General instructions
If you were a full-year or part-year resident of New York State, or a New York State resident estate or trust, or a part-year resident trust, and you had income sourced to and taxed by a Canadian province, you may claim a credit against your New York State tax. This credit is allowable only for the portion of the tax that applies to income sourced to and taxed by the Canadian province while you were a New York State resident. If you paid tax to more than one Canadian province during your New York State resident period, use a separate Form IT-112-C for each province.

Do not use Form IT-112-C to claim the resident credit for taxes paid to another state, local government, or the District of Columbia. Instead, you must claim the resident credit for taxes paid to another state, local government, or the District of Columbia on Form IT-112-R, New York State Resident Credit. See the instructions for Form IT-112-R for more information.

You may not claim a credit for any amount of tax paid to the Canadian province on any amount of income, gain, loss, or deduction arising from interest or dividends from intangible assets unless it is received from an asset connected with a trade or business conducted in the Canadian province.

If you marked filing status ③, Married filing separate return, on Form IT-201 or Form IT-203, and if only one spouse paid tax to a Canadian province, that spouse must compute the credit based on his or her separate return. No part of the credit can be claimed by the spouse who did not have tax payable to the Canadian province.

If you are a fiduciary of a resident estate or trust, determine the total New York adjusted gross income in Part 1 the same way as a resident individual. To determine New York adjusted gross income, subtract any charitable contributions and distributions made to beneficiaries. Include these amounts on line 19.

A shareholder of a subchapter S corporation or a partner in a partnership is not allowed a resident credit for any income tax imposed upon or payable by the S corporation or partnership to a province of Canada.

Taxpayers with dual residency status – If you are a resident of New York State for personal income tax purposes and also deemed a resident of a province of Canada for income tax purposes under its law, no credit is allowed if the Canadian province allows a credit against its tax for the total resident tax paid to New York.

If you claimed a prior-year(s) resident credit for taxes paid to a province of Canada, and in the current year’s federal credit computation you used the provincial tax carried over (federal Form 1116, line 10), you must complete Form IT-112-C for the purpose of the addback, even though no current-year New York State credit is claimed.

If you make the federal Election To Claim the Foreign Tax Credit Without Filing Form 1116, as explained in the instructions for federal Form 1116, complete Form IT-112-C using the amounts that would have been entered on Form 1116 if you had been required to file it.

Foreign currency conversion
Report all amounts in U.S. dollars. For income earned throughout the tax year, use the average exchange rate for that year. If you take a credit for taxes paid, the conversion rate is the rate of exchange in effect on the day you paid the foreign taxes (or on the day the tax was withheld). If you receive a refund of foreign taxes paid, the conversion rate is the rate in effect when you paid the taxes, not when you receive the refund.

Caution: For personal income tax purposes, NYS has decoupled from federal changes made to the Internal Revenue Code (IRC) after March 1, 2020. Therefore, thresholds and amounts used in the calculation of this credit will be based on a recomputed federal adjusted gross income (FAGI). Line 19a on the IT-201 and IT-203 will be used, instead of line 19. If the amounts on your Form IT-201 or Form IT-203 lines 19 and 19a do not match, your New York credit must be calculated using the recomputed FAGI.

Line instructions
See the instructions for your tax return for the Privacy notification or if you need help contacting the Tax Department.

Part 1 – Income and adjustments
Lines 1 through 18a
Residents and part-year residents
Do not enter in column A or B any income that is taxable to the Canadian province but not taxable to New York State.

Do not enter in column A or B the ordinary income portion of lump-sum distributions received from sources outside New York State that is subject to the New York State separate tax on lump-sum distributions and is also subject to any income tax or separate tax by the Canadian province. Compute any resident credit against the separate tax on a lump-sum distribution paid to the Canadian province on Form IT-112.1, New York State Resident Credit Against Separate Tax on Lump-Sum Distributions.

Do not enter in column B any amount of income, gain, loss, or deduction arising from interest or dividends from intangible assets unless it is received from an asset connected with a trade or business conducted in the Canadian province.

Residents
Column A – Enter on lines 1 through 18 the amount of each item of income or deduction reported on Form IT-201 or the amount of income reported on Form IT-205 as if the estate or trust were a resident individual. If you marked filing status ②, Married filing joint return, include in column A the amounts of both spouses even if the income of only one spouse was sourced to and taxed by the Canadian province.

Column B – The amount of credit is computed on an adjusted gross income basis. Therefore, the amount of an item sourced to and taxed by the Canadian province to be entered in column B is the gross amount less applicable expenses and losses which would be deductible in computing federal adjusted gross income (FAGI). In determining the expenses and losses deductible from gross income, the federal rules covering deductions allowable in computing FAGI should be followed.

Enter in column B any federal adjustments to income that were allowed by the Canadian province.

Taxpayers with dual residency status
If you are a resident of New York State for personal income tax purposes and also deemed a resident of a province of Canada for personal income tax purposes under its law, no credit is allowed if the Canadian province allows a credit against its tax for the total resident tax paid to New York.
Canada for income tax purposes under its law, do not include in column B any amount of income, gain, loss, or deduction arising from interest or dividends from intangible assets unless it was received from an asset connected with a trade or business conducted in the Canadian province. Also, do not include in column B any income attributable to a business, trade, profession, or occupation unless the business, trade, profession, or occupation was carried on in the Canadian province.

**Example:** You were taxable as a New York resident during the current tax year. You were also taxable as a resident of a province of Canada. You had wages of $65,000 for the year, of which $20,000 were earned for services performed in the province of Canada and $45,000 for services performed in New York. You will enter the $20,000 wages in column B.

### Part-year residents

If you were a part-year New York State resident, or a part-year resident trust, and you had income sourced to and taxed by a Canadian province during that part of the year that you were a resident, enter in column A the amount of each item of income or deduction entered on Form IT-203, lines 1 through 19, Federal amount column, or the amount of income reported on Form IT-205-A.

Enter in column B of Form IT-112-C only the amount of each item of income or deduction from column A that relates to your New York State resident period that was sourced to and taxed by the Canadian province.

**Line 18a  Recomputed FAGI** – If you recomputed your FAGI on your New York State income tax return, enter that amount, otherwise leave blank.

**Line 19  New York adjustments** – Enter your net New York adjustment, which is the difference between your New York additions and your New York subtractions. Your New York additions are on Form IT-201, lines 20 through 23, or Form IT-203, lines 20 through 22 (Federal amount column). Your New York subtractions are on Form IT-201, line 32, or Form IT-203, line 30 (Federal amount column). On Form IT-205, your New York adjustment is the fiduciary share, from Schedule C, column 5, Fiduciary line, that relates to the items of income, gain, loss, and deductions included in the computation of federal adjusted gross income.

**Line 20  New York adjusted gross income** – In column A, the net New York adjustment on line 19 must be added to or subtracted from federal adjusted gross income on line 18, or from line 18a, if you recomputed your FAGI (see Caution above). In column B, enter the amount from line 18, column B.

**Line 21  Capital gain portion of lump-sum distributions** Enter in column A the capital gain portion of lump-sum distributions reported at Part II of federal Form 4972. Enter in column B the capital gain portion of lump-sum distributions reported at Part II of federal Form 4972 that was sourced to and taxed by the Canadian province.

### Part 2 – Computing your resident credit or addback for taxes paid to a province of Canada

#### Line 23 – Enter the two-letter abbreviation (see below) of the Canadian province to which the income tax was paid.

<table>
<thead>
<tr>
<th>Province abbreviations</th>
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<tbody>
<tr>
<td>Alberta</td>
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<td>British Columbia</td>
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<td>Manitoba</td>
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<td>New Brunswick</td>
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<td>Nouveau-Brunswick</td>
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<td>Newfoundland and Labrador</td>
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<td>Terre-Nouve-et-Labrador</td>
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<td>Northwest Territories</td>
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**Province abbreviations**

- AB: Alberta
- BC: British Columbia
- MB: Manitoba
- NB: New Brunswick
- NL: Newfoundland and Labrador
- NT: Northwest Territories
- NS: Nova Scotia
- NU: Nunavut
- ON: Ontario
- PE: Prince Edward Island
- QC: Quebec
- SK: Saskatchewan
- YT: Yukon

**Line 24**

The amount of income tax imposed is the amount of income tax computed on your return for the Canadian province minus any credits allowed against this tax. Do not include the tax on income that is taxed by the Canadian province but is not taxed by New York State. Do not enter tax withheld, estimated tax payments, or payments of balances due on this line.

Do not include on line 24 Canadian federal tax imposed.

**Residents**

Enter the amount of income tax imposed by the Canadian province.

**Part-year residents**

Enter only the portion of the income tax imposed attributable to income sourced to and taxed by the Canadian province during your New York resident period.

**Taxpayers with dual residency status**

Compute the amount to enter on line 24 as follows:

\[
\text{Amount from column B, line 22} \times \frac{\text{Total income on provincial return}}{\text{Total income on other return}}
\]

Total income means the adjusted gross income (not taxable income) reported on the provincial return, before any allowances for a standard or itemized deduction or exemptions.

* If the Amount from column B, line 22, is more than the Total income on the provincial return, the resident credit allowed for New York is limited to the income tax imposed on the provincial return. Enter that amount on line 24.
Lines 29 and 31
The Canadian provincial tax is deemed to be claimed last for federal purposes. When computing the amount available for the New York credit, enter only that portion of the provincial tax not used in the computation of the federal foreign tax credit.

Line 33
Form IT-203 filers:
Enter New York State tax from Form IT-203, line 40, plus the Worksheet C, line 5 amount in the instructions for Form IT-203, Separate Tax on Lump-Sum Distributions.

Form IT-201 and Form IT-205 filers:
Complete the following worksheet:

Worksheet for computing your New York State tax payable

a Enter New York State tax from Form IT-201, line 39, plus the tax from Form IT-230, Part 2, line 2, New York State column. Resident estate or trust: Enter New York State tax from Form IT-205, line 8. Part-year resident trust: Enter NY State tax from Form IT-205, line 9. ............................................. a __________

b Enter your New York State household credit, if any, from Form IT-201, line 40. ............... b __________

c New York State tax payable (subtract line b from line a). Enter this amount on line 33 ....... c __________

Line 34 – Round to the fourth decimal place. For example, if the amount on line 22 in column B was $12,000 and the amount on line 22 in column A was $36,000, the result would be .3333. Enter this decimal on line 34: do not convert to a percentage.

If the amount on line 22 in column B is more than the amount on line 22 in column A, the result will be more than 1.0000. For example, if the amounts used were $25,000 divided by $15,000, the result would be 1.6667.

Line 41 – If on this year’s federal Form 1116, line 10, you included provincial taxes that were used in the computation of a prior-year New York State resident credit, and now the carryover is claimed for federal purposes, an entry must be made on line 41. This entry must be made whether or not a current year resident tax credit is claimed.

If the carryover used in the computation of the federal credit included provincial taxes that were used in the computation of more than one prior-year New York State resident credit or multiple prior-year Forms IT-112-R or IT-112-C, enter the total of the credits claimed and submit a copy of all applicable prior-year Forms IT-112-R and IT-112-C.

Line 42
If line 41 is more than line 40, subtract line 40 from line 41 and enter the result on line 42. This is your addback of resident credit.

• Individuals: Enter the total addback(s) from all Forms IT-112-C and code 141 on Form IT-201-ATT, line 20, or Form IT-203-ATT, line 19.

• Fiduciaries: Include the total addback(s) on Form IT-205, line 12.

Line 44 – The resident credit may not decrease your New York State tax payable to an amount less than would have been due if the income sourced to and taxed by the Canadian province(s) was excluded from your New York income.

Line 45 – If you are filing more than one Form IT-112-C, complete the forms through line 44, and also complete Part 4. If you are also filing Form(s) IT-112-R, complete that form(s) through line 28, and also complete Part 4. Then combine the line 44 and line 28 amounts for all forms as follows.

On one Form IT-112-C, enter on line 45 one combined total amount from all additional Forms IT-112-C, line 44, and from any Form(s) IT-112-R, line 28. Then complete lines 46 through 50 of the Form IT-112-C that shows the combined total on line 45. Place behind that Form IT-112-C any additional Forms IT-112-C and IT-112-R that you are filing.

Part 3 – Application of credit

Line 47
Form IT-201 filers:
Enter the tax from Form IT-201, line 39, plus any amount from Form IT-201-ATT, line 21.

Form IT-203 filers:
Enter the tax from Form IT-203, line 46, plus any amount from Form IT-203-ATT, line 20.

Form IT-205 filers:
Enter the tax from Form IT-205, line 8 (for residents), or line 9 (for nonresidents), plus any credits shown on line 1 of the Addbacks worksheet, in the instructions for Form IT-205, line 12.

Line 48 – If you are applying any credits against the tax before this credit, enter those amounts here.

When applying credits, use the following rules:
• First apply any household credit.
• Next apply any credits that cannot be carried over or refunded.
• Then apply any credits that can be carried over for a limited duration.
• Then apply any credits that can be carried over for an unlimited duration.
• Apply refundable credits last.

Line 50 – Enter the line 50 amount on Form IT-201, line 41, or Form IT-203-ATT, line 1, or include it on Form IT-205, line 10. Continue with Part 4, if applicable.

Part 4 – Information from your Canadian federal and/or provincial returns
You must complete this section. If you paid tax to a province other than Quebec, use the Canada column. If you paid tax to Quebec, use only the Quebec column.

Line 52 – Enter your total Canadian tax, including provincial tax. For Quebec, enter only the total Quebec tax.

Line 53 – Enter the amount of your prepayments to Canada/Quebec. Prepayments include income tax paid and credits (for example, income tax deducted or withheld at source as shown on all information slips, tax paid in installments, abatements, overpayments, and rebates).

Line 55 – Enter the balance due, if any, shown on the return you filed with Canada/Quebec. The balance due is the amount you paid with your return after credit for taxes withheld or deducted, taxes paid in installments and any other prepayments (do not include penalties or interest).