
Important Notice

August 2003

Use of Computer-Generated Forms to Report Estimated Tax Payments for Partners and Shareholders Who Are C Corporations or Nonresident Individuals

Section 658 of the Tax Law was amended for 2003 to require partnerships (including limited liability companies (LLCs) or limited liability partnerships (LLPs) that are treated as partnerships for federal income tax purposes) and New York S corporations, that have any income derived from New York sources, to make estimated income tax payments on behalf of partners or shareholders who are C corporations (any corporation other than a federal S corporation) or nonresident individuals.

Partnerships and New York S corporations must file Form IT-2658, *Report of Estimated Tax for Nonresident Individual Partners and Shareholders*, to make estimated tax payments on behalf of partners or shareholders who are nonresident individuals.

Partnerships must file Form CT-2658, *Report of Estimated Tax for Corporate Partners*, to make estimated tax payments on behalf of partners that are C corporations.

Partnerships and S corporations may utilize computer-generated forms to report estimated tax payments for partners and shareholders as required on Forms IT-2658 and CT-2658 (and the related attachment forms). Computer-generated forms consist of the data fields only, line by line, produced by a computer peripheral device on blank paper. This includes spreadsheets (Excel, Lotus, etc.) that are attached to the return and show individual partnership and shareholder distributions and other computer-printed data.

General requirements for computer-generated forms:

- You must reproduce **all** of the vertical columns and horizontal rows of the original form.
- The spreadsheet must be printed on 8½ “ x 11” paper in portrait mode. Column and row lines must be printed in the same fashion as the original return (see examples below). All of the columns must fit on a single printed page.
- **Minimum** font size is 12 points. *Courier* is the preferred font.
- All text and numerical data should have **left justification**.
- Estimated tax payments for each partner or shareholder should be rounded to whole dollar amounts.
- The taxpayer ID number and the name of the business entity making the payment must appear on the top right corner of **each sheet**. Also print the tax period covered by the spreadsheet in this area.
- The Tax Department does not pre-approve all computer-generated forms. If incorrect forms are submitted and the correct tax is not reported and paid on time, taxpayers will be liable for penalty and interest at the prevailing rates.

Additional Form IT-2658-ATT, Attachment to Report of Estimated Tax for Nonresident Individual Partners and Shareholders, requirements

You must reproduce the first column (*Tax Department use only*) according to the following specifications: the minimum column width is 2.5" and minimum row height is 1.5 “.

Additional Form CT-2658-ATT, Attachment to Report of Estimated Tax for Corporate Partners, requirements

The percentage of ownership (Column 2) may be carried to four decimal places only. If the actual percentage of ownership is below 4 decimal places, round the percentage to 00.0001.

Need help?

You may obtain copies of original forms and instructions by accessing our Web site at www.nystax.gov, by calling our fax-on-demand forms ordering system at 1 800 748-3776, or by calling 1 800 462-8100.

Please see the following New York State publications for additional information on this topic:

- Publication 75, *Specifications for Reproduction of Nonscannable New York State Income Tax Forms**
- Publication 75-S, *Specifications for Reproduction of Scannable New York State Income Tax Forms**
- Publication 76, *Specifications for Reproduction of New York State Corporation Tax Forms*

* For tax year 2003 Publications 75 and 75-S are being combined into one income tax forms publication.

Spreadsheet examples

The following examples illustrate acceptable spreadsheets for reporting estimated tax for partners and shareholders.

CT-2658 Spreadsheet example

Business ID 17 14756493
 Name XYZ Corp
 Tax Period 01-09 2003

<u>Corporate Partner Name</u>	<u>EIN</u>	<u>NYS Source Income</u>	<u>Estimated Tax Payment</u>
AAA Corporation <u>Address</u> 2000 West Street Atlanta, GA 54321 <u>Contact Name</u> Guy Bowers <u>Telephone Number</u> 401 347-8761	13 17634531 <u>Ownership %</u> 1%	4,000,000	300,000
BBB Corporation <u>Address</u> 205 Boss Drive Newark NJ 23071 <u>Contact Name</u> Jamie Larsen <u>Telephone Number</u> 891 456-9230	12 16345210 <u>Ownership %</u> 25%	100,000,000	7,500,000
CCC Corporation <u>Address</u> Mocking Bird Lane Wilmington, DE 30123 <u>Contact Name</u> Vince Guard <u>Telephone Number</u> 541 675-9810	19 32456781 <u>Ownership %</u> 0.0001%	4,000	300

Tax Department Use Only			
	<u>Partner's/shareholders last name</u> Smith <u>First Name, middle initial</u> Joan, B <u>Percentage of Ownership</u> 1.00%	<u>SS #</u> 058-47-9253 <u>Name Code</u> SMI	<u>Estimated Tax Payment</u> 300,000
	<u>Partner's/shareholders last name</u> Jones <u>First Name, middle initial</u> John, A <u>Percentage of Ownership</u> 25.00%	<u>SS #</u> 132-94-5768 <u>Name Code</u> JON	<u>Estimated Tax Payment</u> 7,500,000
	<u>Partner's/shareholders last name</u> Denis <u>First Name, middle initial</u> Robert <u>Percentage of Ownership</u> 0.0001%	<u>SS #</u> 987-43-9845 <u>Name Code</u> DEN	<u>Estimated Tax Payment</u> 300