

GENERAL INFORMATION ON NEW YORK STATE AND NEW YORK CITY INCOME TAX CREDITS FOR INDIVIDUALS

For tax year 2006



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Highlights of new credits for tax year 2007:

Credit for rehabilitation of historic properties

For tax years beginning on or after January 1, 2007, a New York State personal income tax credit is allowed for the rehabilitation of historic properties in New York State. The credit equals 30% of the federal credit allowed to the taxpayer under Internal Revenue Code (IRC) section 47(c)(3). However, the amount of the credit cannot exceed \$100,000. If the amount of the credit exceeds the taxpayer's tax for the year, the excess may be carried over to the following tax year or years.

Historic homeownership rehabilitation credit

For tax years beginning on or after January 1, 2007, a New York State personal income tax credit is allowed for costs incurred by the taxpayer for qualified rehabilitation expenditures with respect to the certified rehabilitation of a qualified historic home which is the taxpayer's residence and is located in New York State. The amount of the credit is equal to 20% of the qualified rehabilitation expenditures made by the taxpayer. However the amount of the credit cannot exceed \$25,000 for any residence of the taxpayer. If the amount of the credit exceeds the taxpayer's tax for the year, the excess may be carried over to the following tax year or years. The program will be administered by the New York State Office of Parks, Recreation, and Historic Preservation (www.nysparks.state.ny.us).

Volunteer firefighters' and ambulance workers' credit

Beginning in 2007, a New York State resident who serves as an active volunteer firefighter or volunteer ambulance worker for the entire tax year may be entitled to a \$200 tax credit. You may claim a refund of any volunteer firefighters' and ambulance workers' credit that is in excess of your New York State tax liability.

General

New York State taxpayers may be able to reduce their income tax liability by claiming certain tax credits. Individuals who do not owe any income tax may qualify to claim a refund of certain credits. Although the New York State Tax Law conforms generally to the federal tax law, New York State tax credits are different from federal credits. New York State taxpayers may claim only those credits that are specifically allowed by the New York State and New York City personal income tax laws.

Certain credits described in this publication are also available to estates and trusts, and beneficiaries of estates and trusts, if the estate or trust qualifies for the credit.

This publication identifies the available New York State and New York City personal income tax credits, the qualifications for the credits, whether or not the credits are refundable, the forms involved, and where to get additional information.

For information on who must file a New York State income tax return, see the instructions for Form IT-150, *Resident Income Tax Return* (short form), Form IT-201, *Resident Income Tax Return* (long form), Form IT-203, *Nonresident and Part-Year Resident Income Tax Return*, or Form IT-205, *Fiduciary Income Tax Return*.

For information on income tax credits available for businesses and their owners, see page 29, *Credits available to sole proprietors, partners, and New York S corporation shareholders*, and Publication 99-B, *General Information on New York State and New York City Income Tax Credits for Businesses – For Tax Year 2006*.

New York State credits

Accumulation distribution credit

Tax Law sections 621, 635, and 1310(a)

An accumulation distribution results when a trust distributes income that was received by the trust in a prior year or years and which the trust retained. If you are the beneficiary of a trust who receives an accumulation distribution, and you include the distribution in your New York State income, you may be entitled to a credit for New York State and New York City income taxes paid by the trust in the prior tax year or years. The credit is for all or a proportionate part of those taxes paid which would not have been paid if the trust had made distributions to beneficiaries.

This credit is available to resident, part-year resident and nonresident individuals of New York State.

The accumulation distribution credit is not refundable, and any unused credit cannot be carried forward to a future year.

To claim this credit, you must complete Form IT-201-ATT, *Other Tax Credits and Taxes*, and attach it to your Form IT-201, or complete Form IT-203-ATT, *Other Tax Credits and Taxes*, and attach it to your Form IT-203.

Alternative fuels credit carryover for tax years prior to 2005

Tax year 2004 was the last year you could claim the original alternative fuels credit. However, any unused credit from a prior year in which the credit was allowed can be carried over to tax years after 2004.

If you previously claimed the alternative fuels credit and that property was disposed of, modified, or removed from qualified use, you may have to recapture part of the credit you claimed in prior years.

Note: For tax years beginning after 2005 and before 2011, the alternative fuels credit has been reinstated for alternative fuel vehicle refueling property that is used in a trade or business located in New York State.

For more information, see Form IT-253, *Alternative Fuels Credit*, and the instructions for Form IT-253.

Automated external defibrillator credit

Tax Law sections 606(s) and 606(i)

If you purchase an automated external defibrillator(s), you may be entitled to the automated external defibrillator credit. However, the credit is not allowed for automated defibrillators purchased for resale.

An *automated external defibrillator*, as defined under Public Health Law section 3000-b, is a medical device approved by the United States Food and Drug Administration, that:

- is capable of recognizing the presence or absence, in a patient, of ventricular fibrillation and rapid ventricular tachycardia;
- is capable of determining, without intervention by an operator, whether defibrillation should be performed on the patient;
- upon determining that defibrillation should be performed, automatically charges and requests delivery of an electrical impulse to the patient's heart; and
- then, upon action by an operator, delivers an appropriate electrical impulse to the patient's heart to perform defibrillation.

The credit is equal to the lesser of the purchase cost of the unit, or \$500. There is no limit on the number of units purchased during the tax year for which the credit may be taken. However, the credit cannot exceed \$500 for **each** unit purchased.

The automated external defibrillator credit is not refundable, and any unused credit cannot be carried forward to a future year.

To claim this credit, you must complete Form IT-250, *Claim for Credit for Purchase of an Automated External Defibrillator*, and attach it to your Form IT-201, IT-203, or IT-205.

Child and dependent care credit

Tax Law section 606(c)

If you **qualify** to claim the federal child and dependent care credit, you can **claim** the New York State child and dependent care credit (whether or not you actually claimed the federal credit). The New York State credit is based on a percentage of the federal credit.

If you did not file a claim for the federal child and dependent care credit, you can still claim the New York State child and dependent care credit if **all four** of the following apply:

1. Your filing status is *Single, Head of household, Qualifying Widow(er) with dependent child, or Married filing jointly*. However, see the special rule for *Married persons filing separate federal and New York State returns* in the instructions for Form IT-216, *Claim for Child and Dependent Care Credit*.
2. The care was provided so you (and your spouse, if you were married) could work or look for work. However, if you did not find a job and have no earned income for the year, you cannot take the credit. If your spouse was a student or disabled, see the instructions for Form IT-216.
3. Your child (or other qualifying person(s) for whom the care was provided) lived in the same home with you for more than half the year.
4. The person who provided the care was not your spouse or a person whom you can claim as a dependent. If your child provided the care, he or she must have been age 19 or older by the end of 2006.

A **qualifying person** is:

- A child **under age 13** whom you can claim as a dependent (see also *Special rule for children of divorced or separated parents* on page 9 of this publication). If the child turned age 13 during the year, the child is a qualifying person for the part of the year he or she was under age 13.
- Your disabled spouse who is not able to care for himself or herself.
- Any disabled person not able to care for himself or herself whom you can claim as a dependent (or could claim as a dependent except that the person had gross income of \$3,200 or more or filed a joint return).
- Any disabled person not able to care for himself or herself whom you could claim as a dependent except that you (or your spouse if filing a joint return), could be claimed as a dependent on someone else's 2006 return.

To be a qualifying person, the person must have lived with you for more than half of 2006.

Special rule for children of divorced or separated parents. Even if you cannot claim your child as a dependent, he or she is treated as your qualifying person if:

- The child was under age 13 or was physically or mentally not able to care for himself or herself;
- You were the child's custodial parent (the parent with whom the child lived for the greater part of 2006); **and**
- The noncustodial parent is entitled to claim the child as a dependent under the special rules for a child of divorced or separated parents. If this special rule applies, the noncustodial parent cannot treat the child as a qualifying person.

The New York State child and dependent care credit is a minimum of 20% and can be as much as 110% of the federal credit, depending on the amount of your New York adjusted gross income.

The credit is available to resident, part-year resident and nonresident individuals.

New York State residents and part-year residents may qualify for a refund of any child and dependent care credit in excess of their New York State tax liabilities. Nonresidents do not qualify for a refund of the New York State child and dependent care credit.

How to claim the child and dependent care credit:

To claim this credit, you must complete Form IT-216, *Claim for Child and Dependent Care Credit*, and attach it to your Form IT-150, IT-201, or IT-203.

For more information on the qualifications to claim the federal child and dependent care credit, see federal Publication 503, *Child and Dependent Care Expenses*. This federal publication is available on the Internal Revenue Service (IRS) Web site at www.irs.gov.

Claim of right credit

Tax Law section 662

Claim of right income is income that was properly reported on a prior year's tax return, but was later determined to have been paid to you in error and therefore, had to be repaid. If you have claim of right income for federal tax purposes and are taking a federal claim of right credit on your federal return, you may also be entitled to a claim of right credit on your New York State return for New York State, New York City, and Yonkers taxes.

The credit is available to individuals, estates, and trusts. The amount of the credit for New York State residents, part-year residents, and nonresidents, and New York City or Yonkers residents, is the difference between the amount of New York State, New York City, or Yonkers tax originally reported on the prior year's return, and the tax that would have been reported on that return if the income had not been included on that return.

Example: In 2006, you repaid under a claim of right \$5,000 of unemployment compensation benefits that were included on your 2004 New York State return. The New York State tax originally reported on your 2004 return was \$809. Your 2004 New York State tax, computed without including the \$5,000 on your return, is \$519. Your 2006 New York State claim of right credit is \$290 (\$809-\$519).

If you were subject to the New York City nonresident earnings tax (for tax years prior to 2000) or the Yonkers nonresident earnings tax, and the claim of right income affects the computation of wages or net earnings from self-employment, a claim of right credit may be allowed. The credit is the difference between the amount of New York City or Yonkers nonresident earnings tax originally reported on the prior year's return, and the tax that would have been reported if the income had not been included on that nonresident earnings tax return.

You may claim a refund of any claim of right credit that is in excess of your New York State tax liability.

To claim this credit, you must complete Form IT-257, *Claim of Right Credit*, and attach it to your Form IT-201, IT-203, or IT-205.

Clean heating fuel credit

Tax Law section 606(mm)

If you purchase bioheat for space heating or hot water production for residential purposes within New York State, you may be entitled to the clean heating fuel credit. The credit is available for tax years beginning in 2006 and 2007 and applies to bioheat purchased on or after July 1, 2006, and before July 1, 2007.

Bioheat means a fuel comprised of biodiesel blended with conventional home heating oil, which meets the specifications of the American Society of Testing and Materials (ASTM) designation D 396 or D 975.

Biodiesel means a fuel comprised exclusively of mono-alkyl esters of long chain fatty acids derived from vegetable oils or animal fats, designated B 100 (pure biodiesel), which meets the specifications of ASTM designation D 6751.

Residential purposes means any use of a structure, or part of a structure, as a place of abode maintained by or for a person, whether or not owned by the person, on other than a temporary or transient basis. This includes multi-family dwelling units such as multi-family homes, apartment buildings, condominiums, and cooperative apartments. The structure must be located in New York State.

Residential purposes do not include the part of a structure used as a hotel, motel, or similar space, except for those units used by the same occupant for at least 90 consecutive days.

The credit amount equals \$0.01 per gallon for each percent of biodiesel included in the bioheat, not to exceed \$0.20 per gallon, purchased by the taxpayer on or after July 1, 2006, and before July 1, 2007. If you make more than one purchase of bioheat that qualifies for this credit and the percentage of biodiesel included in the bioheat varies, a separate calculation must be made for each purchase of bioheat.

Note: The percentage of biodiesel included in the bioheat is the number or numbers preceded by the letter *B* in the bioheat designation. For example, bioheat designated **B5** contains 5% biodiesel.

If two or more taxpayers share in the purchase of bioheat, the amount of the credit allowable to each taxpayer is to be prorated according to the percentage of the total bioheat purchased by each taxpayer.

If you purchase bioheat for a premises that has both residential and nonresidential space but has only one tank for the storage of the bioheat fuel, you will need to determine the percentage of the premises used for residential purposes in order to properly compute the credit (see the instructions for Form IT-241, *Claim for Clean Heating Fuel Credit*).

The credit is claimed for the tax year (2006 or 2007) in which the bioheat is purchased. In general, bioheat is deemed purchased on the date of delivery regardless of when the payment is made. For example, bioheat that is paid for through a budget payment plan whereby you make monthly payments to the supplier and the supplier charges your account for the cost of the bioheat delivered, will be deemed purchased on the date the delivery was made, even if your budget account does not contain sufficient funds to cover the cost of the delivery. However, bioheat that is purchased under a plan that requires you to prepay the supplier for a certain number of gallons of bioheat at a fixed price will be treated as purchased on the date the prepayment was made, not the date of delivery.

You may claim a refund of any clean heating fuel credit that is in excess of your New York State tax liability.

To claim this credit you must complete Form IT-241, *Claim for Clean Heating Fuel Credit*, and attach it to your Form IT-201, IT-203, or IT-205.

For more information, see TSB-M-06(6)I, *Home Heating System Credit and the Clean Heating Fuel Credit*.

College tuition credit

Tax Law section 606(t)

If you, your spouse, or your dependent(s) were a student enrolled at or attending an institution of higher education, you may be entitled to a college tuition credit. The credit is available to full-year New York State resident individuals only.

If an eligible student is claimed as a dependent on another person's New York State tax return, only the person who claims the student as a dependent may claim the credit. However, if your spouse is the eligible student, see *Spouses filing separately* on page 13 of this publication.

Eligible student means you, your spouse, or your dependent (for whom an exemption for New York State income tax purposes is allowed).

Qualified college tuition expenses mean the tuition required for the enrollment or attendance of the eligible student at an institution of higher education. The expenses may be paid by cash, check, credit card, or with borrowed funds. In addition, the eligible student does not have to be enrolled in a degree program or attend full time for the expenses to qualify. However, **only expenses for undergraduate enrollment or attendance qualify**. Expenses for enrollment or attendance in a course of study leading to the granting of a postbaccalaureate or other graduate degree **do not qualify**.

Generally, qualified tuition expenses paid on behalf of an eligible student by someone other than the student (such as a relative) are treated as paid by the student. However, if the eligible student is claimed as a dependent on another person's New York State income tax return, qualified tuition expenses paid (or treated as paid) by the student are treated as paid by the person who claims the student as a dependent. Therefore, if you claim the student as a dependent, you are treated as having paid expenses that were paid from the student's earnings, gifts, inheritances, or savings.

Qualified college tuition expenses paid on behalf of an eligible student from a qualified state tuition program (such as New York's 529 College Savings Program) are considered qualified college tuition expenses for purposes of this credit. However, if the student is claimed as a dependent on your New York State tax return, these payments are also treated as paid by you.

Qualified tuition expenses do not include:

- Tuition paid through the receipt of scholarships or financial aid (For this purpose, financial aid does not include student loans, other loans, and grants that must be repaid either before or after the student ceases attending school.)
- Amounts paid for room and board, insurance, medical expenses (including student health fees), transportation, or other similar personal, living, or family expenses

- Fees for course-related books, supplies, equipment, and nonacademic activities, even if the fees are required to be paid as a condition of enrollment or attendance

An *institution of higher education* means any institution of higher education or business, trade, technical, or other occupational school, located in or outside of New York State, that is recognized and approved by either the regents of the University of New York or a nationally recognized accrediting agency or association accepted by the regents. In addition, the institution or school must provide a course of study leading to the granting of a post-secondary degree, certificate, or diploma.

The maximum amount of qualified college tuition expenses allowed for each eligible student is \$10,000, and there is no limit on the number of eligible students for whom you may claim a credit.

If your total qualified college tuition expenses allowed for all eligible students are \$5,000 or more, the credit for 2006 is 4% of your qualified college tuition expenses (up to \$10,000 per eligible student).

Accordingly, the college tuition credit allowed for tax year 2006 is limited to \$400 for each eligible student.

If your total qualified college tuition expenses for all eligible students are less than \$5,000, the credit is equal to the lesser of your total qualified college tuition expenses or \$200.

You may claim a refund of any college tuition credit that is in excess of your New York State tax liability.

College tuition itemized deduction:

In lieu of claiming the credit, you may elect to claim the New York college tuition itemized deduction if you itemized your deductions on your federal return. A worksheet is provided in the instructions for Form IT-272, *Claim for College Tuition Credit or Itemized Deduction*, to help you determine whether the credit or the deduction offers you the greater tax savings. **You may claim the credit or the deduction, but not both.**

The college tuition itemized deduction is also available to nonresident and part-year resident taxpayers. To claim the college tuition itemized deduction, nonresidents and part-year residents must complete Schedule C of Form IT-203-B, *Nonresident and Part-Year Resident Income Allocation and College Tuition Itemized Deduction Worksheet*, and attach it to Form IT-203.

Spouses filing separately:

If you and your spouse are filing separate returns, you can each claim your own credit, or one spouse may claim the college tuition credit and the other spouse may claim the itemized deduction. However, you must each claim

your separately computed credit or deduction based only on the amount of qualified college tuition expenses **you paid** (or were treated as paid by you) for yourself, your spouse, or a person whom you claim as a dependent on your separate return. You cannot claim a credit or deduction for qualified college tuition expenses that you paid for your spouse's dependent. (These expenses are treated as paid by your spouse for purposes of the credit.)

To claim this credit, you must complete Form IT-272, *Claim for College Tuition Credit or Itemized Deduction*, and attach it to Form IT-150 or Form IT-201.

For more information, see Publication 10-W, *FAQs: New York State College Tuition Credit and Itemized Deduction*.

Conservation easement tax credit

Tax Law section 606(kk)

If you own land in New York State that is subject to a conservation easement held by a public or private conservation agency, you may be entitled to a credit of 25% of the allowable school district, county, and town real property taxes you paid in 2006 on this land (excluding real property taxes paid on buildings, structures, and improvements).

Conservation easement means a perpetual and permanent conservation easement as defined in Article 49 of the Environmental Conservation Law (ECL) on land located in New York State that:

- is held by a public or private conservation agency;
- serves to protect open space, biodiversity, or scenic, natural, agricultural, watershed, or historic preservation resources;
- is filed with the Department of Environmental Conservation (DEC) by the person causing the document to be so recorded, as provided for in ECL Article 49;
- complies with the provisions of ECL, Article 49, Title 3; and
- complies with the provisions of the Internal Revenue Code (IRC) section 170(h).

Note: You should maintain adequate records to substantiate the conservation easement's compliance with the provisions of IRC 170(h), including but not limited to a copy of federal Form 8283, *Noncash Charitable Contributions*, for the year of the donation. Under certain circumstances, a letter from the public or private conservation agency may also be adequate.

Dedications of land for open space through the execution of conservation easements for the purpose of fulfilling density requirements to obtain subdivision or building permits are **not** considered a conservation easement for purposes of this credit.

Land means a fee simple title to real property located in New York State, with or without improvements thereon; rights of way, water and riparian rights, easements, privileges, and all other rights or interests of any land or description in, relating to or connected with real property, excluding buildings, structures, and improvements.

Public or private conservation agency means:

- any state, local, or federal government body, or
- any private not-for-profit charitable corporation or trust that is authorized to do business in New York State; organized and operated to protect land for natural resources, conservation or historic preservation purposes; is exempt from federal tax under Internal Revenue Code (IRC) section 501(c)(3); and has the power to acquire, hold, and maintain land or interests in land for these purposes.

The conservation easement credit cannot exceed \$5,000 in any given year. Additionally, when this credit is combined with any other income tax credit for school taxes, county, and town real property taxes, the amount of the combined credits cannot exceed the total amount of these taxes.

You may claim a refund of any conservation easement tax credit that is in excess of your New York State tax liability.

To claim this credit, you must complete Form IT-242, *Claim for Conservation Easement Tax Credit*, and attach it to your Form IT-201, IT-203, IT-205, or IT-204.

Empire State child credit

Tax Law section 606 (c-1)

If you are a full-year New York State resident or married to a full-year resident, you may be entitled to the Empire State child credit.

You may claim the Empire State child credit if you have a qualifying child **and**:

1. you have a federal child tax credit or a federal additional child tax credit (claimed on federal Form 1040 or Form 1040A), **or**
2. your federal adjusted gross income is \$110,000 or less if you are married filing a joint return; \$75,000 or less and your filing status is single, head of household, or qualifying widow(er); or \$55,000 or less and your filing status is married filing separate returns.

A *qualifying child* is a child who meets the definition of a qualifying child under the federal child tax credit (Internal Revenue Code section 24(c) **and** is at least four years of age on December 31st of the tax year. (There is no minimum age for the federal child tax credit.)

If you claimed the federal child tax credit, the amount of the Empire State child credit is equal to the greater of 33% of the portion of the federal child tax credit attributable to qualifying children, or \$100 multiplied by the number of qualifying children.

If you did not claim the federal child tax credit and your income does not exceed a particular amount (see item 2. on page 15 of this publication), the amount of the Empire State child credit is \$100 multiplied by the number of qualifying children.

If you filed a joint federal return but are required to file separate New York State returns because you were a full-year New York State resident for 2006, and your spouse was a part-year resident or nonresident for 2006, the credit may be claimed by either spouse or may be divided in any manner you wish.

You may claim a refund of any Empire State child credit that is in excess of your New York State tax liability.

To claim this credit, you must complete Form IT-213, *Claim for Empire State Child Credit*, and attach it to your Form IT-150, IT-201, or IT-203. If you have already filed your 2006 New York State income tax return, you may file Form IT-213 by itself.

**Fuel cell electric
generating
equipment credit**

Tax Law section 606(g-2)
and 606(i)

If you purchase and install eligible fuel cell electric generating equipment, you may be entitled to the fuel cell electric generating equipment credit. The equipment must be installed and used in New York State and must be placed in service on or after July 1, 2005.

Note: Under prior law, for tax years beginning on or after January 1, 2003, individuals could claim a credit for the fuel cell electric generating equipment installed at their principal residence. This credit was claimed on Form IT-255, *Claim for Solar and Fuel Cell Electric Generating Equipment Credits*. The law was amended to eliminate the prior credit, effective January 1, 2005, and replaced it with this new credit. However, since the new credit applies to expenditures made on or after July 1, 2005, individuals cannot claim a credit for any fuel cell electric generating equipment expenditures that were incurred between January 1, 2005, and July 1, 2005.

Fuel cell electric generating equipment means an on-site electricity generation system that utilizes proton exchange membrane fuel cells, providing a rated baseload capacity of at least one kilowatt (1,000 watts) but no more than 100 kilowatts (100,000 watts) of electricity operated in accordance with applicable industry standards.

Qualified fuel cell electric generating equipment expenditures means qualified expenditures incurred on or after July 1, 2005, associated with the purchase of fuel cell electric generating equipment that is installed and used in New York State.

Qualified expenditures include expenditures incurred on or after July 1, 2005, for materials, labor costs properly allocated to on-site preparation, assembly and original installation, engineering services, designs and plans directly related to the construction or installation, and utility compliance costs of the fuel cell electric generating equipment.

Expenditures made with nontaxable federal, state, and local grants, and any interest or finance charges, **do not** qualify as fuel cell electric generating equipment expenditures.

The credit is 20% of your qualified fuel cell electric generating equipment expenditures **or** \$1,500, whichever is less. There is no limit on the number of fuel cell units you may purchase during the year; however, the credit cannot exceed \$1,500 for **each** unit purchased. The credit will be allowed for the tax year in which the fuel cell electric generating equipment is placed in service.

The fuel cell electric generating equipment credit is not refundable. However, any credit in excess of the tax due can be carried over to the following five years.

To claim this credit, you must complete Form IT-259, *Claim for Fuel Cell Electric Generating Equipment Credit*, and attach it to your Form IT-201, IT-203 or IT-205.

Green building credit

Tax Law section 19, 606(y), and 606(i)

If you create, rehabilitate, and maintain a building that meets specified environmental and energy efficiency standards, you may be entitled to the green building credit. This will be accomplished through the use of environmentally preferable building materials and the utilization of technologies that focus on renewable and clean energy and which also provide energy efficiency. The credit will be administered by the New York State Department of Environmental Conservation (DEC) which is responsible for determining both eligibility for the credit and the amount of credit. The credit is allowed for tax years beginning in 2001 through 2014.

To qualify for this credit, you must obtain an initial credit component certificate from DEC.

The green building credit is not refundable. However, any amount of credit or carryover of credit not deductible in the current year may be carried over to the following year or years.

To claim this credit, you must complete Form DTF-630, *Claim for Green Building Credit*, and attach it to your Form IT-201, IT-203, IT-205, or IT-204.

For more information on the green buildings credit, see the instructions for Form DTF-630 and Publication 99-B, *General Information on New York State and New York City Income Tax Credits for Businesses – For tax year 2006*, or access the New York State Department of Environmental Conservation Web site (www.dec.state.ny.us).

Historic barn rehabilitation credit

Tax Law sections 606(a)(12) and 606(i)

If you make qualified rehabilitation expenditures, as defined in section 47(c)(2) of the Internal Revenue Code (IRC), you may be entitled to the historic barn rehabilitation credit. The expenditures must be paid or incurred for any barn located in New York State that is a qualified rehabilitated building, as defined in section 47(c)(1) of the IRC.

The barn must be a building originally designed and used for storing farm equipment or agricultural products, or for housing livestock. No rehabilitation credit is allowed for a barn converted to a residence or for a barn whose historic appearance has been altered. A barn that is newly constructed to replace one that had existed on a site and was destroyed is not a qualified rehabilitated building.

Qualifying rehabilitated building is a barn (and its structural components) as defined in section 47(c)(1) of the IRC, which is located in New York State, and satisfies the following criteria:

1. The barn is a certified historic structure or was first placed in service before 1936 (for exceptions, see item 4, below).
2. The barn has been substantially rehabilitated. A barn will be considered *substantially rehabilitated* only if the expenditures incurred during the 24-month period you selected, and ending with or within the tax year, exceed the greater of the adjusted basis of the barn or \$5,000. Under certain circumstance, the rehabilitation work may extend over a number of tax years.
3. The barn was placed in service before the beginning of the rehabilitation. A barn qualifies for the credit if it had been placed in service as a barn by any person prior to the rehabilitation, even if it is not in service at the time the rehabilitation is done.
4. For barns that are not certified historic structures and which were placed in service before 1936:
 - fifty percent or more of the existing external walls of the barn are retained in place as external walls;
 - seventy-five percent or more of the existing external walls of the barn are retained in place as internal or external walls; and
 - seventy-five percent or more of the existing internal structural framework of the barn is retained in place.

5. Depreciation (or amortization in lieu of depreciation) is allowable for the barn.

Qualified rehabilitation expenditures is defined in section 47(c)(2) of the IRC. A *qualified rehabilitation expenditure* must, among other things, be properly chargeable to a capital account for property which qualifies for depreciation under section 168 of the IRC.

The amount of the credit is 25% of the qualifying rehabilitation expenditures paid or incurred for any barn located in New York State that is a qualified rehabilitated building.

If the historic barn rehabilitation credit exceeds your tax, the unused amount may be carried over to the following ten years. If you qualify as the owner of a new business, you may elect to have the excess historic barn rehabilitation credit refunded.

If a rehabilitated historic barn for which this credit has been allowed is disposed of or ceases to be in qualified use prior to the end of its useful life (that is the number of months you or your business have chosen to depreciate the property for purposes of the IRC), the difference between the credit taken and the credit allowed for actual use must be added back to the tax otherwise due in the year the qualified use ceased or the year of disposition.

To claim this credit, you must complete Form IT-212-ATT, *Claim for Historic Barn Rehabilitation Credit and Employment Incentive Credit*, and attach it to your Form IT-212, *Investment Credit*, which must be filed with your Form IT-201, IT-203 or IT-205.

For more information, see TSB-M-97(1)I, *A Credit for Rehabilitation of Historic Barns*.

Home heating system credit

Tax Law section 606(l)

If you replace the existing home heating system in your principal residence in New York State with an Energy Star labeled heating system, you may be entitled to the home heating system credit. The credit is available for tax years beginning in 2006 and 2007 and is allowed for cost incurred after July 1, 2006, and before July 1, 2007, that are directly associated with the replacement of the existing home heating system.

To qualify for this credit, the home heating system that replaces the old system must, after installation, qualify for and be labeled with an Energy Star label. An Energy Star label is placed on a home heating system by the manufacturer according to an agreement by the manufacturer with the United States Environmental Protection Agency and the United States Department of Energy.

Principal residence means the home where you live most of the time. A summer or vacation home does not qualify. A principal residence can be a

house, whether owned or rented, a mobile home, cooperative apartment, or condominium.

Home heating system is the primary system in the home that generates heat and distributes it by air, water, or steam to various rooms of the house. A system that provides heat and also provides hot water for the home for bathing, etc., will also qualify. However, a system that produces only hot water for bathing, etc., will not qualify.

The costs incurred that are directly associated with replacement of an existing home heating system include the amount you paid on or after July 1, 2006, and before July 1, 2007, for the purchase and installation of the replacement system and the removal of the old system. These costs include costs incurred for materials and labor, including materials and labor for the installation of any pumps, pipes, duct work, etc., that are necessary for the proper functioning of the system, and any engineering and design costs. These costs do not include any interest or finance charges. Costs are incurred when you are obligated to pay the cost, even if you have not actually paid the cost. If the replacement home heating system provides heat for both your principal residence and to nonresidential property associated with your residence, the entire cost qualifies for the credit.

The amount of the credit is equal to 50 percent of the costs incurred on or after July 1, 2006, and before July 1, 2007, that are directly associated with the replacement of your existing home heating system. However, the credit cannot exceed \$500. If your principal residence is shared by two or more taxpayers, the amount of the credit allowable to each taxpayer is to be prorated according to the percentage of the total costs incurred by each taxpayer.

If you move from one principal residence to another principal residence in the state, and you replace the home heating system in each residence with a heating system that meets the conditions to qualify for this credit, you will be allowed a separate credit of up to \$500 for each residence.

The credit is allowed for the tax year (2006 or 2007) in which the installation of the Energy Star labeled replacement system is completed, provided the installation is complete by December 31, 2007. However, the credit is based only on the costs incurred on or after July 1, 2006, and before July 1, 2007.

You may claim a refund of any home heating system credit that is in excess of your New York State tax liability.

To claim this credit you must complete Form IT-240, *Claim for Home Heating System Credit*, and attach it to your Form IT-201, IT-203, or IT-205.

For more information, see TSB-M-06(6)I, *Home Heating System Credit and the Clean Heating Fuel Credit*.

Long-term care insurance credit

Tax Law sections 606(aa) and 606(i)

If you pay premiums for qualified long-term care insurance, you may be entitled to the long-term care insurance credit for tax years beginning on or after January 1, 2002.

A qualified long-term care insurance policy is one that:

- is approved by the New York State Superintendent of Insurance under section 1117(g) of the Insurance Law; **and**
- is a qualified long-term care insurance contract under section 7702B of the Internal Revenue Code (IRC). (Note: Section 7702B relates to policies for which a federal itemized deduction is allowed);

or

- is a group contract delivered or issued for delivery outside New York State; **and**
- the group contract is a qualified long-term care insurance contract under section 7702B of the IRC. The premiums paid for this insurance qualify for the credit even if the policy is not approved by the New York State Superintendent of Insurance.

A qualified long-term care insurance contract under section 7702B of the IRC is an insurance contract that provides only coverage of qualified long-term care services. The contract must

1. be guaranteed renewable;
2. not provide for cash surrender value or other money that can be paid, assigned, pledged, or borrowed;
3. provide that refunds, other than refunds on the death of the insured or complete surrender or cancellation of the contract, and dividends under the contract must be used only to reduce future premiums or increase future benefits; **and**
4. generally not pay or reimburse expenses incurred for services or items that would be reimbursed under Medicare, except where Medicare is a secondary payer, or the contract makes per diem or other periodic payments without regard to expenses.

The insurance company that issued your policy should be able to tell you if the policy qualifies under section 7702B of the IRC.

For tax years beginning on or after January 1, 2004, the credit is equal to 20% of the premiums paid during the tax year for the purchase of or for continuing coverage under a qualifying long-term care insurance policy.

(For tax years beginning before January 1, 2004, the credit is equal to 10% of these premiums.)

For tax years beginning on or after January 1, 2005, the credit is limited for part-year and nonresident individuals, estates, and trusts to the amount determined by multiplying the total credit amount by your income percentage.

The long-term care insurance credit is not refundable. However, any amount of credit or carryover of credit not deductible in the current tax year may be carried over to be deducted for the following year or years.

To claim this credit, you must complete Form IT-249, *Claim for Long-Term Care Insurance Credit*, and attach it to your Form IT-201, IT-203, or IT-205.

New York State earned income credit

Tax Law section 606(d)

The New York State earned income credit is a special income tax credit for certain people who earn income from work. If you claimed the federal earned income credit and file (or have filed) a New York State income tax return, you qualify to claim the New York State earned income credit.

For tax year 2006, the New York State earned income credit is equal to 30% of your allowable federal earned income credit. However, the New York State earned income credit will be reduced by the amount of any household credit you are allowed.

New York State residents and part-year residents qualify for refunds of any earned income credit in excess of their New York State tax liabilities. Nonresidents do not qualify for refunds of the New York State earned income credit.

To claim this credit, you must complete Form IT-215, *Claim for Earned Income Credit*, and attach it to your Form IT-150, IT-201, or IT-203.

For more information, see Publication 310-NY, *Information on the Earned Income Credit for Tax Year 2006*. For information on the New York City earned income credit, see page 28 of this publication.

Noncustodial parent New York State earned income credit

Tax Law section 606(d-1)

For tax years beginning on or after January 1, 2006, and before January 1, 2013, New York State full-year residents who are noncustodial parents and pay child support may be eligible for the noncustodial parent New York State earned income credit (noncustodial EIC). The noncustodial EIC is claimed instead of the New York State earned income credit.

You may claim this credit if you meet **all** of the following conditions for tax year 2006. You must

- be a full-year New York State resident.
- be at least 18 years of age.

- be a parent of a minor child (or children) with whom you **do not reside**.
- have an order in effect for at least one-half of the tax year requiring you to make child support payments payable through a support collection unit pursuant to Social Services Law section 111(h).
- have paid an amount in child support in the tax year at least equal to the amount of child support you were required to pay by all court orders.

The amount of the credit is equal to the greater of:

- 20% of the federal earned income credit that you would have been allowed if the noncustodial child met the definition of a qualifying child, computed as if you had one qualifying child and without benefit of the joint return phase out amount (even if your filing status is *Married filing joint return*); **or**
- 2.5 times the federal earned income credit that would have been allowed if you had satisfied the eligibility requirements, computed as if you had no qualifying children.

You may claim a refund of any noncustodial parent New York State earned income credit in excess of your New York State tax liability.

To claim this credit, you must complete Form IT-209, *Claim for Noncustodial Parent New York State Earned Income Credit*, and attach it to your Form IT-150 or IT-201.

**New York State
household credit**
Tax Law section 606(b)

If you cannot be claimed as a dependent on another taxpayer's federal income tax return, you may qualify for the New York State household credit.

The credit is available to resident, part-year resident and nonresident individuals.

The amount of the credit is determined by income and filing status. If you are a single taxpayer, and you have federal adjusted gross income of \$28,000 or less, you may qualify for a credit of up to \$75. If you are married filing jointly, a qualifying widow(er) with a dependent child, or a head of household with a qualifying person, and you have federal adjusted gross income of \$32,000 or less, you may qualify for a credit of \$20 to \$90, plus \$5 to \$15 more for each additional exemption claimed on your federal return. Married taxpayers filing separate returns may also qualify for this credit. The tables used to determine the amount of credit allowed can be found in the instructions for Forms IT-150, IT-201 and IT-203.

The household credit is not refundable, and any unused credit may not be carried over to a future year.

You must claim this credit directly on Form IT-150, IT-201, or IT-203.

**Nursing home
assessment credit**
Tax Law section 606(hh)

If you paid a portion of the assessment imposed on a residential health care facility (nursing home) pursuant to Public Health Law section 2807-d(2)(b) that is passed through to a private-pay resident of the nursing home, you may be entitled to claim the nursing home assessment credit. The amount of the credit is equal to the total portion of the assessment that is passed through and directly paid by an individual during the year (e.g., the total portion paid during 2006). The portion of the assessment must be separately stated and accounted for on the billing statements or other statements provided to a resident of a nursing home, and must be paid directly by the individual claiming the credit. If an individual other than the resident of the home is actually paying the portion of the assessment, the individual who paid that portion, not the resident, is entitled to claim the credit. If more than one individual is directly paying the total nursing home bill, the total portion of the assessment paid must be divided between them according to the percentage of the total nursing home expenses paid by each individual.

An individual may claim the full credit even though the resident may be receiving benefits from a long-term insurance policy. If a resident assigns his or her long-term insurance benefits to a nursing home, the resident is treated as having paid that amount toward the total nursing home bill. The credit cannot be claimed for any portion of the assessment that is paid directly to the nursing home by a health insurance policy, with public funds (e.g., Medicaid or Medicare), or that is paid by a trust or other entity.

Where a nursing home does not separately state the portion of the assessment passed through to a resident on the resident's billing statements, the nursing home should provide the resident (or the person to whom the resident's billing statements are sent) with a summary statement that indicates the total portion of the assessment paid by or on behalf of the resident during 2006 (or any succeeding year). There is no particular form for this statement. However, the statement must contain the name of the residential health care facility, the name of the resident of the facility, the period covered by the statement (e.g., calendar year 2006) and the amount of the assessment that was passed through and actually paid (not the billed amount) by or on behalf of the resident during the calendar year. For example, if the resident's January 2007 bill was actually paid in December 2006, the amount of the assessment passed through for January would be included on the 2006 statement.

You may claim a refund of any nursing home assessment credit in excess of your New York State tax liability.

To claim the credit, you must complete Form IT-258, *Claim for Nursing Home Assessment Credit*, and attach it to your Form IT-201 or IT-203.

Real property tax credit

Tax Law section 606(e)

If your household gross income was \$18,000 or less, you may be entitled to a credit for part of the real property taxes or rent you paid during 2006.

The real property tax credit is available to New York State resident individuals who have household gross income of \$18,000 or less, and pay either real property taxes or rent for their residence. Part-year residents and nonresidents of New York State do not qualify for this credit.

For all members of your household are under age 65, the credit can be as much as \$75. If at least one member of your household is age 65 or older, the credit can be as much as \$375.

New York State residents qualify for a refund of any real property tax credit in excess of their New York State tax liabilities. Residents who are not required to file New York State income tax returns may qualify for a refund of the full amount of the credit.

If you are required to file a New York State income tax return, you must file Form IT-150 or IT-201 and attach Form IT-214, *Claim for Real Property Tax Credit for Homeowners and Renters*. If you are not required to file a New York State income tax return, you can file Form IT-214 by itself. You should file this form as soon as possible after January 1, 2007.

For more information, see Publication 22, *FAQs: New York State's Real Property Tax Credit for Homeowners and Renters*.

Resident credit

Tax Law section 620

If you are a full-year or part-year resident of New York State and if any part of your income was taxed by another state, a local government within another state, the District of Columbia, or a Canadian province, you may claim a credit against your New York State tax. The credit is allowable only for the part of the tax that applies to income received in the other taxing authority while you were a New York resident.

The resident credit is available to full-year and part-year resident individuals of New York State, or New York State resident estates or trusts.

A shareholder of an S corporation **is not** allowed the resident credit for any income tax imposed on or payable by the corporation to another state, local government, the District of Columbia, or a province of Canada. However, a shareholder is allowed the resident credit if taxes are calculated on the income of the S corporation, but are imposed upon and payable by the shareholder. For more information see Publication 35, *New York Tax Treatment of S Corporations and their Shareholders*.

The resident credit is not refundable, and it may not reduce your New York State tax payable to an amount less than would have been due if the income subject to taxation by the other jurisdiction(s) was excluded from your New York income.

To claim this credit for taxes paid to another state, local government, or the District of Columbia, you must complete Form IT-112-R, *New York State Resident Credit*. Attach Form IT-112-R to your Form IT-201, IT-203, or IT-205.

To claim this credit for taxes paid to a province of Canada, you must complete Form IT-112-C, *New York State Resident Credit for Taxes Paid to a Province of Canada*. Attach Form IT-112-C to your Form IT-201, IT-203, or IT-205.

Resident credit against separate tax on lump-sum distributions

Tax Law section 620-A

If you are a full-year or part-year resident individual of New York State, and if the ordinary income portion of a lump-sum distribution you received was taxed by another state, a local government within another state, the District of Columbia, or a province of Canada, you may claim a resident credit against separate tax on lump-sum distributions. The credit can be claimed against New York State tax and is allowable only for the part of the other jurisdiction's tax that applies to the income received in that jurisdiction while the taxpayer was a New York State resident.

The resident credit against separate tax on lump-sum distributions is available to full-year and part-year resident individuals of New York State, or New York State resident estates or trusts.

Generally, if your employer distributes the entire balance of your qualified pension, stock bonus, or profit-sharing plans within one year, it is a lump-sum distribution. The ordinary income portion is that part of the lump-sum distribution that applies to your years of participation in the plan after 1973. However, you may elect to treat the entire taxable portion of the distribution as ordinary income.

This credit is not refundable, and it may not reduce your New York State tax payable to an amount less than would have been due if the income subject to taxation by the other jurisdiction(s) was excluded from the computation of your separate tax on the lump-sum distribution.

To claim this credit, you must complete Form IT-112.1, *New York State Resident Credit Against Separate Tax on Lump-Sum Distributions*. Attach Form IT-112.1 and a copy of federal Form 4972, *Tax on Lump-Sum Distributions*, to your Form IT-201, IT-203, or IT-205.

Residential fuel oil storage tank credit carryover

Tax year 2003 was the last year to make a new claim for the residential fuel oil storage tank credit. However, any unused credit from a prior year in which the credit was allowed can be carried over to tax years after 2003.

Solar energy system equipment credit

Tax Law section 606(g-1)

The solar energy system equipment credit is allowed for the purchase and installation of an eligible solar energy system. The equipment must be installed and used at your principal residence in New York State.

If the solar energy system equipment provides electricity, you must enter into a net energy metering contract with your electric corporation or comply with the electric corporation's net energy metering schedule before you can qualify for the credit. The completed solar energy system must also be connected to the electric corporation's transmission and distribution facility. Other conditions and limitations set by the electric company may apply.

Solar energy system equipment means an arrangement or combination of components utilizing solar radiation, which, when installed in a residence, produces energy designed to provide heating, cooling, hot water, or electricity. The arrangement or components do not include equipment connected to solar energy system equipment that is a component or part or parts of a nonsolar energy system or which uses any sort of recreational facility or equipment as a storage medium. Solar energy system equipment that generates electricity for use in a residence must conform to the applicable requirements in Public Service Law section 66-j.

Qualified solar energy system equipment expenditures means expenditures, for the purchase of solar energy system equipment that is installed and used at residential property located in New York State that is your principal residence at the time the solar energy system equipment is placed in service.

Qualified expenditures include expenditures for materials, labor costs properly allocated to on-site preparation, assembly and original installation, architectural and engineering services, and designs and plans directly related to the construction or installation of the solar energy system equipment.

Expenditures made with nontaxable federal, state, and local grants, and any interest or finance charges, do not qualify as solar energy system equipment expenditures.

Principal residence means the home where you and your family live most of the time. A summer or vacation home does not qualify. Your principal residence can be a house, whether owned or rented, a mobile home, cooperative apartment, or condominium. If you move from one principal residence to another principal residence in New York State, a separate credit is allowed for each principal residence. You must file separate Forms IT-255, *Claim for Solar Energy System Equipment Credit*, to compute your allowable credit for each principal residence.

The credit will be allowed for the tax year in which the solar energy system equipment is placed in service.

- For solar energy system equipment placed in service between January 1, 2006, and before August 31, 2006, the credit is 25% (but not to exceed \$3,750) of the qualified expenditures for the purchase and installation of a system that generates solar energy for residential use.

- For equipment placed in service on or after September 1, 2006, the credit is 25% (but not to exceed \$5,000) of the qualified expenditures for the purchase and installation of a system that generates solar energy for residential use.

The solar energy system equipment credit is not refundable. However, any credit in excess of the tax due can be carried over for a maximum of five years.

To claim this credit, you must complete Form IT-255, *Claim for Solar Energy System Equipment Credit*, and attach it to your Form IT-201 or IT-203.

New York City credits

New York City earned income credit

Tax Law section 1310(f)

New York City full-year residents and New York City part-year residents who claimed the federal earned income credit may now claim a New York City earned income credit. You must file (or have filed) a New York income tax return to claim the New York City earned income credit. This credit is in addition to the New York State earned income credit.

For tax year 2006, the New York City earned income credit is equal to 5% of your allowable federal earned income credit. (For part-year residents, the amount of the credit is subject to proration.)

Note: Because of the difference in methods used in computing the New York State and New York City earned income credits, if you meet the conditions to qualify for the New York City earned income credit you will have a New York City earned income credit even if your New York State earned income credit amount is zero.

The New York City earned income credit is applied against the New York City personal income tax. New York City residents and part-year residents qualify for refunds of any earned income credit in excess of their tax liability. Nonresidents of New York City do not qualify for the New York City earned income credit.

To claim this credit you must complete Form IT-215, *Claim for Earned Income Credit*, and attach it to your Form IT-150, IT-201, or IT-203.

New York City household credit

Tax Law section 1310(d)

If you cannot be claimed as a dependent on another taxpayer's federal income tax return, you may qualify for the New York City household credit. The credit is available to resident and part-year resident individuals of New York City.

The amount of the credit is determined by income and filing status. If you are single, and you have federal adjusted gross income of \$12,500 or less,

you may qualify for a credit of up to \$15. If you are married filing jointly, a qualifying widow(er) with a dependent child, or a head of household with a dependent child, and you have federal adjusted gross income of \$22,500 or less, you may qualify for a credit of \$10 to \$30, plus \$10 to \$30 more for each additional exemption claimed on your federal return. The tables used to determine the amount of credit allowed are found in the combined instructions for Forms IT-150 and IT-201, *Resident Income Tax Return*, and the instructions for Form IT-360.1, *Change of City Resident Status*. The city household credit is applied against the New York City personal income tax.

The credit is not refundable, and cannot be carried forward to future years.

Full year New York City residents claim this credit directly on Form IT-150 or IT-201. Part-year New York City residents must complete Form IT-360.1, *Change of City Resident Status*, and attach it to Form IT-203.

**New York City
school tax credit**
Tax Law section 1310(e)

The New York City school tax credit is available to a New York City resident or part-year resident who cannot be claimed as a dependent on another taxpayer's federal income tax return. Married persons filing a joint return and surviving spouses are entitled to a credit of up to \$230. All other taxpayers are entitled to a credit of up to \$115.

The New York City school tax credit is applied against the New York City personal income tax for New York City residents and part-year residents.

If the credit exceeds your tax for the year, the excess will be refunded without interest.

If you file Form IT-150 or IT-201, *Resident Income Tax Return*, or Form IT-203, *Nonresident and Part-Year Resident Income Tax Return*, you can claim this credit directly on your income tax return.

You may claim the New York City school tax credit even if you are not required to file a New York State income tax return. See Form NYC-210, *Claim for New York City School Tax Credit*, and the instructions for Form NYC-210.

**Credits
available to sole
proprietors,
partners, and
New York
S corporation
shareholders**

The following income tax credits are available to sole proprietors, partners in a partnership (including members of limited liability companies (LLC's) that are treated as partnerships for federal tax purposes) and shareholders in a New York S corporation (unless otherwise noted):

- alternative fuels credit
- automated external defibrillator credit
- biofuel production credit

- brownfield credits
- clean heating fuel credit
- conservation easement tax credit (does not apply to New York S corporation shareholders)
- empire state film production credit
- empire zone (EZ) and qualified empire zone enterprises (QEZE) credits
- employment of persons with disabilities credit
- farmers' school tax credit
- fuel cell electric generating equipment credit
- green buildings credit
- handicapped-accessible taxicabs and livery services vehicle credit
- historic barn rehabilitation credit
- industrial or manufacturing business (IMB) credit
- investment tax credits (including employment incentive credits)
- long-term care insurance credit
- low-income housing credit
- qualified emerging technology company (QETC) credits
- security officer training tax credit
- special additional mortgage recording tax credit
- credit for New York City unincorporated business tax (does not apply to New York S corporation shareholders)

A partnership or New York S corporation must provide its partners or shareholders with information to enable the partners or shareholders to claim the credit. For more information, see the instructions for Form IT-204, *Partnership Return*, or CT-3-S, *New York S Corporation Franchise Tax Return*.

To claim any of these credits, or to carry over these credits from prior years, you must use the appropriate credit claim form. For more information on these credits, see Publication 99-B, *General Information on New York State and New York City Income Tax Credits for Businesses— For Tax Year 2006*.

New York State tax credits and the taxes they are applied against

Credit	NYS personal income tax	NYS minimum income tax	NYS separate tax on lump-sum distributions
Accumulation distribution credit ¹	X		
Automated external defibrillator credit ¹	X		
Child and dependent care credit: Resident ² Nonresident ¹ Part-year resident: nonresident period ¹ resident period ²	X X X X	X X	X X
Claim of right credit ²	X	X	X
Clean heating fuel credit ²	X	X	X
College tuition credit ²	X	X	X
Conservation easement tax credit ²	X	X	X
Empire State child credit ²	X	X	X
Fuel cell electric generating equipment credit ³	X		
Green buildings credit ⁴	X		
Historic barn rehabilitation credit ³ Historic barn rehabilitation credit - refundable portion ⁵	X X	X	X
Home heating system credit ²	X	X	X
Long-term care insurance credit ⁴	X		
New York State earned income credit : Resident ² Nonresident ¹ Part-year resident: nonresident period ¹ resident period ² Noncustodial parent New York State earned income credit ²	X X X X X	X X X	X X X
New York State household credit ¹	X	X	

New York State tax credits and the taxes they are applied against (continued)

Credit	NYS personal income tax	NYS minimum income tax	NYS separate tax on lump-sum distributions
Nursing home assessment credit ²	X	X	X
Real property tax credit ²	X	X	X
Resident credit ¹	X		
Resident credit against separate tax on lump-sum distributions ¹			X
Solar energy system equipment credit ³	X		

-
1. If the credit exceeds the tax, the excess will not be refunded and cannot be carried forward to future years.
 2. If the credit exceeds the tax, the excess will be treated as an overpayment of tax to be credited or refunded (without interest).
 3. If the credit exceeds the tax, the excess will not be refunded but may be carried forward for a limited duration.
 4. If the credit exceeds the tax, the excess will not be refunded but may be carried forward to future years for an unlimited duration.
 5. If the credit exceeds the tax, a taxpayer in a new business may qualify to claim a refund.

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Persons with disabilities: In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call 1 800 225-5829.