

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

TSB-M-91 (1) C  
 Corporation Tax  
 January 1, 1991

1990 Amendments to Tax Law

<u>Tax Law Section</u>	<u>Reference to TSB-M</u>	<u>Chapter-Bill Section</u>	<u>Summary</u>
183-a	TSB-M-90(15)C	Chapter 945 Section 1	Extends imposition of 17% M.T.A. tax surcharge on Laws of 1990 tax imposed under Section 183 to calendar years ending 12/31/90 and 12/31/91 and short periods ending in 1992.
183-a,5	None	Chapter 464 Section 1 Laws of 1990	Valid surcharge extension was expanded to include payment of 100% of surcharge from preceding taxable year (at least 12 months).
184.1	None	Chapter 190 Section 148 Laws of 1990	For all taxable years beginning on or after 1/1/90, the rate of tax imposed upon telephone and telegraph companies shall be 3/4 of 1% of gross earnings.
184-a	TSB-M-90(15)C	Chapter 945 Section 3 Laws of 1990	Extends imposition of 17% M.T.A. tax surcharge on tax imposed under Section 184 to calendar years ending 12/31/90 and 12/31/91 and short periods ending in 1992.
184-a.5	None	Chapter 464 Section 2 Laws of 1990	Valid surcharge extension was expanded to include payment of 100% of surcharge for preceding taxable year (at least 12 months).
186.5	None	Chapter 190 Section 28 Laws of 1990	An electric corporation which establishes a financial resource asset may be allowed a deduction from its gross earnings if it meets certain criteria.

<u>Tax Law Section</u>	<u>Reference to TSB-M</u>	<u>Chapter-Bill Section</u>	<u>Summary</u>
186-a.2	None	Chapter 190 Section 150 Laws of 1990	Eliminates deduction which allows an exchange telephone company to deduct receipts received from sale of carrier access service to an interexchange telephone company where the interexchange telephone company resells the carrier access service.
186-a.2-a	None	Chapter 190 Section 151 Laws of 1990	Deduction permitted for resold telephony & telegraphy shall be allowed against interstate and international revenues prior to apportionment.
186-a.2-b	None	Chapter 190 Section 29 Laws of 1990	For taxable years after 1/1/92, any electric corporation which has a financial resource asset may be allowed a deduction from gross income if it meets certain criteria.
186-a.4	TSB-M-90(12)C	Chapter 190 Section 211 Laws of 1990	Makes reference to a utility credit against this tax, as provided by Section S01-d of Article 13-A.
186-b	TSB-M-90(15)C	Chapter 945 Section 4 Laws of 1990	Extends the M.T.A. tax surcharge of 17%, on tax imposed by Section 186, to calendar years ending 12/31/90 and 12/31/91 and short periods ending in 1992.

<u>Tax Law Section</u>	<u>Reference to TSB-M</u>	<u>Chapter-Bill Section</u>	<u>Summary</u>
186-b.3	None	Chapter 464 Section 3 Laws of 1990	Valid surcharge extension was expanded to include payment of 100% of surcharge for preceding taxable year (at least 12 months).
186-c	TSB-M-90(15)C	Chapter 945 Section 5 Laws of 1990	Extends the M.T.A. tax surcharge of 17%, on tax, before Art. 13-A credit, imposed by Section 186-a, to calendar years ending 12/31/90 and 12/31/91 and short periods ending in 1992.
186-c.4	None	Chapter 464 Section 4 Laws of 1990	Valid surcharge extension was expanded to include payment of 100% of surcharge for previous taxable year (at least 12 months).
188	TSB-M-90(6)C	Chapter 190 Section 30 Laws of 1990	Tax Surcharge of 15%, 15% and 10%, respectively, imposed upon taxpayers subject to Section 183, 184, 186 or 186-a of Article 9. Tax surcharge is effective for calendar years ending 12/31/90, 12/31/91 and 12/31/92.
197.2	None	Chapter 190 Section 2 Laws of 1990	Technical. Refers to fees and taxes as defined in Section 1800 of the Tax Law.
203-a.7	None	Chapter 190 Section 3 Laws of 1990	Same as above.
203-b.7	None	Chapter 190 Section 4 Laws of 1990	Same as above.

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208.1-A	TSB-M-90(II)C	Chapter 190 Section 7 Laws of 1990	New Section. Defines the term "New York S Corporation" and "Termination Year".
208.9(b)(4)	None	Chapter 190 Section 212 Laws of 1990	Deletes reference to taxes imposed by Article 13-A from the Article 9-A addback to ENI.
208.9(f)(4)	TSB-M-90(II)C	Chapter 190 Section 8 Laws of 1990	A NOLD is not allowed to an S Corporation for a loss incurred during an S year beginning prior to 1990 or incurred during a C year. The S year is treated as a taxable year for purposes of determining NOLD carry-forward or carryback.
208.9(h)(2)	TSB-M-90(II)C	Chapter 190 Section 9	Explains allocation of income between S and C Laws of 1990 short period reports during S termination year.
209.8	TSB-M-90(II)C	Chapter 190 Section 10 Laws of 1990	Repeals exemption provided for in Article 9-A for S corporations.
209-A	TSB-N-90(5)C	Chapter 190 Section 31 Laws of 1990	Tax Surcharge of 15%, 15% and 10%, respectively, to be imposed upon taxpayers subject to Article 9-A for the three taxable years ending after 6/30/90 but before 7/1/93.
209-B	TSB-M-90(II)C	Chapter 190 Section 10 Laws of 1990	Exempts New York S Corporations from M.T.A. surcharge.

<u>Tax Law Section</u>	<u>Reference to TSB-M</u>	<u>Chapter-Bill Section</u>	<u>Summary</u>
	TSB-M-90(15)C	Chapter 945 Section 6 Laws of 1990	Extends the M.T.A. surcharge of 17%, on tax imposed by Article 9-A of the Tax Law, to calendar years ending 12/31/90 and 12/31/91 and fiscal years or short periods ending in 1991 and 1992.
209-B.5	None	Chapter 464 Section 5 Laws of 1990	Valid M.T.A. surcharge extension requirements expanded to include payment of 100% of surcharge for previous taxable year (at least 12 months).
210.1(a) & (f)	TSB-M-90(11)C	Chapter 190 Section 11 Laws of 1990	Technical change. Makes mention of S corporations in sections dealing with imposition of tax.
210.1(a)(iii)	None	Chapter 190 Section 11 Laws of 1990	Provides small business taxpayer with method of pro-rata <sub>E</sub> tax when taxable period is less than 12 months.
210.1(g)	TSB-M-90(11)C	Chapter 190 Section 12 Laws of 1990	Imposes tax on S corporations which shall be higher of tax on ENI or Fixed Dollar Minimum less Article 22 tax. Tax shall never be less than \$325.
210.3(a)(4)	None	Chapter 190 Section 13 Laws of 1990	Technical.
210.12-B(f)	TSB-M-86(13.3)C	Chapter 624 Section 16 Laws of 1990	Added subparagraph 6 regarding decertification of business in economic development zone. Such decertification will be considered a disposal for purposes of recapture.

<u>Tax Law Section</u>	<u>Reference to TSB-M</u>	<u>Chapter-Bill Section</u>	<u>Summary</u>
210.19(b)	TSB-M-86(13.3)C	Chapter 624 Sec. 17, 18 & 19 Laws of 1990	Amendments regarding decertification added to subparagraphs (1) & (2). Added subparagraph (7) regarding computation of full time employees in an economic development zone for purposes of wages credit.
210.19(c)	TSB-M-86(13.3)C	Chapter 624 Section 20 Laws of 1990	Changes regarding computation of full time employees for purposes of EDZ wages credit.
210.21	TSB-M-90(11)C	Chapter 190 Section 14 Laws of 1990	No carryover of credit from New York C year will be allowed against tax due in New York S year. No credit allowable in New York S year may be deducted from Article 9-A tax. Renumbered former section 210.21 to 210.22.
211.1	TSB-M-90(11)C	Chapter 190 Section 15 Laws of 1990	Due date of New York S termination year report.
290-A	TSB-M-90(5)C	Chapter 190 Section 32 Laws of 1990	Tax Surcharge of 15%, 15% and 10%, respectively, to be imposed on taxpayers subject to Article 13 of the Tax Law for three taxable periods ending after 6/30/90 but before 7/1/93.
300(b)-300(g)	TSB-M-90(12)C	Chapter 190 Section 214 Laws of 1990	Repealed subdivisions 300(b)-300(g) in general definitions. Added new subdivisions 300(b)- 300(g) to define "petroleum business", "diesel motor fuel", "enhanced diesel motor fuel", "use" etc.

<u>Tax Law Section</u>	<u>Reference to TSB-M</u>	<u>Chapter-Bill Section</u>	<u>Summary</u>
301(a)	TSB-M-90(12)C	Chapter 190 Section 215 Laws of 1990	The tax imposed by Article 13-A will cease for taxable periods beginning on or after 9/1/90. Any taxable period beginning prior to 9/1/90 will be terminated as of 8/31/90. Prior to termination, the tax rate for the 3 month period 6/1/90-8/31/90 will be increased to 7.2%.
301-a	TSB-M-90(12)C	Chapter 190 Section 216 Laws of 1990	Added new section regarding imposition of tax. Art. 13-A will become a monthly tax equal to sum of motor fuel component, automotive - type diesel motor fuel component, non-automotive type of diesel fuel component and residual petroleum product component as determined pursuant to new subdivisions (b) (c) and (d) of this section. New subdivisions (e), (f) & (g) provide the cents per gallon tax rate on the various types of fuel.
301-b	TSB-M-90(12)C	Chapter 190 Section 216 Laws of 1990	Added new section regarding exemptions. Provides exemptions for products, export, sales to NY State and Federal Government, sales for residential heating purposes and sales to registered distributors.
301-c	TSB-M-90(12)C	Chapter 190 Section 216 Laws of 1990	Added new section regarding reimbursement of tax.

<u>Tax Law Section</u>	<u>Reference to TSB-M</u>	<u>Chapter-Bill Section</u>	<u>Summary</u>
301-d	TSB-M-90(12)C	Chapter 190 Section 216 Laws of 1990	Added new section regarding utility credit.
301-e	TSB-M-90(12)C	Chapter 190 Section 216 Laws of 1990	Added new section regarding aviation fuel business.
301-f	TSB-M-90(12)C	Chapter 190 Section 216 Laws of 1990	Added new section regarding imposition of tax surcharge on old Article 13-A filers.
301-g	TSB-M-90(12)C	Chapter 190 Section 216 Laws of 1990	Added new section to impose 15% tax surcharge on taxpayers subject to Article 13-A beginning with monthly reports due on or after September 1, 1990 up to and including 1992.
302	TSB-M-90(12)C	Chapter 190 Section 217 Laws of 1990	Old section was repealed. Added new section regarding registration of petroleum business.
303	TSB-M-90(12)C	Chapter 190 Section 218  Laws of 1990	Repealed section dealing with computation of gross receipts.
305	TSB-M-90(12)C	Chapter 190 Section 219 Laws of 1990	Amended section dealing with exempt entities.
306	TSB-M-90(12)C	Chapter 190 Section 218 Laws of 1990	Repealed section dealing with estimated taxes.
308	TSB-M-90(12)C	Chapter 190  Section 220 Laws of 1990	Amended section dealing with returns and payment of tax.
309	TSB-M-90(12)C	Chapter 190 Section 218 Laws of 1990	Repealed old section dealing with payment of tax.



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310(d) & (e)	TSB-M-90(12)C	Chapter 190 Section 221 Laws of 1990	Technical. Changes regarding dissolution and annulment penalties.
311	TSB-M-90(12)C	Chapter 190 Section 218 Laws of 1990	Repealed section dealing with penalties regarding certificates.
312	TSB-M-90(12)C	Chapter 190 Section 222 Laws of 1990	Amended section dealing with deposit and disposition of revenue.
314(a) & (e)	TSB-M-90(12)C	Chapter 190 Section 223 Laws of 1990	Amendments to subdivisions dealing with secrecy provisions.
315	TSB-M-90(12)C	Chapter 190 Section 224 Laws of 1990	Amendments to section dealing with practice and procedure.
658(c)(2)	TSB-M-90(11)C	Chapter 190 Section 20 Laws of 1990	Deletes S corporation filing fee.
1083(c)(9)	TSB-M-86(13.3)C	Chapter 624 Section 27 Laws of 1990	Added new paragraph to provide that any tax liability generated by decertification of EDZ business may be assessed within 3 years after commissioner has received notice of decertification.
1085(c)	TSB-M-90(11)C	Chapter 190 Section 27 Laws of 1990	Penalty for underpayment of estimated tax will not apply to S Corp when due date is less than 120 days after passage of Laws of 1990. (Sept. 22, 1990)
1453(b)(4)	None	Chapter 190 Section 227	Deletes reference to tax imposed by Article 13-A Laws of 1990 from Article 32 addback to ENI.

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1455-A	TSB-M-90(8)C	Chapter 190 Section 33 Laws of 1990	Replaces 2 1/2% tax surcharge with tax surcharge of 15%, 15% and 10%, respectively, on banking corporations for three taxable periods ending after 6/30/90 but before 7/1/93.
1455-B	TSB-M-90(15)C	Chapter 945 Section 7 Laws of 1990	Extends the M.T.A. tax surcharge of 17%, on tax imposed by Article 32 of the Tax Law, to calendar years ending 12/31/90 and 12/31/91 and fiscal years or short periods ending in 1991 and 1992.
1455-B.3	None	Chapter 464 Section 6 Laws of 1990	Expanded valid M.T.A. surcharge extension requirements to include payment of 100% of surcharge for previous taxable year (at least 12 months).
1456(e)(2)	TSB-M-86(13.3)C	Chapter 624 Sec. 29 & 30 Laws of 1990	Technical changes to subparagraph (B). Added subparagraph (G) computation of full time employees for purposes of EDZ wages credit.
1456(e)(3)(A)	TSB-M-86(13.3)C	Chapter 624 Section 31 Laws of 1990	Amended subparagraph regarding computation of full time employees for purposes of EDZ wages credit.
1503(b)(2)(D)	None	Chapter 190 Section 228  Laws of 1990	Deletes reference to tax imposed by Article 13-A from Article 33 addback to ENI.

<u>Tax Law Section</u>	<u>Reference to TSB-M</u>	<u>Chapter-Bill Section</u>	<u>Summary</u>
1505-a	TSB-M-90(15)C	Chapter 945 Section 8 Laws of 1990	Extends the M.T.A. tax surcharge of 17%, on tax imposed by Article 33 of the Tax Law, to calendar years ending 12/31/90 and 12/31/91 and fiscal years or short years ending in 1991 and 1992.
1505-a(e)	None	Chapter 464 Section 7 Laws of 1990	Valid M.T.A. surcharge extension requirements expanded to include payment of 100% of surcharge from previous taxable year (at least 12 months).
1511(g)(2)	TSB-M-86(13.3)C	Chapter 624 Sec. 32, 33 & 34 Laws of 1990	Technical changes to subparagraphs (A) & (B). Added subparagraph (G) regarding computation of full-time employees.
1511(g)(3)(A)	TSB-M-86(13.3)C	Chapter 624 Section 35 Laws of 1990	Amendment regarding computation of full time employees for purposes of EDZ wages credit.
1520	TSB-M-90(7)C	Chapter 190 Section 34 Laws of 1990	Replaces 2 1/2% tax surcharge with tax surcharge of 15%, 15% and 10%, respectively, on insurance corporations for three taxable periods ending after 6/30/90 but before 7/1/93.
1550	TSB-M-90(9)C	Chapter 190 Section 199 Laws of 1990	New section under new Article 33-A of the Tax Law, which is a tax on independently procured insurance. This section defines terms "persons" "premium" and "taxable insurance contract"

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1551	TSB-M-90(9)C	Chapter 190 Section 199 Laws of 1990	New section dealing with imposition of tax. Tax is imposed on any person who purchases or renews a taxable insurance contract on or after 7/1/90, purchased from an unauthorized insurer, at the rate of 3.6%.
1552	TSB-M-90(9)C	Chapter 190 Section 199 Laws of 1990	New section dealing with allocation of taxable insurance contracts where risk is located within and without New York State.
1553	TSB-M-90(9)C	Chapter 190 Section 199 Laws of 1990	New section. Provides exemptions to Article 33-A of the Tax Law.
1554	TSB-M-90(9)C	Chapter 190 Section 199 Laws of 1990	New section to Article 33-A of the Tax Law which deals with returns and payments.
1555	TSB-M-90(9)C	Chapter 190 Section 199 Laws of 1990	New section to Article 33-A which deals secrecy provisions and penalties for violation.
1556	TSB-M-90(9)C	Chapter 190 Section 199 Laws of 1990	New section to Article 33-A which deals with procedure.
1557	TSB-M-90(9)C	Chapter 190 Section 199 Laws of 1990	New section to Article 33-A which deals with deposit and disposition of revenue.
1801(b)	None	Chapter 190 Sections 200 and 229 Laws of 1990	Technical changes.

<u>Tax Law Section</u>	<u>Reference to TSB-M</u>	<u>Chapter-Bill Section</u>	<u>Summary</u>
1803(a) & (c)	None	Chapter 190 Sections 201, 202 and 230 Laws of 1990	Technical changes.
1805	None	Chapter 190 Sections 203 and 231 Laws of 1990	Technical changes.
1809	None	Chapter 190 Sections 205 and 233 Laws of 1990	Technical changes.
1810	None	Chapter 190 Sections 206 and 233 Laws of 1990	Technical changes.
1812-e	None	Chapter 190 Section 234 Laws of 1990	Added section dealing with persons not registered as a residual petroleum product business.
1812-f	None	Chapter 190 Section 235 Laws of 1990	Added section dealing with penalties imposed as a result of attempting to evade or defeat Article 13-A tax.
1825	None	Chapter 190 Section 207 Laws of 1990	Technical changes.