



Instructions for Form CT-602

Claim for EZ Capital Tax Credit

General information

The empire zone (EZ) capital tax credit has expired. For tax years beginning on or after April 1, 2014, you may only claim an EZ capital tax credit carryover from previous years.

You may continue to use any credit carryovers from previous years against your tax liability. However, if your business was required to obtain an EZ retention certificate but was denied one, you will not be eligible to claim the carryover of the credit attributable to investments in a certified EZ business. You do not need an EZ retention certificate to claim carryovers of credit from contributions to community development projects.

The following limitations apply:

- The credit may not reduce the tax imposed by Article 9-A to less than the fixed dollar minimum tax, or the tax imposed by Article 33 to less than the minimum tax of \$250.
- The credit may not exceed 50% of the tax imposed by Article 9-A section 209, without regard to any credit.
- For a life insurance corporation, the credit may not exceed the **lesser** of the following:
 - the tax computed pursuant to Tax Law, Article 33, section 1505(a); **or**
 - the **greater** of:
 - the sum of the taxes imposed under Tax Law, Article 33, sections 1501 and 1510; **or**
 - the amount of tax computed pursuant to Tax Law section 1505(b).
- For life insurance corporations, this credit may not be deducted from the limitation on tax computed pursuant to Article 33 section 1505(a)(2).
- For a nonlife insurance corporation, the credit may not exceed 50% of the taxes imposed under Article 33 section 1502-a, computed without regard to any credit provided for under Article 33.

The credit is **not** allowed against the metropolitan transportation business tax (MTA surcharge) under Article 9-A or 33.

Any amount of the carryover of credit not deductible in the current tax year may be carried over to subsequent tax years.

Line instructions

C corporations – Complete Schedules A and B.

New York S corporations – Do not complete Form CT-602. Shareholders will file Form IT-602, *Claim for EZ Capital Tax Credit*, to claim a carryover of this credit on their New York State personal income tax returns.

Schedule A – Limitations of EZ capital tax credit

Part 2 – Tax limitation

Lines 3 and 6 entries table

| If you filed | Enter on line 3 any net recapture of other tax credits, plus the amount from | Enter on line 6 the minimum tax below |
|---------------|---|---------------------------------------|
| Form CT-3 | Part 2, line 2 | Part 2, line 1c |
| Form CT-3-A | Part 2, line 2 | Part 2, line 1c |
| Form CT-33 | Line 9a | 250 |
| Form CT-33-A | Line 10 | Line 4 plus line 12 |
| Form CT-33-NL | Line 5 | 250 |

Line 3 – Enter your tax due before credits using the *Lines 3 and 6 entries table* above.

Line 4 – Tax credits must be applied in a certain order. Refer to the instructions of your franchise tax return to determine the correct order. **Article 9-A filers:** refer to Form CT-600-I, *Instructions for Form CT-600, Ordering of Corporation Tax Credits*, for the order of credits.

If you are claiming more than one tax credit for this year, enter the total amount of credit(s) claimed before applying this credit; otherwise enter **0**.

Article 33 filers: enter **0**.

If filing as a member of a combined group, include any amount of tax credit(s), including EZ capital tax credit(s), being claimed by other members of the combined group that you want to apply before this credit.

Article 33 combined filers: include only the amount of EZ capital tax credit(s) being claimed by other members of the combined group that you want to apply before this credit.

Line 6 – Enter your minimum tax using the *Lines 3 and 6 entries table* above.

Need help? and Privacy notification

See Form CT-1, *Supplement to Corporation Tax Instructions*.