

**New York State Department of Taxation and Finance
Taxpayer Services Division
Technical Services Bureau**

TSB-M-83 (5)C
Corporation Tax
February 15, 1983

1982 Legislation
Metropolitan Transportation Business Tax Surcharge - Article 9-A

Chapter 931 of the Laws of 1982 enacted on December 23, 1982 amended the Tax Law to include a new Section 209-B which provides for a tax surcharge on corporations in the Metropolitan Commuter Transportation District for taxable years ending on or after December 31, 1982, but before December 31, 1984.

The surcharge is imposed upon every corporation subject to tax under Article 9-A for the privilege of exercising its corporate franchise, or of doing business, owning or leasing property, or of employing capital or of maintaining an office in the Metropolitan Commuter Transportation District for all or any part of its taxable year.

The Metropolitan Commuter Transportation District consists of the counties of New York, Bronx, Kings, Queens, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester.

The surcharge is in addition to the tax imposed by Section 209 of Article 9-A of the Tax Law.

<u>Surcharge Rates</u>	<u>Applicable Periods</u>
18%	Calendar year 1982 or fiscal years ending in 1983.
17%	Calendar year 1983 or fiscal years ending in 1984

The surcharge rate is applied to the portion of tax, after the deduction of any tax credits, imposed under Section 209 attributable to the taxpayer's business activity carried on within the Metropolitan Commuter Transportation District.

The portion of the taxpayer's business activity carried on within the Metropolitan Commuter Transportation District is determined by averaging the ratios of the taxpayer's property, receipts and wages within the Metropolitan Commuter Transportation District to its property, receipts and wages within the State of New York.

The business tax surcharge imposed by Section 209-B shall not be allowed as a deduction in the computation of the tax on income imposed by Article 9-A. If the surcharge is deducted as an expense in the computation of federal taxable income, it must be added back to federal taxable income to arrive at New York State entire net income.

The credits otherwise allowable under Article 9-A, which include the Eligible Business Facility Credit, Investment Tax Credit, Employment Incentive Tax Credit, Disc Export Credit, Research and Development Credit and the Mortgage Recording Tax Credit, may not be applied against this surcharge.

A three month extension for filing the Metropolitan Transportation Business Tax Surcharge Report (Form CT-3M) may be obtained by filing an Application for Three Month Extension (Form CT-12M) within two and one-half months of the close of the taxpayer's fiscal or calendar year accompanied by a payment of the surcharge due for the period.

No declaration or payments of estimated surcharge are required.

For forms or publications, in New York City only, call 488-3608.
Elsewhere in New York State, call toll free 1-800-462-8100.
For areas outside New York State, call (518) 457-0111.

For information, in New York City only, call 488-3400.
Elsewhere in New York State, call toll free 1-800-342-3536.
From areas outside New York State, call (518) 457-0111.