

Empire State Musical and Theatrical Production Credit

Tax Law – Article 1, Section 24-a and Article 9-A, Section 210-B.47

CT-642

All filers must enter tax period: beginning

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ending

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

A Credit allocation year (from your certificate of tax credit) ●

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B Certificate number (from your certificate of tax credit) ●

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C If you are claiming this credit as a corporate partner, mark an **X** in the box..... ☐



You must attach a copy of the certificate of tax credit issued by Empire State Development (ESD).

Schedule A – Computation of credit

1 Empire State musical and theatrical production tax credit (see instructions)	•	1	
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Partnership information (see *instructions*)

A Name of partnership	B Partnership's EIN	C Credit amount allocated
Total from additional sheet(s), if any	•	
2 Total credit amount allocated from partnership(s) (<i>add column C amounts</i>)	• 2	
3 Total credit (<i>add lines 1 and 2; New York S corporations, see instructions</i>).....	• 3	

Schedule B – Computation of credit used, refunded, or credited as an overpayment to the next tax year
(New York S corporations: do not complete this schedule.)

4	Tax due before credits (see instructions)	4		
5	Tax credits claimed before this credit (see instructions)	5		
6	Tax after application of credits (subtract line 5 from line 4)	6		
7	Tax limitation (see instructions)	7		
8	Limitation on credit (subtract line 7 from line 6; if 7 is more than line 6, enter 0)	8		
9	Credit used for this tax year (enter the lesser of line 3 or line 8; enter here and on your franchise tax return)	9		
10	Unused credit (subtract line 9 from line 3)	10		
11	Amount of credit to be refunded (limited to the amount on line 10; enter here and on your franchise tax return)	11		
12	Amount of credit to be applied as an overpayment to next year's tax (subtract line 11 from line 10; enter here and on your franchise tax return)	12		

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Instructions

General information

Tax Law sections 24-a and 210-B.47 provide for a musical and theatrical production credit. The Empire State musical and theatrical production tax credit is available to taxpayers subject to tax under Article 22 or Article 9-A. Form CT-642 is for taxpayers subject to tax under Article 9-A (including New York S corporations). Those subject to tax under Article 22 should complete Form IT-642, *Empire State Musical and Theatrical Production Credit*.

The credit is 25% of the sum of qualified production expenditures and transportation expenditures.

The amount of credit allowed for the current tax year is allocated by Empire State Development (ESD). ESD will issue a certificate of tax credit showing the:

- certificate number,
- allocation year of the tax credit, and
- amount of tax credit allowed.

Attach a copy of your certificate from ESD. Complete a separate Form CT-642 for each individual certificate issued to you. You cannot claim the credit before the later of:

- the tax year the production of the qualified musical or theatrical production is complete, or
- the tax year immediately following the allocation year assigned on your certificate.

Qualified production expenditures and transportation expenditures used as the basis for the allowance of this credit or used in the calculation of this credit cannot be used to claim any other credits.

The credit may not reduce the tax liability below the fixed dollar minimum tax. Any unused amount of credit for the current tax year will be treated as a refund or overpayment of the tax to be credited to next year's tax. Interest will not be paid on the refund or overpayment.

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

For rules and regulations regarding the credit, visit ESD's website at www.esd.ny.gov.

New York S corporations

New York S corporations will calculate a credit, however the S corporation may not use the credit against its own tax liability. Instead the credit is passed through to the shareholders to use against their personal income tax liabilities on their New York State tax returns. Complete only lines A, B, C, and Schedule A.

Combined filers

A taxpayer filing as a member of a combined group is allowed to claim the credit, which is computed on a separate basis, but is applied against the combined tax.

Line instructions

Additional sheets – If you have more entries than will fit on the lines provided in Schedule A, attach additional sheets in the same format as the schedule. Include your name and taxpayer identification number on each sheet and attach them and Form CT-642 with your return.

Schedule A – Computation of credit

Line 1 – Enter the amount of your credit listed on your certificate of tax credit issued by ESD. Attach a copy of your certificate.

Line 2 – Partnership information: If you were a partner in a partnership and received a share of the credit from that entity, enter the name, employer identification number, and the credit amount passed through to you from the partnership and mark an **X** in box C at the top of the form.

Line 3 – New York S corporations: Include this amount on Form CT-34-SH, *New York S Corporation Shareholders' Information Schedule* and provide your shareholders with their pro rata share of the credit. The shareholders will file Form IT-642 to claim the credit on their New York State personal income tax returns.

Schedule B – Computation of credit used, refunded, or credited as an overpayment to next year

Line 4 – Enter the amount from Form CT-3 or CT-3-A, Part 2 line 2 **plus** any net recaptured credits.

Line 5 – If you are claiming more than one tax credit for this year, enter the total amount of credits claimed before applying this credit. Otherwise, enter **0**. Tax credits must be applied in a certain order. Refer to Form CT-600-I, *Instructions for Form CT-600*, for the correct order of credits.

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

Line 7 – Enter your fixed dollar minimum tax from Form CT-3, or the designated agent's fixed dollar minimum tax from Form CT-3-A.

Need help? and Privacy notification

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

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