



# Subtraction Modification for Qualified Banks

Legal name of corporation	Employer identification number (EIN)
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File this form with Form CT-3 or CT-3-A.

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

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

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

## Schedule B – Calculation of modification for a captive real estate investment trust (REIT) [§ 208.9(t) and 20 NYCRR 3-3.3(a)] *(see instructions)*

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

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

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

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## Schedule C – Calculation of modification for qualified residential loan portfolios [§ 208.9(r) and 20 NYCRR 3-3.3(b)] *(see instructions)*

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

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

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

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

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

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

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

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

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

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12 Multiply line 10 or line 11, as applicable, by 32% (0.32) *(see instructions)* ..... ● 

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

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

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## Schedule D – Calculation of modification for community banks and small thrifts [§ 208.9(s) and 20 NYCRR 3-3.3(c)] *(see instructions)*

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

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

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16 Subtraction modification for community banks and small thrifts *(multiply line 15 by 50% (0.5); enter here and on line 1 above, if applicable)* ..... ● 

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



**Schedule E – Calculation of total net interest income from qualifying loans**

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

EIN of qualifying entity
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**Form CT-3-A filers:** Calculate on a separate basis for each combined entity (see instructions) ... •

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

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

