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Analysis of Article 9-A General Business Corporation Franchise Tax Credits for 1992

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Introduction and Purpose

This report provides an accounting of credit activity under the Article 9-A General Business Corporation Franchise Tax (Article 9-A). This study is mandated by Section 109(a) of the Business Tax Reform and Rate Reduction Act of 1987 (BTRRRA). The data used to generate this report come from an annual study conducted by the Office of Tax Policy Analysis (OTPA). The study is based on information drawn from New York State corporation tax returns. These data pertain to corporations whose taxable year begins on or after January 1, 1992, and ends on or before November 30, 1993 (herein after referred to as the 1992 tax liability year).

Definitions and descriptions of the various tax credits appear in Appendix A.

Highlights for 1992

- Corporate taxpayers *earned* a total of \$255 million, *claimed* a total of \$1,126 million in credits and *used* a total of \$67 million in credits against their Article 9-A liability.
- The Investment Tax Credit (ITC) accounted for almost 95 percent of all tax credits used.
- The manufacturing industry accounted for more than 78 percent of the value of all tax credits used.
- Almost 75 percent of total credits used were in amounts of more than \$100,000.

Description of Tables

The tables beginning on page 8 present information for the corporate tax credits.¹ As a result of confidentiality, detailed information pertaining to some of the credits often cannot be presented.

The tables present data on the number of taxpayers taking the credit, the total amount of credit, the average (mean) amount of credit and the median amount of credit, for the following components of each credit:²

Credit Earned - The amount of credit generated in the current tax year.

Credit Claimed -	The amount of credit which the taxpayer is entitled to use during the taxable year, including credit carried forward from prior years.
Credit Used -	The amount of credit which the taxpayer actually used to reduce tax liability. ³
Credit Carried Forward -	Any unused amount of credit which is allowed to be used to offset tax liability in future years.

A series of tables presents a profile of the credit(s) distributed by a different subgrouping. The subgroupings include: basis of taxation after a credit, major industry group, size of entire net income, and size of credit claimed. In addition, for credits with carry forward provisions, the tables illustrate the size of the credit earned, the size of the credit used, and the size of the credit carried forward. Due to secrecy provisions, all subgroupings are not provided for all credits and the tables do not present detailed information about refundable credits.

The data for taxpayers using credits may exceed the values for taxpayers reported as earning, claiming and carrying forward credits. This occurs because data are not available for some credits for components other than credit used. This results in an undercount of the number of taxpayers and the amounts reported. This data limitation appears most apparently in the profile of total New York State credit tables that include the alternative minimum tax (AMT) credit (Tables 1-8).

Data Considerations

The data contained in these tables come directly from the returns of corporations claiming credits. Therefore, the data are deemed suitable for this statistical presentation. Tables which contain data for subgroupings with small numbers of taxpayers could violate secrecy provisions. In these cases, the tables report N/A for the number of taxpayers and for the amount of the credit. These taxpayers were excluded from the computation of the totals shown in the tables. However, means and medians were computed using all taxpayers in the study. The data for all tables do not reflect changes on an audit or as the result of amended filings.

Taxpayers who are eligible to take the ITC and the Employment Incentive Credit (EIC) report the amounts of these credits earned during the tax year on separate lines on tax form CT-46. However, when computing the credit claimed, used and carried forward, the taxpayer combines the ITC

and EIC on the CT-46. This study presents these combined amounts for each of the credit components.

Summary of Credit Activity

The following table summarizes tax credit activity by component and type of credit. The totals in the summary table may not match the detail tables due to rounding and disclosure requirements. This table also provides information on recaptured and refundable credits. In the following table, “-” indicates that the component does not apply to the credit. N/A means that the data for that component are not available. In addition, in subsequent tables, the N/A also encompasses data which cannot be provided because of secrecy provisions.

Comparison of Article 9-A Tax Credit Activity 1991 and 1992

1991 (\$ millions)						
Component	Investment Credit	Mortgage Recording Credit	Job Incentive Credit	EDZ Credits	Alternative Minimum Tax Credit	Total
Total Credit Earned	\$ 284.0	0.0	N/A	0.0	N/A	\$ 284.0
Unused Credit from Earlier Year	843.2	0.0	-	0.0	N/A	843.2
Total Credit Available	1,127.2	0.0	N/A	0.0	N/A	1,127.2
Recaptured Credit	54.5	-	-	0.0	-	54.5
Credit Claimed	1,072.7	0.0	N/A	0.0	N/A	1,072.7
Credit Used	80.1	0.3	0.6	0.1	0.4	81.5
Refundable Credit	9.2	-	-	0.0	-	9.2
Credit Carried Forward	982.6	0.0	-	0.0	N/A	982.6

1992 (\$ millions)						
Component	Investment Credit	Mortgage Recording Credit	Job Incentive Credit	EDZ Credits	Alternative Minimum Tax Credit	Total
Total Credit Earned	\$ 249.5	1.6	N/A	4.0	N/A	\$ 255.2
Unused Credit from Earlier Year	908.1	2.0	-	3.4	N/A	913.6
Total Credit Available	1,157.6	3.7	N/A	7.4	N/A	1,168.7
Recaptured Credit	43.0	-	-	0.0	-	43.0
Credit Claimed	1,114.6	3.7	N/A	7.4	N/A	1,125.7
Credit Used	63.2	0.4	0.8	0.2	2.5	67.0
Refundable Credit	7.3	-	-	0.0	-	7.3
Credit Carried Forward	1,044.1	3.3	-	7.3	N/A	1,054.6

Overview of Major Credit Provisions

This section provides an overview of credit provisions effective for tax years beginning prior to January 1, 1993. These credits are discussed in more detail in Appendix A. Appendix B describes changes to the credits effective for tax years beginning on or after January 1, 1993.

Investment Tax Credit

The rate for the investment tax credit equals 5 percent of the first \$350 million of investments, and 4 percent for investments over that amount.

Employment Incentive Credit

Taxpayers allowed an investment tax credit may be eligible for the employment incentive credit. This credit is a two-year credit determined by the original investment credit base. The rate equals 1.5 percent if employment equals at least 101 percent, but less than 102 percent of base

	<p>year employment. The rate equals 2 percent if employment equals at least 102 percent, but less than 103 percent of base year employment. The rate equals 2.5 percent if employment equals at least 103 percent of base year employment.</p>
<p>Credit on Research and Development Property Under the ITC</p>	<p>Research and development property qualifies for the investment tax credit. Taxpayers may either choose the R&D rate of 9 percent or the lower investment tax credit rate. By electing the lower rate, taxpayers also become eligible for employment incentive credit in subsequent years based on increased employment. (Because of the consolidation of these credits on the tax return, separate data on the amount of research and development credit under the ITC do not appear in this report.)</p>
<p>Pre-1987 Research and Development Tax Credit</p>	<p>An unused research and development tax credit may be carried forward to any tax year beginning before January 1, 1994. None of this credit was used in either 1991 or 1992.</p>
<p>Economic Development Zone (EDZ) Credits</p>	<p>These credits include an investment tax credit, a wage credit (for wages paid to targeted and non-targeted employees in such zones), and a capital corporation tax credit (for the purchase of original issue stock issued by a certified economic development zone capital corporation).</p>
<p>Alternative Minimum Tax Credit (AMT Credit)</p>	<p>In certain instances, taxpayers could be subject to double taxation on the same transaction under the regular tax system and the alternative minimum tax (AMT). To diminish this double-tax result, the law provides a credit mechanism. The AMT credit equals the taxpayer's adjusted minimum tax, minus any amount used as a minimum tax credit in prior years. (For a complete explanation, see Appendix A.)</p>



Table 1: Profile of Total New York State Credits

Part A: Credits Earned By Year and Credit

Credit	1991		1992	
	Number of Taxpayers	Amount of Credit Earned	Number of Taxpayers	Amount of Credit Earned
Investment Tax Credit	2,760	\$284,004,448	2,714	\$249,503,321
Additional Mortgage Recording Credit	N/A	N/A	33	1,638,515
Job Incentive Credit	N/A	N/A	N/A	N/A
EDZ Wage Credit	N/A	N/A	4	143,915
EDZ Capital Corporation Credit	N/A	N/A	N/A	N/A
EDZ Investment Tax Credit	N/A	N/A	14	3,897,545
Research & Development Credit	N/A	N/A	N/A	N/A
Alternative Minimum Tax Credit	N/A	N/A	N/A	N/A

Part B: Credits Claimed By Year and Credit

Credit	1991		1992	
	Number of Taxpayers	Amount of Credit Claimed	Number of Taxpayers	Amount of Credit Claimed
Investment Tax Credit	3,481	\$1,072,679,320	3,449	\$1,114,614,062
Additional Mortgage Recording Credit	N/A	N/A	55	3,687,585
Job Incentive Credit	N/A	N/A	N/A	N/A
EDZ Wage Credit	N/A	N/A	4	184,697
EDZ Capital Corporation Credit	N/A	N/A	N/A	N/A
EDZ Investment Tax Credit	N/A	N/A	18	7,220,202
Research & Development Credit	N/A	N/A	N/A	N/A
Alternative Minimum Tax Credit	N/A	N/A	N/A	N/A

Table 1: Profile of Total New York State Credits

Part C: Credits Used By Year and Credit

Credit	1991		1992	
	Number of Taxpayers	Amount of Credit Used	Number of Taxpayers	Amount of Credit Used
Investment Tax Credit	2,528	\$80,066,258	2,319	\$63,222,923
Additional Mortgage Recording Credit	51	314,916	38	395,076
Job Incentive Credit	28	625,026	11	762,871
EDZ Wage Credit	N/A	N/A	N/A	N/A
EDZ Capital Corporation Credit	N/A	N/A	N/A	N/A
EDZ Investment Tax Credit	12	92,430	7	56,321
Research & Development Credit	N/A	N/A	N/A	N/A
Alternative Minimum Tax Credit	157	395,801	265	2,497,139

Part D: Credits Carried Forward By Year and Credit

Credit	1991		1992	
	Number of Taxpayers	Amount of Credit Carried Forward	Number of Taxpayers	Amount of Credit Carried Forward
Investment Tax Credit	2,763	\$982,553,122	2,873	\$1,044,056,224
Additional Mortgage Recording Credit	N/A	N/A	24	3,268,522
Job Incentive Credit	N/A	N/A	N/A	N/A
EDZ Wage Credit	N/A	N/A	3	153,787
EDZ Capital Corporation Credit	N/A	N/A	N/A	N/A
EDZ Investment Tax Credit	N/A	N/A	18	7,163,881
Research & Development Credit	N/A	N/A	N/A	N/A
Alternative Minimum Tax Credit	N/A	N/A	N/A	N/A

Table 2: Profile of Total New York State Credits By Basis of Taxation - 1992 Liability Year

Part A: Credit Earned

Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Mean Credit Earned	Median Credit Earned
Entire Net Income	356	\$ 6,764,627	2.65	\$ 19,002	\$2,264
Minimum Tax ¹	825	47,215,372	18.50	57,231	2,573
Capital Base	81	255,207	0.10	3,151	625
Alternative Minimum Tax	1,495	200,948,090	78.75	134,413	5,844
Total	2,757	\$255,183,296	100.00	\$ 92,558	\$3,925

Part B: Credit Claimed

Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Mean Credit Claimed	Median Credit Claimed
Entire Net Income	383	\$ 8,959,305	0.80	\$ 23,392	\$ 2,486
Minimum Tax ¹	1,241	258,174,971	22.93	208,038	13,358
Capital Base	95	317,410	0.03	3,341	625
Alternative Minimum Tax	1,788	858,254,860	76.24	480,008	25,017
Total	3,507	\$1,125,706,546	100.00	\$320,988	\$14,956

Part C: Credit Used

Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Mean Credit Used	Median Credit Used
Entire Net Income	559	\$10,956,690	16.35	\$19,601	\$1,371
Minimum Tax ¹	642	5,412,674	8.07	8,431	759
Capital Base	102	338,836	0.51	3,322	625
Alternative Minimum Tax	1,325	50,321,898	75.07	37,979	2,035
Total	2,628	\$67,030,098	100.00	\$25,506	\$1,542

Part D: Credit Carried Forward

Basis of Taxation	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Mean Credit Carried Forward	Median Credit Carried Forward
Entire Net Income	0	\$ 0	0.00	N/A	N/A
Minimum Tax ¹	1,229	246,372,857	23.36	\$200,466	\$12,467
Capital Base	0	0	0.00	N/A	N/A
Alternative Minimum Tax	1,669	808,131,339	76.64	484,201	23,952
Total	2,898	\$1,054,504,196	100.00	\$363,419	\$17,762

¹See Appendix for Description



Table 3: Profile of Total New York State Credits By Major Industry Group - 1992 Liability Year

Part A: Credit Earned

Major Industry Group	Number of Taxpayers	Amount of Credit Earned	% of Total Credit Earned	Mean Credit Earned	Median Credit Earned
Unidentifiable	102	\$ 6,219,354	2.44	\$ 60,974	\$ 2,558
Agriculture	172	815,898	0.32	4,744	2,041
Mining	48	3,231,748	1.27	67,328	8,470
Construction	48	234,037	0.09	4,876	943
Manufacturing	1,909	226,824,488	88.89	118,818	5,106
Trans., Comm., Pub. Utilities Services	18	2,496,169	0.98	138,676	14,606
Wholesale Trade	147	1,713,756	0.67	11,658	2,501
Retail Trade	66	1,576,560	0.62	23,887	1,106
Finance, Insurance and Real Estate	82	7,867,422	3.08	95,944	2,713
Services	165	4,203,864	1.65	25,478	2,147
Total	2,757	\$255,183,296	100.00	\$ 92,558	\$ 3,925

Part B: Credit Claimed

Major Industry Group	Number of Taxpayers	Amount of Credit Claimed	% of Total Credit Claimed	Mean Credit Claimed	Median Credit Claimed
Unidentifiable	143	\$ 15,285,960	1.36	\$106,895	\$ 6,703
Agriculture	204	8,518,003	0.76	41,755	13,677
Mining	63	10,528,931	0.94	167,126	28,747
Construction	68	1,031,707	0.09	15,172	5,256
Manufacturing	2,376	1,027,007,715	91.23	432,242	19,544
Trans., Comm., Pub. Utilities Services	27	7,190,386	0.64	266,311	38,626
Wholesale Trade	181	9,738,399	0.87	53,803	7,784
Retail Trade	96	2,968,480	0.26	30,922	3,146
Finance, Insurance and Real Estate	118	19,493,863	1.73	165,202	6,008
Services	231	23,943,102	2.13	103,650	7,174
Total	3,507	\$1,125,706,546	100.00	\$320,988	\$14,956

Table 3: Profile of Total New York State Credits By Major Industry Group - 1992 Liability Year

Part C: Credit Used

Major Industry Group	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Mean Credit Used	Median Credit Used
Unidentifiable	96	\$ 1,953,750	2.91	\$20,352	\$ 816
Agriculture	119	193,526	0.29	1,626	433
Mining	43	498,584	0.74	11,595	1,564
Construction	76	384,955	0.57	5,065	1,227
Manufacturing	1,691	52,694,689	78.61	31,162	1,965
Trans., Comm., Pub. Utilities Services	35	1,737,639	2.59	49,647	1,270
Wholesale Trade	147	998,753	1.49	6,794	1,202
Retail Trade	88	1,283,863	1.92	14,589	507
Finance, Insurance and Real Estate	133	5,791,175	8.64	43,543	1,650
Services	200	1,493,164	2.23	7,466	886
Total	2,628	\$67,030,098	100.00	\$25,506	\$1,542

Part D: Credit Carried Forward

Major Industry Group	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Mean Credit Carried Forward	Median Credit Carried Forward
Unidentifiable	118	\$ 13,340,601	1.26	\$113,056	\$ 7,124
Agriculture	196	8,324,478	0.79	42,472	14,237
Mining	58	10,030,347	0.95	172,937	27,493
Construction	53	896,257	0.08	16,911	5,774
Manufacturing	1,983	970,960,736	92.07	489,642	23,565
Trans., Comm., Pub. Utilities Services	20	5,508,352	0.52	275,418	33,122
Wholesale Trade	145	8,569,710	0.81	59,101	9,819
Retail Trade	71	1,889,870	0.18	26,618	3,564
Finance, Insurance and Real Estate	59	12,346,592	1.17	209,264	18,567
Services	199	22,775,471	2.16	114,450	8,565
Total	2,902	\$1,054,642,414	100.00	\$363,419	\$17,762

Table 4: Profile of Total New York State Credits By Size of Entire Net Income - 1992 Liability Year

Part A: Credit Earned

Size of Entire Net Income	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Mean Credit Earned	Median Credit Earned
Zero or Net Loss	970	\$ 51,360,494	20.13	\$ 52,949	\$ 2,887
\$ 1 - \$ 99,999	801	5,669,940	2.22	7,079	1,745
\$ 100,000 - \$ 499,999	397	5,413,854	2.12	13,637	4,628
\$ 500,000 - \$ 999,999	141	2,811,118	1.10	19,937	8,275
\$ 1,000,000 - \$ 24,999,999	340	29,402,973	11.52	86,479	28,397
\$ 25,000,000 - \$ 49,999,999	35	6,027,227	2.36	172,206	90,028
\$ 50,000,000 - \$ 99,999,999	28	11,355,043	4.45	405,537	108,619
\$100,000,000 - \$499,999,999	39	42,256,616	16.56	1,083,503	250,364
\$500,000,000 and Over	6	100,886,031	39.53	16,814,339	1,640,032
Total	2,757	\$255,183,296	100.00	\$ 92,558	\$ 3,925

Part B: Credit Claimed

Size of Entire Net Income	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Mean Credit Claimed	Median Credit Claimed
Zero or Net Loss	1,418	\$ 281,672,019	25.02	\$ 198,640	\$ 13,864
\$ 1 - \$ 99,999	1,026	33,690,920	2.99	32,837	7,823
\$ 100,000 - \$ 499,999	438	31,708,251	2.82	72,393	20,057
\$ 500,000 - \$ 999,999	149	14,833,571	1.32	99,554	23,684
\$ 1,000,000 - \$ 24,999,999	361	133,717,699	11.88	370,409	73,413
\$ 25,000,000 - \$ 49,999,999	37	23,747,008	2.11	641,811	109,454
\$ 50,000,000 - \$ 99,999,999	29	40,121,238	3.56	1,383,491	125,216
\$100,000,000 - \$499,999,999	43	207,954,010	18.47	4,836,140	395,342
\$500,000,000 and Over	6	358,261,830	31.83	59,710,305	6,731,252
Total	3,507	\$1,125,706,546	100.00	\$ 320,988	\$ 14,956

Table 4: Profile of Total New York State Credits By Size of Entire Net Income - 1992 Liability Year

Part C: Credit Used

Size of Entire Net Income	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Mean Credit Used	Median Credit Used
Zero or Net Loss	708	\$ 6,069,055	9.05	\$ 8,572	\$ 839
\$ 1 - \$ 99,999	789	628,031	0.94	796	552
\$ 100,000 - \$ 499,999	447	1,688,300	2.52	3,777	2,591
\$ 500,000 - \$ 999,999	156	1,425,365	2.13	9,137	7,463
\$ 1,000,000 - \$ 24,999,999	405	13,147,575	19.61	32,463	17,759
\$ 25,000,000 - \$ 49,999,999	41	5,195,731	7.75	126,725	90,677
\$ 50,000,000 - \$ 99,999,999	31	4,599,326	6.86	148,365	64,637
\$100,000,000 - \$499,999,999	44	13,664,090	20.39	310,548	147,350
\$500,000,000 and Over	7	20,612,625	30.75	2,944,661	2,199,390
Total	2,628	\$67,030,098	100.00	\$ 25,506	\$ 1,542

Part D: Credit Carried Forward

Size of Entire Net Income	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Mean Credit Carried Forward	Median Credit Carried Forward
Zero or Net Loss	1,323	\$ 268,928,795	25.50	\$ 203,272	\$ 14,845
\$ 1 - \$ 99,999	896	32,903,001	3.12	36,722	9,543
\$ 100,000 - \$ 499,999	316	30,232,572	2.87	95,673	34,454
\$ 500,000 - \$ 999,999	95	13,464,895	1.28	141,736	58,078
\$ 1,000,000 - \$ 24,999,999	219	121,521,326	11.52	554,892	198,786
\$ 25,000,000 - \$ 49,999,999	19	18,936,634	1.80	996,665	483,709
\$ 50,000,000 - \$ 99,999,999	11	35,578,029	3.37	3,234,366	1,434,309
\$100,000,000 - \$499,999,999	19	194,299,434	18.42	10,226,286	1,086,564
\$500,000,000 and Over	4	338,777,728	32.12	84,694,432	15,856,934
Total	2,902	\$1,054,642,414	100.00	\$ 363,419	\$ 17,762

Table 5: Profile of Total New York State Credits By Size of Credit Earned - 1992 Liability Year

Part A: Credit Earned

Size of Credit Earned	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Mean Credit Earned	Median Credit Earned
Zero	0	\$ 0	0.00	N/A	N/A
\$ 1 - \$ 499	421	97,719	0.04	\$ 232	\$ 219
\$ 500 - \$ 999	274	197,082	0.08	719	705
\$ 1,000 - \$ 4,999	816	2,078,401	0.81	2,547	2,358
\$ 5,000 - \$ 9,999	321	2,319,833	0.91	7,227	7,102
\$ 10,000 - \$ 24,999	371	5,919,158	2.32	15,955	15,394
\$ 25,000 - \$ 49,999	203	7,328,804	2.87	36,102	35,168
\$ 50,000 - \$ 99,999	147	10,330,996	4.05	70,279	67,485
\$100,000 - \$499,999	144	32,250,090	12.64	223,959	177,982
\$500,000 and Over	60	194,661,213	76.28	3,244,354	955,989
Total	2,757	\$255,183,296	100.00	\$ 92,558	\$ 3,925

Part B: Credit Claimed

Size of Credit Earned	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Mean Credit Claimed	Median Credit Claimed
Zero	751	\$ 53,107,842	4.72	\$ 70,716	\$ 8,453
\$ 1 - \$ 499	421	5,070,954	0.45	12,045	1,393
\$ 500 - \$ 999	274	3,815,449	0.34	13,925	1,559
\$ 1,000 - \$ 4,999	816	21,235,904	1.89	26,024	6,543
\$ 5,000 - \$ 9,999	321	18,990,589	1.69	59,161	23,449
\$ 10,000 - \$ 24,999	371	46,673,406	4.15	125,804	44,028
\$ 25,000 - \$ 49,999	203	48,164,499	4.28	237,264	100,868
\$ 50,000 - \$ 99,999	147	50,633,873	4.50	344,448	114,549
\$100,000 - \$499,999	143	113,326,419	10.07	792,492	446,499
\$500,000 and Over	60	764,687,611	67.93	12,744,794	2,082,879
Total	3,507	\$1,125,706,546	100.00	\$ 320,988	\$ 14,956

Table 5: Profile of Total New York State Credits By Size of Credit Earned - 1992 Liability Year

Part C: Credit Used

Size of Credit Earned	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Mean Credit Used	Median Credit Used
Zero	602	\$ 6,657,487	9.93	\$ 10,738	\$ 641
\$ 1 - \$ 499	274	207,327	0.31	757	316
\$ 500 - \$ 999	202	269,029	0.40	1,332	650
\$ 1,000 - \$ 4,999	547	1,283,931	1.92	2,347	1,388
\$ 5,000 - \$ 9,999	243	1,298,643	1.94	5,344	3,190
\$ 10,000 - \$ 24,999	287	3,381,820	5.05	11,783	7,809
\$ 25,000 - \$ 49,999	169	4,761,587	7.10	28,175	15,063
\$ 50,000 - \$ 99,999	117	5,548,394	8.28	47,422	36,927
\$100,000 - \$499,999	117	11,844,359	17.67	101,234	53,134
\$500,000 and Over	52	31,777,521	47.41	611,106	173,795
Total	2,628	\$67,030,098	100.00	\$ 25,506	\$ 1,542

Part D: Credit Carried Forward

Size of Credit Earned	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Mean Credit Carried Forward	Median Credit Carried Forward
Zero	706	\$ 48,421,621	4.59	\$ 68,586	\$ 9,132
\$ 1 - \$ 499	291	4,861,428	0.46	16,706	3,802
\$ 500 - \$ 999	192	3,546,560	0.34	18,472	5,119
\$ 1,000 - \$ 4,999	669	19,890,798	1.89	29,732	9,963
\$ 5,000 - \$ 9,999	265	17,665,867	1.68	66,664	28,504
\$ 10,000 - \$ 24,999	303	43,177,487	4.09	142,500	55,682
\$ 25,000 - \$ 49,999	175	44,514,702	4.22	254,370	116,011
\$ 50,000 - \$ 99,999	118	45,065,301	4.27	381,909	170,280
\$100,000 - \$499,999	127	99,614,697	9.45	784,368	439,242
\$500,000 and Over	56	727,883,953	69.02	12,997,928	1,965,418
Total	2,902	\$1,054,642,414	100.00	\$ 363,419	\$ 17,762

Table 6: Profile of Total New York State Credits By Size of Credit Claimed - 1992 Liability Year

Part A: Credit Earned

Size of Credit Claimed	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Mean Credit Earned	Median Credit Earned
Negative ²	0	\$ 0	00.0	N/A	N/A
Zero	0	0	0.00	N/A	N/A
\$ 1 - \$ 499	179	42,075	0.02	\$ 235	\$ 215
\$ 500 - \$ 999	141	89,692	0.04	636	665
\$ 1,000 - \$ 4,999	500	936,722	0.37	1,873	1,649
\$ 5,000 - \$ 9,999	272	1,044,189	0.41	3,839	3,460
\$ 10,000 - \$ 24,999	440	3,036,600	1.19	6,901	4,137
\$ 25,000 - \$ 49,999	336	4,190,995	1.64	12,473	6,984
\$ 50,000 - \$ 99,999	278	7,044,923	2.76	25,341	13,336
\$ 100,000 - \$499,999	412	26,896,892	10.56	65,284	27,352
\$500,000 and Over	198	211,536,371	83.01	1,068,366	161,652
Total	2,756	\$254,818,459	100.00	\$ 92,558	\$ 3,925

Part B: Credit Claimed

Size of Credit Claimed	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Mean Credit Claimed	Median Credit Claimed
Negative ²	0	\$ 0	0.00	N/A	N/A
Zero	0	0	0.00	N/A	N/A
\$ 1 - \$ 499	240	60,108	0.01	\$ 250	\$ 247
\$ 500 - \$ 999	195	140,779	0.01	722	709
\$ 1,000 - \$ 4,999	684	1,844,071	0.16	2,696	2,559
\$ 5,000 - \$ 9,999	372	2,690,645	0.24	7,233	7,052
\$ 10,000 - \$ 24,999	583	9,474,961	0.84	16,252	15,489
\$ 25,000 - \$ 49,999	417	14,822,360	1.32	35,545	34,358
\$ 50,000 - \$ 99,999	334	23,632,192	2.10	70,755	67,652
\$100,000 - \$499,999	465	106,623,595	9.47	229,298	193,055
\$500,000 and Over	217	966,417,835	85.85	4,453,538	1,151,263
Total	3,507	\$1,125,706,546	100.00	\$ 320,988	\$ 14,956

²Recapture exceeds amount of available credit

Table 6: Profile of Total New York State Credits By Size of Credit Claimed - 1992 Liability Year

Part C: Credit Used

Size of Credit Claimed	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Mean Credit Used	Median Credit Used
Negative ²	0	\$ 0	0.00	N/A	N/A
Zero	260	1,965,481	2.93	\$ 7,560	\$ 641
\$ 1 - \$ 499	155	36,830	0.05	238	214
\$ 500 - \$ 999	132	75,802	0.11	574	611
\$ 1,000 - \$ 4,999	404	597,337	0.89	1,479	1,218
\$ 5,000 - \$ 9,999	249	672,049	1.00	2,699	1,219
\$ 10,000 - \$ 24,999	398	1,884,525	2.81	4,735	1,349
\$ 25,000 - \$ 49,999	284	3,569,824	5.33	12,570	1,895
\$ 50,000 - \$ 99,999	238	4,084,251	6.09	17,161	3,123
\$100,000 - \$499,999	330	11,013,536	16.43	33,374	9,228
\$500,000 and Over	178	43,130,463	64.34	242,306	40,804
Total	2,628	\$67,030,098	100.00	\$ 25,506	\$ 1,542

Part D: Credit Carried Forward

Size of Credit Claimed	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Mean Credit Carried Forward	Median Credit Carried Forward
Negative ²	0	\$ 0	0.00	N/A	N/A
Zero	0	0	0.00	N/A	N/A
\$ 1 - \$ 499	99	24,513	0.00	\$ 248	\$ 238
\$ 500 - \$ 999	114	64,248	0.01	564	612
\$ 1,000 - \$ 4,999	524	1,236,136	0.12	2,359	2,242
\$ 5,000 - \$ 9,999	310	1,983,996	0.19	6,400	6,439
\$ 10,000 - \$ 24,999	513	7,496,494	0.71	14,613	14,468
\$ 25,000 - \$ 49,999	380	12,276,269	1.16	32,306	31,673
\$ 50,000 - \$ 99,999	304	19,671,164	1.87	64,708	63,374
\$100,000 - \$499,999	445	94,471,917	8.96	212,296	180,643
\$500,000 and Over	213	917,417,677	86.99	4,307,125	1,033,065
Total	2,902	\$1,054,642,414	100.00	\$ 363,419	\$ 17,762

²Recapture exceeds amount of available credit

Table 7: Profile of Total New York State Credits By Size of Credit Used - 1992 Liability Year

Part A: Credit Earned

Size of Credit Used	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Mean Credit Earned	Median Credit Earned
Negative ²	0	\$ 0	0.00	N/A	N/A
Zero	749	22,923,569	8.98	\$ 30,606	\$ 2,575
\$ 1 - \$ 499	455	3,409,063	1.34	7,492	700
\$ 500 - \$ 999	276	5,898,733	2.31	21,372	1,139
\$ 1,000 - \$ 4,999	585	10,035,694	3.93	17,155	3,303
\$ 5,000 - \$ 9,999	180	5,215,403	2.04	28,974	8,829
\$ 10,000 - \$ 24,999	229	14,320,275	5.61	62,534	19,217
\$ 25,000 - \$ 49,999	120	15,808,448	6.19	131,737	40,540
\$ 50,000 - \$ 99,999	74	8,769,739	3.44	118,510	75,312
\$100,000 - \$499,999	74	58,522,356	22.93	790,843	237,598
\$500,000 and Over	15	110,280,016	43.22	7,352,001	992,742
Total	2,757	\$255,183,296	100.00	\$ 92,558	\$ 3,925

Part B: Credit Claimed

Size of Credit Used	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Mean Credit Claimed	Median Credit Claimed
Negative ²	0	\$ 0	0.00	N/A	N/A
Zero	1,139	103,705,475	9.21	\$ 91,050	\$ 11,018
\$ 1 - \$ 499	610	17,868,729	1.59	29,293	5,186
\$ 500 - \$ 999	337	17,146,164	1.52	50,879	6,952
\$ 1,000 - \$ 4,999	682	44,785,298	3.98	65,668	13,038
\$ 5,000 - \$ 9,999	195	35,689,970	3.17	183,025	26,743
\$ 10,000 - \$ 24,999	245	68,251,037	6.06	278,576	62,337
\$ 25,000 - \$ 49,999	126	65,173,488	5.79	517,250	125,333
\$ 50,000 - \$ 99,999	77	51,853,802	4.61	673,426	101,567
\$100,000 - \$499,999	78	341,799,186	30.36	4,382,041	608,562
\$500,000 and Over	18	379,433,397	33.71	21,079,633	1,751,745
Total	3,507	\$1,125,706,546	100.00	\$ 320,988	\$ 14,956

²Recapture exceeds amount of available credit

Table 7: Profile of Total New York State Credits By Size of Credit Used - 1992 Liability Year

Part C: Credit Used

Size of Credit Used	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Mean Credit Used	Median Credit Used
Negative ²	0	\$ 0	0.00	N/A	N/A
Zero	0	0	0.00	N/A	N/A
\$ 1 - \$ 499	729	156,168	0.23	\$ 214	\$ 208
\$ 500 - \$ 999	373	265,095	0.40	711	704
\$ 1,000 - \$ 4,999	730	1,690,439	2.52	2,316	1,980
\$ 5,000 - \$ 9,999	217	1,557,145	2.32	7,176	7,053
\$ 10,000 - \$ 24,999	265	4,147,629	6.19	15,651	14,941
\$ 25,000 - \$ 49,999	132	4,760,162	7.10	36,062	35,724
\$ 50,000 - \$ 99,999	83	5,686,066	8.48	68,507	65,785
\$100,000 - \$499,999	80	16,780,422	25.03	209,755	173,002
\$500,000 and Over	19	31,986,972	47.72	1,683,525	935,938
Total	2,628	\$67,030,098	100.00	\$ 25,506	\$ 1,542

Part D: Credit Carried Forward

Size of Credit Used	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Mean Credit Carried Forward	Median Credit Carried Forward
Negative ²	0	\$ 0	0.00	N/A	N/A
Zero	1,128	99,477,528	9.43	\$ 88,189	\$ 10,751
\$ 1 - \$ 499	472	17,711,427	1.68	37,524	9,760
\$ 500 - \$ 999	257	16,436,014	1.56	63,953	11,246
\$ 1,000 - \$ 4,999	521	41,109,569	3.90	78,905	23,558
\$ 5,000 - \$ 9,999	136	34,224,026	3.25	251,647	58,313
\$ 10,000 - \$ 24,999	178	64,372,708	6.10	361,644	117,174
\$ 25,000 - \$ 49,999	91	60,247,407	5.71	662,059	197,301
\$ 50,000 - \$ 99,999	48	46,600,061	4.42	970,835	218,949
\$100,000 - \$499,999	58	325,369,197	30.85	5,609,814	913,925
\$500,000 and Over	13	349,094,477	33.10	26,853,421	1,485,542
Total	2,902	\$1,054,642,414	100.00	\$ 363,419	\$ 17,762

²Recapture exceeds amount of available credit

Table 8: Profile of Total New York State Credits By Size of Credit Carried Forward - 1992 Liability Year

Part A: Credit Earned

Size of Credit Carried Forward	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Mean Credit Earned	Median Credit Earned
Zero	561	\$ 11,455,222	4.49	\$ 20,419	\$ 2,250
\$ 1 - \$ 499	114	5,176,663	2.03	45,409	388
\$ 500 - \$ 999	69	74,485	0.03	1,079	732
\$ 1,000 - \$ 4,999	372	1,693,987	0.66	4,554	1,683
\$ 5,000 - \$ 9,999	221	988,755	0.39	4,474	2,427
\$ 10,000 - \$ 24,999	348	2,759,744	1.08	7,930	2,889
\$ 25,000 - \$ 49,999	283	3,784,591	1.48	13,373	5,750
\$ 50,000 - \$ 99,999	237	4,854,409	1.90	20,483	8,742
\$100,000 - \$499,999	371	22,859,663	8.96	61,616	24,771
\$500,000 and Over	181	201,535,777	78.98	1,113,457	151,712
Total	2,757	\$255,183,296	100.00	\$ 92,558	\$ 3,925

Part B: Credit Claimed

Size of Credit Carried Forward	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Mean Credit Claimed	Median Credit Claimed
Zero	605	\$ 13,355,335	1.19	\$ 22,075	\$ 2,250
\$ 1 - \$ 499	174	5,240,418	0.47	30,117	431
\$ 500 - \$ 999	114	146,627	0.01	1,286	863
\$ 1,000 - \$ 4,999	546	2,832,407	0.25	5,188	3,177
\$ 5,000 - \$ 9,999	313	2,852,541	0.25	9,114	8,120
\$ 10,000 - \$ 24,999	485	9,443,350	0.84	19,471	17,354
\$ 25,000 - \$ 49,999	357	14,206,230	1.26	39,793	35,950
\$ 50,000 - \$ 99,999	294	22,992,404	2.04	78,205	72,485
\$100,000 - \$499,999	422	104,598,867	9.29	247,865	212,796
\$500,000 and Over	197	950,038,367	84.39	4,822,530	1,208,912
Total	3,507	\$1,125,706,546	100.00	\$ 320,988	\$ 14,956

Table 8: Profile of Total New York State Credits By Size of Credit Carried Forward - 1992 Liability Year

Part C: Credit Used

Size of Credit Carried Forward	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Mean Credit Used	Median Credit Used
Zero	854	\$15,785,200	23.55	\$ 18,484	\$ 1,574
\$ 1 - \$ 499	82	146,300	0.22	1,784	583
\$ 500 - \$ 999	54	64,785	0.10	1,200	555
\$ 1,000 - \$ 4,999	268	1,281,415	1.91	4,781	756
\$ 5,000 - \$ 9,999	192	509,371	0.76	2,653	717
\$ 10,000 - \$ 24,999	306	1,420,009	2.12	4,641	785
\$ 25,000 - \$ 49,999	224	1,447,130	2.16	6,460	1,294
\$ 50,000 - \$ 99,999	199	2,302,293	3.43	11,569	2,151
\$100,000 - \$499,999	289	7,903,481	11.79	27,348	7,134
\$500,000 and Over	160	36,170,114	53.96	226,063	35,214
Total	2,628	\$67,030,098	100.00	\$ 25,506	\$ 1,542

Part D: Credit Carried Forward

Size of Credit Carried Forward	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Mean Credit Carried Forward	Median Credit Carried Forward
Zero	0	\$ 0	0.00	N/A	N/A
\$ 1 - \$ 499	174	44,088	0.00	\$ 253	\$ 250
\$ 500 - \$ 999	114	82,370	0.01	723	714
\$ 1,000 - \$ 4,999	546	1,488,536	0.14	2,726	2,581
\$ 5,000 - \$ 9,999	313	2,302,043	0.22	7,355	7,248
\$ 10,000 - \$ 24,999	485	8,023,344	0.76	16,543	15,889
\$ 25,000 - \$ 49,999	357	12,599,849	1.19	35,294	34,127
\$ 50,000 - \$ 99,999	294	20,735,412	1.97	70,529	68,054
\$100,000 - \$499,999	422	96,342,839	9.14	228,301	193,093
\$500,000 and Over	197	913,023,933	86.57	4,634,639	1,092,465
Total	2,902	\$1,054,642,414	100.00	\$ 363,419	\$ 17,762

Table 9: Profile of New York State Investment Tax Credit By Basis of Taxation - 1992 Liability Year

Part A: Credit Earned

Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Mean Credit Earned	Median Credit Earned
Entire Net Income	352	\$ 6,615,277	2.65	\$ 18,793	\$2,213
Minimum Tax ¹	824	43,946,213	17.61	53,333	2,565
Capital Base	61	221,280	0.09	3,628	666
Alternative Minimum Tax	1,477	198,720,551	79.65	134,543	5,767
Total	2,714	\$249,503,321	100.00	\$ 91,932	\$3,940

Part B: Credit Claimed

Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Mean Credit Claimed	Median Credit Claimed
Entire Net Income	377	\$ 8,782,219	1.00	\$ 23,295	\$ 2,400
Minimum Tax ¹	1,241	254,718,037	23.00	205,252	13,249
Capital Base	69	279,067	0.00	4,044	659
Alternative Minimum Tax	1,762	850,834,739	76.00	482,880	25,233
Total	3,449	\$1,114,614,062	100.00	\$323,170	\$15,105

Part C: Credit Used

Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Mean Credit Used	Median Credit Used
Entire Net Income	376	\$ 8,782,220	13.89	\$23,357	\$2,402
Minimum Tax ¹	641	5,412,620	8.56	8,444	759
Capital Base	68	279,066	0.44	4,104	674
Alternative Minimum Tax	1,234	48,749,017	77.11	39,505	2,035
Total	2,319	\$63,222,923	100.00	\$27,263	\$1,627

Part D: Credit Carried Forward

Basis of Taxation	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Mean Credit Carried Forward	Median Credit Carried Forward
Entire Net Income	0	\$ 0	0.00	N/A	N/A
Minimum Tax ¹	1,229	242,922,744	23.27	\$197,659	\$12,377
Capital Base	0	0	0.00	N/A	N/A
Alternative Minimum Tax	1,644	801,133,480	76.73	487,307	24,316
Total	2,873	\$1,044,056,224	100.00	\$363,403	\$17,655

¹See Appendix for Description



Table 10: Profile of New York State Investment Tax Credit By Major Industry Group - 1992 Liability Year

Part A: Credit Earned

Major Industry Group	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Mean Credit Earned	Median Credit Earned
Unidentifiable	100	\$ 6,174,906	2.47	\$ 61,749	\$ 2,535
Agriculture	172	815,898	0.33	4,744	2,041
Mining	48	3,231,748	1.30	67,328	8,470
Construction	48	234,037	0.09	4,876	943
Manufacturing	1,903	222,890,129	89.33	117,126	5,027
Trans., Comm., Pub. Utilities Services	18	2,496,169	1.00	138,676	14,606
Wholesale Trade	144	1,688,235	0.68	11,724	2,507
Retail Trade	65	1,512,688	0.61	23,272	1,050
Finance, Insurance and Real Estate Services	51	6,255,647	2.51	122,660	6,250
	165	4,203,864	1.68	25,478	2,147
Total	2,714	\$249,503,321	100.00	\$ 91,932	\$ 3,940

Part B: Credit Claimed

Major Industry Group	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Mean Credit Claimed	Median Credit Claimed
Unidentifiable	141	\$ 15,206,412	1.36	\$107,847	\$ 6,690
Agriculture	204	8,518,003	0.76	41,755	13,677
Mining	63	10,528,931	0.94	167,126	28,747
Construction	68	1,031,707	0.09	15,172	5,256
Manufacturing	2,370	1,019,650,049	91.48	430,232	19,372
Trans., Comm., Pub. Utilities Services	27	7,190,386	0.65	266,311	38,626
Wholesale Trade	177	9,666,772	0.87	54,615	7,180
Retail Trade	94	2,903,907	0.26	30,893	3,146
Finance, Insurance and Real Estate Services	74	16,076,195	1.44	217,246	19,562
	231	23,841,700	2.14	103,211	7,174
Total	3,449	\$1,114,614,062	100.00	\$323,170	\$15,105

Table 10: Profile of New York State Investment Tax Credit By Major Industry Group - 1992 Liability Year

Part C: Credit Used

Major Industry Group	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Mean Credit Used	Median Credit Used
Unidentifiable	80	\$ 1,858,070	2.94	\$23,226	\$ 919
Agriculture	119	193,526	0.31	1,626	433
Mining	43	498,584	0.79	11,595	1,564
Construction	40	135,450	0.21	3,386	880
Manufacturing	1,648	52,275,704	82.68	31,721	1,991
Trans., Comm., Pub. Utilities Services	17	1,682,034	2.66	98,943	8,178
Wholesale Trade	118	847,360	1.34	7,181	1,302
Retail Trade	59	1,078,595	1.71	18,281	779
Finance, Insurance and Real Estate Services	58	3,485,967	5.51	60,103	2,590
	137	1,167,633	1.85	8,523	1,024
Total	2,319	\$63,222,923	100.00	\$27,263	\$1,627

Part D: Credit Carried Forward

Major Industry Group	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Mean Credit Carried Forward	Median Credit Carried Forward
Unidentifiable	116	\$ 13,262,918	1.27	\$114,336	\$ 6,945
Agriculture	196	8,324,478	0.80	42,472	14,237
Mining	58	10,030,347	0.96	172,937	27,493
Construction	53	896,257	0.09	16,911	5,774
Manufacturing	1,978	963,708,257	92.30	487,213	23,476
Trans., Comm., Pub. Utilities Services	20	5,508,352	0.53	275,418	33,122
Wholesale Trade	141	8,509,556	0.82	60,351	9,873
Retail Trade	69	1,825,312	0.17	26,454	3,564
Finance, Insurance and Real Estate Services	43	9,316,678	0.89	216,667	28,578
	199	22,674,069	2.17	113,940	8,565
Total	2,873	\$1,044,056,224	100.00	\$363,403	\$17,655

Table 11: Profile of New York State Investment Tax Credit By Size of Entire Net Income - 1992 Liability Year

Part A: Credit Earned

Size of Entire Net Income	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Mean Credit Earned	Median Credit Earned
Zero or Net Loss	947	\$ 48,057,480	19.26	\$ 50,747	\$ 3,024
\$ 1 - \$ 99,999	792	5,533,331	2.22	6,987	1,743
\$ 100,000 - \$ 499,999	393	5,163,331	2.07	13,138	4,628
\$ 500,000 - \$ 999,999	139	2,434,729	0.98	17,516	7,778
\$ 1,000,000 - \$ 24,999,999	336	27,857,018	11.16	82,908	27,753
\$ 25,000,000 - \$ 49,999,999	34	5,959,742	2.39	175,287	90,797
\$ 50,000,000 - \$ 99,999,999	28	11,355,043	4.55	405,537	108,619
\$100,000,000 - \$499,999,999	39	42,256,616	16.94	1,083,503	250,364
\$500,000,000 and Over	6	100,886,031	40.43	16,814,339	1,640,032
Total	2,714	\$249,503,321	100.00	\$ 91,932	\$ 3,940

Part B: Credit Claimed

Size of Entire Net Income	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Mean Credit Claimed	Median Credit Claimed
Zero or Net Loss	1,386	\$ 278,149,738	24.95	\$ 200,685	\$ 14,517
\$ 1 - \$ 99,999	1,013	33,058,570	2.97	32,634	7,787
\$ 100,000 - \$ 499,999	433	31,427,552	2.82	72,581	20,105
\$ 500,000 - \$ 999,999	147	14,257,495	1.28	96,990	23,561
\$ 1,000,000 - \$ 24,999,999	356	127,704,106	11.46	358,719	73,174
\$ 25,000,000 - \$ 49,999,999	36	23,679,523	2.12	657,765	117,195
\$ 50,000,000 - \$ 99,999,999	29	40,121,238	3.60	1,383,491	125,216
\$100,000,000 - \$499,999,999	43	207,954,010	18.66	4,836,140	395,342
\$500,000,000 and Over	6	358,261,830	32.14	59,710,305	6,731,252
Total	3,449	\$1,114,614,062	100.00	\$ 323,170	\$ 15,105

Table 11: Profile of New York State Investment Tax Credit By Size of Entire Net Income - 1992 Liability Year

Part C: Credit Used

Size of Entire Net Income	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Mean Credit Used	Median Credit Used
Zero or Net Loss	670	\$ 6,005,978	9.50	\$ 8,964	\$ 870
\$ 1 - \$ 99,999	677	578,111	0.91	854	599
\$ 100,000 - \$ 499,999	380	1,455,245	2.30	3,830	2,687
\$ 500,000 - \$ 999,999	140	1,305,285	2.06	9,323	7,739
\$ 1,000,000 - \$ 24,999,999	338	11,740,721	18.57	34,736	21,519
\$ 25,000,000 - \$ 49,999,999	36	4,455,697	7.05	123,769	91,417
\$ 50,000,000 - \$ 99,999,999	29	4,543,209	7.19	156,662	65,785
\$100,000,000 - \$499,999,999	43	13,654,575	21.60	317,548	162,032
\$500,000,000 and Over	6	19,484,102	30.82	3,247,350	2,504,827
Total	2,319	\$63,222,923	100.00	\$ 27,263	\$ 1,627

Part D: Credit Carried Forward

Size of Entire Net Income	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Mean Credit Carried Forward	Median Credit Carried Forward
Zero or Net Loss	1,314	\$ 265,446,151	25.42	\$ 202,014	\$ 14,871
\$ 1 - \$ 99,999	884	32,282,852	3.09	36,519	9,522
\$ 100,000 - \$ 499,999	313	29,968,972	2.87	95,748	34,443
\$ 500,000 - \$ 999,999	94	12,952,210	1.24	137,789	56,001
\$ 1,000,000 - \$ 24,999,999	216	115,881,699	11.10	536,489	195,363
\$ 25,000,000 - \$ 49,999,999	18	18,869,149	1.81	1,048,286	597,770
\$ 50,000,000 - \$ 99,999,999	11	35,578,029	3.41	3,234,366	1,434,309
\$100,000,000 - \$499,999,999	19	194,299,434	18.61	10,226,286	1,086,564
\$500,000,000 and Over	4	338,777,728	32.45	84,694,432	15,856,934
Total	2,873	\$1,044,056,224	100.00	\$ 363,403	\$ 17,655

Table 12: Profile of New York State Investment Tax Credit By Size of Credit Earned - 1992 Liability Year

Part A: Credit Earned

Size of Credit Earned	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Mean Credit Earned	Median Credit Earned
Zero	0	\$ 0	0.00	N/A	N/A
\$ 1 - \$ 499	411	94,982	0.04	\$ 231	\$ 218
\$ 500 - \$ 999	265	190,938	0.08	721	707
\$ 1,000 - \$ 4,999	811	2,071,376	0.83	2,554	2,365
\$ 5,000 - \$ 9,999	318	2,297,583	0.92	7,225	7,101
\$ 10,000 - \$ 24,999	367	5,849,489	2.34	15,939	15,354
\$ 25,000 - \$ 49,999	200	7,225,038	2.90	36,125	35,119
\$ 50,000 - \$ 99,999	145	10,199,639	4.09	70,342	67,804
\$100,000 - \$499,999	140	31,242,369	12.52	223,160	176,201
\$500,000 and Over	57	190,331,907	76.28	3,339,156	955,751
Total	2,714	\$249,503,321	100.00	\$ 91,932	\$ 3,940

Part B: Credit Claimed

Size of Credit Earned	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Mean Credit Claimed	Median Credit Claimed
Zero	736	\$ 52,993,346	4.75	\$ 72,002	\$ 8,822
\$ 1 - \$ 499	411	5,050,658	0.45	12,289	1,581
\$ 500 - \$ 999	265	3,809,305	0.34	14,375	1,950
\$ 1,000 - \$ 4,999	811	21,278,107	1.91	26,237	6,562
\$ 5,000 - \$ 9,999	318	18,937,142	1.70	59,551	23,317
\$ 10,000 - \$ 24,999	367	46,341,168	4.16	126,270	44,028
\$ 25,000 - \$ 49,999	200	47,850,641	4.29	239,253	101,218
\$ 50,000 - \$ 99,999	145	50,496,457	4.53	348,251	114,549
\$100,000 - \$499,999	139	109,299,202	9.81	786,325	446,499
\$500,000 and Over	57	758,558,036	68.06	13,308,036	2,185,178
Total	3,449	\$1,114,614,062	100.00	\$ 323,170	\$ 15,105

Table 12: Profile of New York State Investment Tax Credit By Size of Credit Earned - 1992 Liability Year

Part C: Credit Used

Size of Credit Earned	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Mean Credit Used	Median Credit Used
Zero	350	\$ 4,649,407	7.35	\$ 13,284	\$ 631
\$ 1 - \$ 499	266	198,628	0.31	747	315
\$ 500 - \$ 999	193	263,494	0.42	1,365	663
\$ 1,000 - \$ 4,999	541	1,264,321	2.00	2,337	1,381
\$ 5,000 - \$ 9,999	240	1,285,842	2.03	5,358	3,217
\$ 10,000 - \$ 24,999	285	3,343,516	5.29	11,732	7,809
\$ 25,000 - \$ 49,999	166	3,554,874	5.62	21,415	13,772
\$ 50,000 - \$ 99,999	115	5,380,358	8.51	46,786	36,927
\$100,000 - \$499,999	114	11,688,841	18.49	102,534	53,530
\$500,000 and Over	49	31,593,642	49.97	644,768	194,187
Total	2,319	\$63,222,923	100.00	\$ 27,263	\$ 1,627

Part D: Credit Carried Forward

Size of Credit Earned	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Mean Credit Carried Forward	Median Credit Carried Forward
Zero	699	\$ 48,343,607	4.63	\$ 69,161	\$ 9,137
\$ 1 - \$ 499	287	4,849,404	0.46	16,897	3,814
\$ 500 - \$ 999	190	3,545,093	0.34	18,658	5,264
\$ 1,000 - \$ 4,999	668	19,943,134	1.91	29,855	10,013
\$ 5,000 - \$ 9,999	264	17,628,221	1.69	66,774	27,924
\$ 10,000 - \$ 24,999	300	42,864,453	4.11	142,882	55,984
\$ 25,000 - \$ 49,999	173	44,264,298	4.24	255,863	116,011
\$ 50,000 - \$ 99,999	116	44,933,959	4.30	387,362	180,404
\$100,000 - \$499,999	123	95,745,036	9.17	778,415	436,438
\$500,000 and Over	53	721,939,019	69.15	13,621,491	2,180,667
Total	2,873	\$1,044,056,224	100.00	\$ 363,403	\$ 17,655

Table 13: Profile of New York State Investment Tax Credit By Size of Credit Claimed - 1992 Liability Year

Part A: Credit Earned

Size of Credit Claimed	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Mean Credit Earned	Median Credit Earned
Negative ²	0	\$ 0	0.00	N/A	N/A
Zero	0	0	0.00	N/A	N/A
\$ 1 - \$ 499	171	39,864	0.02	\$ 233	\$ 214
\$ 500 - \$ 999	132	83,548	0.03	633	674
\$ 1,000 - \$ 4,999	496	929,463	0.37	1,874	1,651
\$ 5,000 - \$ 9,999	268	1,027,085	0.41	3,832	3,460
\$ 10,000 - \$ 24,999	437	3,020,411	1.21	6,912	4,185
\$ 25,000 - \$ 49,999	332	4,101,642	1.65	12,354	6,912
\$ 50,000 - \$ 99,999	276	6,893,543	2.77	24,977	12,883
\$100,000 - \$499,999	409	26,645,698	10.70	65,148	27,287
\$500,000 and Over	192	206,397,230	82.84	1,074,986	152,653
Total	2,713	\$249,138,484	100.00	\$ 91,932	\$ 3,940

Part B: Credit Claimed

Size of Credit Claimed	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Mean Credit Claimed	Median Credit Claimed
Negative ²	0	\$ 0	0.00	N/A	N/A
Zero	0	0	0.00	N/A	N/A
\$ 1 - \$ 499	228	56,801	0.01	\$ 249	\$ 245
\$ 500 - \$ 999	183	132,631	0.01	725	725
\$ 1,000 - \$ 4,999	676	1,826,337	0.16	2,702	2,571
\$ 5,000 - \$ 9,999	368	2,661,127	0.24	7,231	7,035
\$ 10,000 - \$ 24,999	578	9,402,193	0.84	16,267	15,527
\$ 25,000 - \$ 49,999	411	14,601,914	1.31	35,528	34,200
\$ 50,000 - \$ 99,999	332	23,517,240	2.11	70,835	67,762
\$100,000 - \$499,999	462	105,890,321	9.50	229,200	191,770
\$500,000 and Over	211	956,525,498	85.82	4,533,296	1,114,803
Total	3,449	\$1,114,614,062	100.00	\$ 323,170	\$ 15,105

²Recapture exceeds amount of available credit.

Table 13: Profile of New York State Investment Tax Credit By Size of Credit Claimed - 1992 Liability Year

Part C: Credit Used

Size of Credit Claimed	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Mean Credit Used	Median Credit Used
Negative ²	0	\$ 0	0.00	N/A	N/A
Zero	0	0	0.00	N/A	N/A
\$ 1 - \$ 499	144	32,774	0.05	\$ 228	\$ 213
\$ 500 - \$ 999	122	69,894	0.11	573	606
\$ 1,000 - \$ 4,999	398	577,768	0.91	1,452	1,211
\$ 5,000 - \$ 9,999	245	656,264	1.04	2,679	1,200
\$ 10,000 - \$ 24,999	393	1,845,845	2.92	4,697	1,337
\$ 25,000 - \$ 49,999	282	2,391,440	3.78	8,480	1,857
\$ 50,000 - \$ 99,999	235	3,913,817	6.19	16,655	3,139
\$100,000 - \$499,999	328	10,954,741	17.33	33,399	9,228
\$500,000 and Over	172	42,780,380	67.67	248,723	41,808
Total	2,319	\$63,222,923	100.00	\$ 27,263	\$ 1,627

Part D: Credit Carried Forward

Size of Credit Claimed	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Mean Credit Carried Forward	Median Credit Carried Forward
Negative ²	0	\$ 0	0.00	N/A	N/A
Zero	0	0	0.00	N/A	N/A
\$ 1 - \$ 499	97	23,936	0.00	\$ 247	\$ 238
\$ 500 - \$ 999	110	61,692	0.01	561	609
\$ 1,000 - \$ 4,999	522	1,230,962	0.12	2,358	2,245
\$ 5,000 - \$ 9,999	308	1,972,371	0.19	6,404	6,439
\$ 10,000 - \$ 24,999	509	7,450,007	0.71	14,637	14,481
\$ 25,000 - \$ 49,999	376	12,120,201	1.16	32,235	31,483
\$ 50,000 - \$ 99,999	302	19,558,625	1.87	64,764	62,962
\$100,000 - \$499,999	442	93,762,245	8.98	212,132	179,786
\$500,000 and Over	207	907,876,185	86.96	4,385,875	1,024,671
Total	2,873	\$1,044,056,224	100.00	\$ 363,403	\$ 17,655

²Recapture exceeds amount of available credit.

Table 14: Profile of New York State Investment Tax Credit By Size of Credit Used - 1992 Liability Year

Part A: Credit Earned

Size of Credit Used	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Mean Credit Earned	Median Credit Earned
Negative ²	0	\$ 0	0.00	N/A	N/A
Zero	745	22,468,924	9.01	\$ 30,160	\$ 2,575
\$ 1 - \$ 499	446	3,342,222	1.34	7,494	740
\$ 500 - \$ 999	267	4,375,286	1.75	16,387	1,216
\$ 1,000 - \$ 4,999	576	9,768,484	3.92	16,959	3,278
\$ 5,000 - \$ 9,999	177	5,204,728	2.09	29,405	8,939
\$ 10,000 - \$ 24,999	228	12,981,941	5.20	56,938	19,311
\$ 25,000 - \$ 49,999	117	15,071,284	6.04	128,814	39,844
\$ 50,000 - \$ 99,999	73	8,524,175	3.42	116,770	74,904
\$100,000 - \$499,999	71	57,516,049	23.05	810,085	250,364
\$500,000 and Over	14	110,250,228	44.19	7,875,016	1,017,176
Total	2,714	\$249,503,321	100.00	\$ 91,932	\$ 3,940

Part B: Credit Claimed

Size of Credit Used	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Mean Credit Claimed	Median Credit Claimed
Negative ²	0	\$ 0	0.00	N/A	N/A
Zero	1,130	103,011,208	9.24	\$ 91,160	\$ 11,029
\$ 1 - \$ 499	597	17,782,561	1.60	29,787	5,474
\$ 500 - \$ 999	328	15,523,539	1.39	47,328	7,657
\$ 1,000 - \$ 4,999	668	44,435,374	3.99	66,520	13,407
\$ 5,000 - \$ 9,999	192	35,656,791	3.20	185,712	31,054
\$ 10,000 - \$ 24,999	244	66,836,328	6.00	273,919	63,752
\$ 25,000 - \$ 49,999	122	61,005,296	5.47	500,043	111,833
\$ 50,000 - \$ 99,999	76	51,348,547	4.61	675,639	99,940
\$100,000 - \$499,999	75	339,610,809	30.47	4,528,144	613,709
\$500,000 and Over	17	379,403,609	34.04	22,317,859	1,757,391
Total	3,449	\$1,114,614,062	100.00	\$ 323,170	\$ 15,105

²Recapture exceeds amount of available credit.

Table 14: Profile of New York State Investment Tax Credit By Size of Credit Used - 1992 Liability Year

Part C: Credit Used

Size of Credit Used	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Mean Credit Used	Median Credit Used
Negative ²	0	\$ 0	0.00	N/A	N/A
Zero	0	0	0.00	N/A	N/A
\$ 1 - \$ 499	597	134,660	0.21	\$ 226	\$ 215
\$ 500 - \$ 999	328	233,271	0.37	711	706
\$ 1,000 - \$ 4,999	668	1,539,638	2.44	2,305	1,943
\$ 5,000 - \$ 9,999	192	1,369,984	2.17	7,135	7,018
\$ 10,000 - \$ 24,999	244	3,842,639	6.08	15,749	15,103
\$ 25,000 - \$ 49,999	122	4,424,327	7.00	36,265	35,838
\$ 50,000 - \$ 99,999	76	5,255,208	8.31	69,147	66,102
\$100,000 - \$499,999	75	16,114,064	25.49	214,854	180,081
\$500,000 and Over	17	30,309,132	47.94	1,782,890	935,938
Total	2,319	\$63,222,923	100.00	\$ 27,263	\$ 1,627

Part D: Credit Carried Forward

Size of Credit Used	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Mean Credit Carried Forward	Median Credit Carried Forward
Negative ²	0	\$ 0	0.00	N/A	N/A
Zero	1,119	98,786,486	9.46	\$ 88,281	\$ 10,852
\$ 1 - \$ 499	468	17,634,482	1.69	37,681	9,760
\$ 500 - \$ 999	256	14,819,311	1.42	57,888	11,316
\$ 1,000 - \$ 4,999	514	40,792,937	3.91	79,364	24,187
\$ 5,000 - \$ 9,999	135	34,208,122	3.28	253,393	58,078
\$ 10,000 - \$ 24,999	178	62,985,710	6.03	353,852	117,174
\$ 25,000 - \$ 49,999	87	56,144,621	5.38	645,340	197,301
\$ 50,000 - \$ 99,999	46	46,093,334	4.41	1,002,029	218,949
\$100,000 - \$499,999	57	323,496,744	30.98	5,675,381	885,341
\$500,000 and Over	13	349,094,477	33.44	26,853,421	1,485,542
Total	2,873	\$1,044,056,224	100.00	\$ 363,403	\$ 17,655

²Recapture exceeds amount of available credit.

Table 15: Profile of New York State Investment Tax Credit By Size of Credit Carried Forward - 1992 Liability Year

Part A: Credit Earned

Size of Credit Carried Forward	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Mean Credit Earned	Median Credit Earned
Zero	540	\$ 11,375,216	4.56	\$ 21,065	\$ 2,349
\$ 1 - \$ 499	113	5,178,287	2.08	45,826	388
\$ 500 - \$ 999	67	72,798	0.03	1,087	728
\$ 1,000 - \$ 4,999	370	1,692,700	0.68	4,575	1,700
\$ 5,000 - \$ 9,999	219	985,151	0.39	4,498	2,540
\$ 10,000 - \$ 24,999	347	2,758,534	1.11	7,950	2,920
\$ 25,000 - \$ 49,999	279	3,709,026	1.49	13,294	5,399
\$ 50,000 - \$ 99,999	236	4,726,504	1.89	20,028	8,644
\$100,000 - \$499,999	367	22,346,665	8.96	60,890	24,525
\$500,000 and Over	176	196,658,440	78.82	1,117,378	146,700
Total	2,714	\$249,503,321	100.00	\$ 91,932	\$ 3,940

Part B: Credit Claimed

Size of Credit Carried Forward	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Mean Credit Claimed	Median Credit Claimed
Zero	576	\$ 13,243,177	1.19	\$ 22,992	\$ 2,402
\$ 1 - \$ 499	171	5,240,130	0.47	30,644	434
\$ 500 - \$ 999	111	144,239	0.01	1,299	864
\$ 1,000 - \$ 4,999	543	2,817,056	0.25	5,188	3,171
\$ 5,000 - \$ 9,999	309	2,814,976	0.25	9,110	8,120
\$ 10,000 - \$ 24,999	484	9,417,112	0.84	19,457	17,338
\$ 25,000 - \$ 49,999	352	13,996,713	1.26	39,763	35,728
\$ 50,000 - \$ 99,999	293	22,929,036	2.06	78,256	72,486
\$100,000 - \$499,999	418	103,326,409	9.27	247,192	211,919
\$500,000 and Over	192	940,685,214	84.40	4,899,402	1,189,521
Total	3,449	\$1,114,614,062	100.00	\$ 323,170	\$ 15,105

Table 15: Profile of New York State Investment Tax Credit By Size of Credit Carried Forward - 1992 Liability Year

Part C: Credit Used

Size of Credit Carried Forward	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Mean Credit Used	Median Credit Used
Zero	565	\$12,473,845	19.73	\$ 22,078	\$ 2,326
\$ 1 - \$ 499	81	145,873	0.23	1,801	605
\$ 500 - \$ 999	52	64,037	0.10	1,231	564
\$ 1,000 - \$ 4,999	267	1,274,641	2.02	4,774	754
\$ 5,000 - \$ 9,999	188	501,591	0.79	2,668	697
\$ 10,000 - \$ 24,999	305	1,418,694	2.24	4,651	779
\$ 25,000 - \$ 49,999	223	1,444,732	2.29	6,479	1,270
\$ 50,000 - \$ 99,999	197	2,234,793	3.53	11,344	2,151
\$100,000 - \$499,999	286	7,744,744	12.25	27,080	7,122
\$500,000 and Over	155	35,919,973	56.81	231,742	35,889
Total	2,319	\$63,222,923	100.00	\$ 27,263	\$ 1,627

Part D: Credit Carried Forward

Size of Credit Carried Forward	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Mean Credit Carried Forward	Median Credit Carried Forward
Zero	0	\$ 0	0.00	N/A	N/A
\$ 1 - \$ 499	171	43,122	0.00	\$ 252	\$ 250
\$ 500 - \$ 999	111	80,202	0.01	723	720
\$ 1,000 - \$ 4,999	543	1,479,959	0.14	2,726	2,582
\$ 5,000 - \$ 9,999	309	2,272,258	0.22	7,354	7,248
\$ 10,000 - \$ 24,999	484	7,998,421	0.77	16,526	15,882
\$ 25,000 - \$ 49,999	352	12,394,595	1.19	35,212	34,111
\$ 50,000 - \$ 99,999	293	20,672,059	1.98	70,553	68,098
\$100,000 - \$499,999	418	95,193,925	9.12	227,737	190,940
\$500,000 and Over	192	903,921,683	86.58	4,707,925	1,082,309
Total	2,873	\$1,044,056,244	100.00	\$ 363,403	\$ 17,655

Table 16: Profile of New York State Additional Mortgage Recording Credit By Basis of Taxation - 1992 Liability Year

Part A: Credit Earned

Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Mean Credit Earned	Median Credit Earned
Entire Net Income	0	\$ 0	0.00	N/A	N/A
Minimum Tax ¹	0	0	0.00	N/A	N/A
Capital Base	21	33,927	2.09	\$ 1,616	\$ 625
Alternative Minimum Tax	10	1,586,595	97.91	158,660	21,114
Total	31	\$1,620,522	100.00	\$ 49,652	\$ 908

Part B: Credit Claimed

Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Mean Credit Claimed	Median Credit Claimed
Entire Net Income	4	\$ 45,729	1.24	\$ 11,432	\$ 8,997
Minimum Tax ¹	5	61,307	1.66	12,261	6,059
Capital Base	27	38,343	1.04	1,420	625
Alternative Minimum Tax	19	3,542,206	96.06	186,432	11,532
Total	55	\$3,687,585	100.00	\$ 67,047	\$ 1,249

Part C: Credit Used

Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Mean Credit Used	Median Credit Used
Entire Net Income	4	\$ 45,729	11.57	\$11,432	\$ 8,997
Minimum Tax ¹	0	0	0.00	N/A	N/A
Capital Base	27	29,644	7.50	1,098	625
Alternative Minimum Tax	7	319,703	80.92	45,672	22,518
Total	38	\$395,076	100.00	\$10,397	\$ 727

Part D: Credit Carried Forward

Basis of Taxation	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Mean Credit Carried Forward	Median Credit Carried Forward
Entire Net Income	0	\$ 0	0.00	N/A	N/A
Minimum Tax ¹	4	55,248	1.69	\$ 13,812	\$7,852
Capital Base	0	0	0.00	N/A	N/A
Alternative Minimum Tax	18	3,206,398	98.31	178,133	9,080
Total	22	\$3,261,646	100.00	\$136,188	\$7,628

¹See Appendix for Description

Appendix A: Credit Provisions Effective for Tax Years Beginning Prior to January 1, 1993

Investment Tax Credit

For tax years beginning on or after December 31, 1968, the Investment Tax Credit equaled 1 percent of the cost of new or expanded production facilities located in New York State by manufacturing firms. By 1984, the rate had grown to 6 percent.

For tax years beginning in 1988 and 1989, the rate dropped to 5 percent of the first \$500 million of investments, and 4 percent for investments over that amount. For tax years beginning in 1990, the \$500 million threshold dropped to \$425 million and then to \$350 million for subsequent tax years.

In addition, taxpayers who meet certain employment tests may also qualify for the Employment Incentive Credit. Prior to 1987, this credit equaled one-half of the investment credit. It was available for up to three years following the tax year in which the taxpayer earned the ITC. However, employment in such years must have equaled at least 101 percent of the employment in the year immediately before the ITC was first claimed.⁴

For investments made on or after January 1, 1987, the EIC is a two-year credit described in the following table:

Taxable Years Beginning In	The Applicable EIC Rates Equal				
1987, 1988 and 1989	2% for the first \$500 million of investment credit	AND	2.5% for the excess over \$500 million		
1990	2% if employment is at least 101%, but less than 101.5% of base year employment	OR	2.5% if employment is at least 101.5% of base year employment		
1991 and thereafter	1.5% if employment is at least 101%, but less than 102% of base year employment	OR	2% if employment is at least 102% but less than 103% of base year employment	OR	2.5% if employment is at least 103% of base year employment

Research and Development Tax Credit

For tax years beginning on or after January 1, 1987, the Research and Development Tax Credit previously allowed under section 210.18 of the Tax Law was consolidated into the ITC provisions. Although the separate credit has been repealed, any unused credit may be carried forward to any tax year beginning before January 1, 1994.⁵

Credit for Research and Development Property Under the ITC

Research and development property acquired on or after January 1, 1987 now qualifies for the investment tax credit. Taxpayers may elect the regular investment tax credit rate including the EIC, or an optional rate on R&D property of 9 percent for taxable years beginning in 1990. If taxpayers elect the higher rate, they cannot claim the employment incentive credit on the same investment.

Special Additional Mortgage Recording Tax Credit

A credit is allowed equal to the State special additional mortgage recording tax paid on mortgages recorded after December 31, 1978. The special additional mortgage recording tax is imposed at the rate of 25 cents per \$100 on the indebtedness secured by a mortgage recorded on or after July 1, 1969. A tax credit is not allowed for the special additional mortgage recording tax paid on residential mortgages recorded after May 1, 1987, where the real property is located in Erie County or one or more of the counties comprising the Metropolitan Commuter Transportation District.⁶

Job Incentive
(Eligible Business
Facility) Credit

Enacted in 1968, this credit applies to manufacturing and wholesaling firms. To claim the credit, the firm must locate, expand or improve their facilities in core areas of the State's six largest cities. They must also provide employment and training to residents of these areas. Subsequent legislation expanded the program to cover all of New York State. Legislation enacted in 1983 terminated the program. However, applications approved before July 1, 1983 continued in effect. This credit sunsets for tax years beginning on or after January 1, 2000.

The amount of credit equals a percentage, based on eligible wages and property in the core area, applied to liability. A taxpayer may not claim both the Job Incentive Credit and another credit for the same investment.

Economic
Development Zone
(EDZ) Credits

In 1986, New York State enacted legislation to stimulate growth in economically distressed communities. The program provides a package of tax incentives for businesses that invest or provide jobs in designated economic development zones (EDZs). Credits available to Article 9-A taxpayers include the wage credit, the capital corporations credit, and an investment tax credit.

EDZ Wage Credit

Eligible taxpayers may claim a wage tax credit for up to five years for doing business and creating jobs in an EDZ. The credit differs for targeted and nontargeted employees. A higher credit rate applies to wages paid to targeted employees (i.e., those with low incomes or on public assistance).

The credit equals 25 percent of targeted eligible wages for the first tax year, declining by 5 percent per year for each of the following five years. The corresponding credit for non-targeted employees equals one-half of these amounts. The total credit cannot exceed 50 percent of tax due.

To qualify for the credit, taxpayers must fill 20 percent of new zone jobs with zone residents, or with residents of census tracts bordering the EDZ. In addition, the employer must show a statewide and zonewide net employment gain. Ceilings limit the credits.

EDZ Investment Tax
Credit

Production property acquired or built in an EDZ may qualify for an ITC of 10 percent. Like the regular ITC and other credits, this credit cannot reduce the tax due for any year to less than the higher of the tax on the minimum income base or the fixed dollar minimum. However, unlike other credits, corporations may carry forward any unused EDZ ITC indefinitely.

An additional 3 percent credit rate (30 percent of the investment tax credit) applies in the three years following the year in which the corporation claimed the investment tax credit. To qualify for this second credit, the taxpayer's employment in the EDZ (excluding general executive officers) must equal at least 101 percent of the average employment in the year prior to earning the ITC.

EDZ Capital Corporation
Tax Credit

Under the corporation franchise tax a credit may apply to the consideration paid for original issue stock purchased from an economic development zone capital corporation. These are corporations designed to raise money for investment in zone businesses. The credit equals 25 percent of the amount paid for the stock, up to a lifetime maximum of \$100,000.

Alternative Minimum
Tax Credit

Taxpayers began to accumulate this credit in 1990. Beginning in 1991, taxpayers can claim the Alternative Minimum Tax Credit against their regular tax (on the entire net income base only) for a portion of AMT paid in 1990 and subsequent years. A taxpayer could use the AMT credit to reduce their tax liability (ENI tax, capital base tax, and allocated subsidiary capital tax) to the fixed dollar minimum or the minimum taxable income base, whichever was higher.

The calculation of the minimum tax credit involves a two-step process. The taxpayer calculates a "tentative" minimum tax by subtracting from the minimum tax the highest of the tax on entire net income, the tax on business and investment capital or the fixed dollar minimum tax. In the second step, corporations recalculate the minimum tax they would have paid, accounting for only two specific tax preferences. The first is the preference related to depletion under IRC Section 57(a)(1). The second is the preference related to the appreciated property charitable deduction under IRC Section 57(a)(6)(b)). Prior to 1994, both minimum tax calculations disallow the NOL deduction, and require single weighting of the receipts factor. Corporations then reduce this recalculated minimum tax by the highest of the tax on entire net income, the tax on business and investment capital or the fixed dollar minimum tax. The result of subtracting the recalculated minimum tax credit from the "tentative" minimum tax credit equals the minimum tax credit available for subsequent years.

Fixed Dollar
Minimum Tax

New York's corporate franchise tax law currently imposes a fixed dollar minimum tax, which varies according to a taxpayer's gross payroll.

Gross Payroll Amount

Fixed Dollar Amount

\$6,250,000 or more	\$1,500
\$1,000,001 to \$6,250,000	\$ 425
\$1,000,000 or less	\$ 325

A fixed dollar minimum of \$800 applies to essentially inactive (i.e., shell) corporations that meet certain conditions, including:

- gross payroll equal to or less than \$1,000;
- total gross (i.e., everywhere) receipts equal to or less than \$1,000;
and
- gross assets with an average value equal to or less than \$1,000.

Appendix B: Highlights of Changes Effective for Tax Years Beginning On or After January 1, 1993

Changes to EDZ Program Effective January 1, 1994

In 1993 and 1994, New York State expanded and modified the Economic Development Zone (EDZ) program. In 1993, the changes included simplifying the wage tax credit and the capital corporation credit. The computation of the wage tax credit was changed from a complex percentage of wages method (see Appendix A for a description) to a flat dollar amount per newly hired employee. This change and the expansion of the capital corporation credit were intended to increase participation in the program.

In 1994, the program was expanded to also provide a wage tax credit for business that increased employment in areas eligible for EDZ designation. These areas are called Zone Equivalent Areas (ZEAs).

The changes to the EDZ credits that were enacted in 1993 and 1994 were effective for tax years beginning on or after January 1, 1994.

EDZ and ZEA Wage Credits

Taxpayers may claim a wage credit for doing business and creating jobs in an EDZ. The EDZ wage credit is based on the average number of newly hired employees. The first component of the credit equals the product of the average number of newly hired targeted EDZ employees multiplied by \$1,500. The corresponding credit amount for other employees equals the product of the average number of newly hired nontargeted EDZ employees receiving EDZ wages multiplied by \$750.

A similar credit is provided for eligible businesses located in ZEAs. Taxpayers employing individuals in ZEAs may claim a two-year wage tax credit for EDZ wages paid to full-time employees in a ZEA. In year one, the credit equals \$1,000 multiplied by the average number of newly hired targeted employees and \$500 multiplied by the average number of newly hired nontargeted employees. In year two, the credit decreases to \$500 per targeted employee and \$250 per nontargeted employee.

	<p>The total EDZ or ZEA wage tax credit cannot exceed 50 percent of tax due (before credits). Taxpayers may carry forward unused credits indefinitely. In lieu of a carryforward, “new business” taxpayers may elect to have unused credit refunded.</p>
<p>EDZ Capital Corporation Credit</p>	<p>Taxpayers may claim a credit for investments in capital corporations, direct equity investments in certified zone businesses, and contributions to community development projects. The credit equals 25 percent of the sum of each type of investment. The lifetime maximum credit per taxpayer equals \$300,000. In any tax year, the credit cannot exceed 50 percent of the taxpayer’s pre-credit liability. Taxpayers may carry forward unused amounts indefinitely. A recapture provision applies if the taxpayer disposes of the investment that provided the basis of the credit within 36 months of acquisition.</p>
<p>EDZ Investment Tax Credit (EDZ-ITC)</p>	<p>The EDZ-ITC was amended to allow new businesses to elect a refund of the unused credit in lieu of a carryforward. Remaining provisions of the EDZ-ITC did not change.</p>
<p>Alternative Minimum Tax Credit</p>	<p>Effective for taxable years beginning in 1994, taxpayers are permitted an alternative minimum tax credit against regular (ENI-based) tax liability for part of the net operating loss deduction not used in computing the alternative minimum tax. Taxpayers may calculate the alternative minimum tax credit retroactively for taxable years after 1989 and carry forward the credit indefinitely. The pre-1994 net operating loss component is subject to a five-year transition rule, beginning in taxable years after 1993 and ending before 1999. Under the transition rule, a taxpayer may use up to 20 percent of the credit in each of the five years beginning with the 1994 tax year. The taxpayer will have available the remainder of any unused credit for tax years after 1999.</p>
<p>Changes in 1994-96 State Budgets</p>	<p>The 1994-1995 State Budget made significant changes to certain corporate tax credit provisions. The highlights include:⁷</p> <ul style="list-style-type: none"> • Investment Tax Credit and Employment Incentive Credit. For credits generated on or after January 1, 1987, the allowable credits carry forward period increases from 7 to 10 years. (This extension did not, however, apply to pre-1987 research and development credit.) • Alternative Minimum Tax Credit. See above description. • Zone Equivalent Area Wage Credit. See above description.

The 1995-1996 Budget contained no changes to existing corporate tax credit provisions.

Endnotes

1. Due to space limitations in the following statistical tables, some credit titles have been shortened. For example, the "Special Additional Mortgage Recording Tax Credit" has been shortened to "Mortgage Recording Credit."
2. There is only data available for the "credit used" for the Job Incentive Credit, Research and Development Credit and the Alternative Minimum Tax Credit in 1992. In 1991, data for components other than credit used was only available for the Investment Tax Credit.
3. Taxpayers may use credits to reduce their computed liabilities under the entire net income base or capital base alternatives. However, they may not reduce their liability below the amount computed under the alternative minimum tax base or the fixed dollar minimum base, whichever is higher.
4. Effective for credits generated on or after January 1, 1987, the allowable carry forward of the investment tax credit and employment incentive credit increases from 7 to 10 years. The cutoff of pre-1987 investment tax credit carry forwards is extended from 1994 to 1997. (This law change does not affect the data reflected in this report.)
5. The research and development credit carry forward under section 210.18, which applies to any tax year beginning before January 1, 1994, was not, in contrast to the investment tax credit research and development property credit carry forward, extended to 1997 under legislation enacted in 1994.
6. Taxpayers may request a refund of special additional mortgage recording tax credit earned after January 1, 1994.
7. See *New York State Fiscal Year 1994-95 Budget: Summary of Tax Provisions* for more details on changes to credit provisions.