

Filing Fee for "S" Corporations

Chapter 817 of the Laws of 1987 (the Business Tax Reform and Rate Reduction Act of 1987) amended Section 658(c)(2) of the Tax Law to provide for a filing fee for electing New York "S" corporations that are exempt from tax under Section 209.8 of Article 9-A of the Tax Law.

"S" corporations filing Form CT-3S will be required to pay a filing fee for tax years beginning in 1988 and thereafter. The fee will be \$25 for tax years beginning in 1988, \$50 for tax years beginning in 1989, and \$100 for tax years beginning in 1990 and thereafter. No provision is made for the proration of this fee. Failure to pay the filing fee when due may result in the imposition of penalties and interest.

Electing New York "S" Corporations that are organized outside of New York State, but authorized to do business in New York, will be required to pay this fee in addition to the maintenance fee (Article 9, Section 181.2).