amount in the total. Generally, use the **Other credits** box only when a credit claim form for a newly enacted tax credit was not developed in time to appear on Form CT-3-A.

Do **not** include any amount of tax credit requested as a refund on **Part 2, line 26**, or requested as a tax credit to be credited as an overpayment to next year's return on **Part 2, line 27**.

If you are required to recapture a tax credit that was allowed in a previous reporting period and the result is a negative credit amount on your credit claim form, enter this negative amount using a minus sign (-) in the applicable box.

#### Line 3

Enter the amount of those tax credits being claimed on **Part 2, line 3**, against your current year's franchise tax that are **refund eligible**. Do **not** include any amount of credits actually requested as a refund on **Part 2, line 26**, or requested as an overpayment credited to next year's tax on **Part 2, line 27**. For refund eligibility, refer to the individual credit forms and Form CT-600-I, *Instructions for Form CT-600*.