



Analysis of Article 9-A General Business Corporation Franchise Tax Credits for 2003

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Introduction

This report provides an accounting of credit activity under the General Business Corporation Franchise Tax (Article 9-A). Section 109 (a) of the Business Tax Reform and Rate Reduction Act of 1987 mandated an annual study of tax credits available to Article 9-A taxpayers. The report does not include credit activity attributable to banks, insurance companies, or utilities because such entities are taxable under other articles of the Tax Law. 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 the latest available data drawn from New York State corporation tax returns. These data pertain to corporations whose taxable year began during the 2003 calendar year (hereinafter referred to as the 2003 tax liability year).

The appendices contain comprehensive information on corporate tax credits available in New York State. Appendices A and B provide descriptions of credits available during the 2003 liability year and subsequent periods, respectively. Appendix C lists the form numbers for each credit and the ordering rules applicable when claiming multiple credits. Appendix D recounts legislative actions since 1996 that impacted Article 9-A credits. Finally, Appendix E contains the legislative mandate for this report.

Highlights for 2003

- Corporate taxpayers earned a total of \$547.0 million in credits, claimed a total of \$2,996.7 million in credits, used a total of \$144.5 million in credits against their Article 9-A liability, and refunded a total of \$108.9 million in credits.
- After increasing between 2001 and 2002, the amount of credit earned decreased by \$62.8 million between 2002 and 2003.
- For the third straight year, the amount of credit used declined in 2003, but it was also the third straight increase in the amount of credit refunded.
- Between 2002 and 2003, taxpayers used \$7.8 million less in credits, but refunded \$4.0 million more.

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- Taken together, the amount of credit used and refunded decreased by \$3.8 million, or 1.5 percent, between 2002 and 2003.
 - In 2003, the Empire Zone/Qualified Empire Zone Enterprise (EZ/QEZE) credits comprised the majority of credit used and refunded at 50.7 percent. The traditional investment tax credit, including the ITC for financial services, was next, comprising 41.5 percent of the total. In 2002, the shares were 48.8 percent and 42.6 percent respectively.
 - The number of taxpayers using and refunding credit increased for every EZ and QEZE credit between 2002 and 2003.
 - The amounts of EZ credits used and refunded declined by approximately \$15.5 million between 2002 and 2003.
 - This decline was more than offset by an increase of over \$18.4 million in QEZE credits used and refunded.
 - In the aggregate, the amount of EZ and QEZE credits used and refunded increased by nearly \$3 million from 2002 to 2003.

Analysis of Statistical Data

Description of Tables

The following tables present information for Article 9-A corporate tax credits.

The tables contain data on the number of taxpayers taking the credit, the total amount of credit, the mean amount of credit, and the median amount of credit¹ for the following components:

| | |
|------------------------|--|
| Credit Earned | The amount of credit generated in the current tax year. |
| Credit Claimed | The amount of credit which taxpayers have available during the taxable year. Taxpayers determine the amount of credit claimed by adding the amount of credit earned in the current year to the amount of unused credit from the prior year and subtracting any applicable credit recapture. |
| Credit Used | The amount of credit which taxpayers actually apply to their tax liability. ² |
| Credit Refunded | Unused credit amounts requested as a refund or applied against the next liability period. These are requested amounts from the tax return, not necessarily amounts actually paid. Refund requests are subject to audit and adjustment by the Tax Department and the Office of the State Comptroller. |
| Credit Carried Forward | Any unused amount of credit which is allowed to be used to offset tax liability in future years. The amount of credit carried forward is determined by subtracting the amount of credit used or refunded in the current year from the amount of credit claimed. ³ |

A series of tables presents profiles of the credits distributed by different subgroupings. These include: basis of taxation after credits, major industry group, size of entire net income, and size of credit used. Secrecy provisions preclude providing all subgroupings for all credits, and the tables do not present detailed information about refundable credits.

The basis of taxation tables reflect credits used by taxpayers whose tax is based on either the entire net income (ENI) base, the capital base, the alternative minimum tax (AMT) base, or the fixed dollar minimum tax. The ENI and capital bases represent taxpayers who began under these bases, used credits, and remained under these bases (despite the use of credits). The fixed dollar minimum and AMT bases represent two different classes of taxpayers. The bases could include taxpayers who started under one of the other bases such as ENI, but because of credits, ended up either paying the fixed dollar minimum tax or the AMT. These bases could also include taxpayers who used credits to strictly offset their subsidiary capital tax.

The major industry group category is based on the North American Industry Classification System (NAICS). Taxpayers report their principal business activity using NAICS codes from their federal tax returns. These codes identify the general type of business activity in which the entity is engaged. Taxpayers who fail to provide NAICS information, or who may report outdated codes, become unidentifiable by industry group and are classified as such in this report.

Data Considerations

The data contained in these tables come directly from the returns of corporations claiming the credits.⁴ Due to disclosure provisions relating to the limited number of claims for the alternative fuels credit, only the totals for each credit component are displayed. For the same reason, profiles of the EZ-ITC for the financial services industry, the mortgage servicing tax credit, the qualified emerging technology company (QETC) capital tax credit and the low-income housing credit are unavailable, as is zone-level data for the ZEA wage tax credit⁵.

The Tax Law limits some credits to a percentage of tax due or allows only a percentage of the credit to be used. The Empire Zone/Zone Equivalent Area (EZ/ZEA) wage tax credit and the EZ capital tax credit, respectively, in the aggregate cannot exceed 50 percent of the business corporation franchise tax that is calculated prior to applying any other credits.

Taxpayers permitted to take the investment tax credit (ITC), the employment incentive credit (EIC), the rehabilitation credit for historic barns, and the credit on research and development property report amounts earned during the tax year on separate lines on tax form CT-46-*Claim for Investment Tax Credit*. However, when computing the credit claimed, used, and carried forward, taxpayers combine the credits on the CT-46. This study presents these combined amounts for each of the credit components. Similarly, data for the EZ-ITC and the EZ-EIC are presented as combined amounts.

Several credits allow a refund of excess credit to new businesses only. The ITC, the ITC for the financial services industry, and the QETC employment credit allow a full refund to new businesses.⁶ The EZ/ZEA wage tax credit, the EZ-ITC, and the EZ-ITC for the financial services industry allow 50 percent of excess credit to be refunded by new businesses.

The alternative fuels credit allows excess credit to be transferred to affiliates of the taxpayer.

The qualified EZ enterprise (QEZE) credit for real property taxes, the QEZE tax reduction credit, the mortgage servicing tax credit, the industrial or manufacturing business (IMB) tax credit, and the credit for purchase of an automated external defibrillator do not allow any carryforward of excess credit.

(For more detail on these credits, see Appendix A.)

Summary of Credit Activity

The tables in this report summarize tax credit activity by component and type of credit. The totals in the tables may not match the detail tables due to rounding and disclosure requirements.

In all tables, '--' indicates that the component does not apply to the credit or that the data for that component are not available. A '0' means that the credit was available but not utilized by any taxpayers, or that the amount was less than \$100,000. The letter 'd' indicates that the data cannot be presented due to the confidentiality restrictions of the Tax Law. Total values for number of taxpayers, amount of credit, and mean and median credit were computed using all taxpayers in the study. The available data for all tables do not reflect changes made on audit or amended filings.

Overview of Credits Available During the 2003 Tax Liability Year

This section provides an overview of the credits available to taxpayers during the period covered by this report. The credits are discussed in detail in Appendix A.

Investment Tax Credit (ITC)

The ITC is available for property that is used primarily for the production of goods or for pollution control, waste treatment, or acid rain control facilities. The rate for the ITC equals 5 percent of the first \$350 million in investment, and 4 percent for investment over that amount.

Employment Incentive Credit (EIC)

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

Rehabilitation Credit for Historic Barns

Taxpayers may claim a corporate franchise tax credit for the rehabilitation of historic barns in New York State. The credit equals 25 percent of qualified rehabilitation expenditures. A taxpayer may not claim both the regular ITC and the ITC for rehabilitation of historic barns on the same property.

Credit on Research and Development Property Under the ITC

Research and development (R&D) property qualifies for the ITC at a higher rate. Taxpayers may either choose the R&D rate of 9 percent or the lower ITC rate. By electing the lower rate, taxpayers also become eligible for the EIC in subsequent years based on increased employment.

(Because of the consolidation of the above four credits on the tax return, separate data for each does not appear in this report.)

ITC for the Financial Services Industry

Corporations, banks, and personal income taxpayers that are brokers or dealers in securities can receive the ITC for equipment or buildings used in broker/dealer activity and in activities connected with broker/dealer operations such as the provision of investment advisory services for a regulated investment company, and lending activities associated with the purchase and sale of securities. The credit allowances are the same as the traditional ITC.

| | |
|---|--|
| Special Additional Mortgage Recording Tax Credit | A corporation may claim a credit equal in amount to the special additional recording tax paid on mortgages recorded on property located within certain areas of New York State. |
| Empire Zone (EZ) Credits/Zone Equivalent Area Wage Tax Credit | EZ credits include an ITC, a financial services ITC, a wage credit (for targeted and non-targeted employees), and a capital tax credit. A corresponding wage tax credit is available for employment in areas designated as Zone Equivalent Areas (ZEAs) ⁵ . |
| Qualified Empire Zone Enterprise (QEZE) Credits | Businesses that become certified as Qualified Empire Zone Enterprises can receive a credit against property taxes paid and a tax reduction credit in addition to the other Empire Zone credits. In order to qualify for the QEZE credits, a taxpayer must first satisfy an annual employment test. |
| Alternative Minimum Tax (AMT) Credit | In certain instances, taxpayers could be subject to double taxation on the same transaction under the regular tax system and the AMT. To eliminate 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. |
| Farmers' School Tax Credit | Eligible farmers may claim a tax credit equal to 100 percent of the school property taxes paid on up to 250 acres ⁷ of qualified agricultural property, and 50 percent of taxes paid on excess acreage. |
| Credit for Employment of Persons with Disabilities | Employers hiring individuals with disabilities may claim a credit for a portion of wages paid to such individuals. |
| Alternative Fuels Credit ⁸ | A tax credit is allowed for electric vehicles, clean fuel vehicles, hybrid vehicles, and clean fuel refueling property. The credit also applies to electric vehicles and clean fuel vehicle property sold or leased to governmental agencies if the vehicle is manufactured in New York State. |
| Qualified Emerging Technology Company (QETC) Tax Credits | Two QETC credits are available to taxpayers. The employment credit equals \$1,000 for each employee hired by a QETC over a base year level. The capital tax credit is for companies investing in QETCs, and the amount of the credit varies depending upon how long the investment is held. |

| | |
|--|--|
| Industrial or Manufacturing Business (IMB) Tax Credit | Industrial or manufacturing businesses, defined as businesses that also qualify for the ITC, are allowed a credit equal to the taxes paid under Article 9 of the Tax Law by their suppliers for gas, electricity, steam, water, or refrigeration, or the services of providing such, which are used or consumed in New York State. |
| Credit for Purchase of an Automated External Defibrillator | Taxpayers may claim a credit for the purchase of an automated external defibrillator. The amount of the credit is equal to the cost of the defibrillator, but is capped at \$500 per unit. |
| Green Building Credit | <p>The green building credit provides incentives for the construction, rehabilitation, and maintenance of buildings with high environmental standards and energy efficiency. The credit rewards the use of environmentally preferable building materials and renewable and clean energy technologies.</p> <p>The Department of Environmental Conservation determines eligibility for the credit and the maximum credit amount allowable to the taxpayer.</p> |
| Low-Income Housing Credit | The New York State low-income housing tax credit program coordinates with the federal low-income housing credit program. The state credit is administered by the New York State Division of Housing and Community Renewal (DHCR) and is allocated for an eligible low income building for which an eligibility statement has been issued by the New York State Commissioner of Housing and Community Renewal. |
| Long-Term Care Insurance Credit | A credit is available for corporations that pay premiums for qualifying long-term care insurance policies. The credit is equal to 10 percent ⁹ of the premiums paid during the tax year for the purchase of, or continuing coverage under, a long-term care insurance policy that qualifies for the credit pursuant to section 1117 of the Insurance Law. |

Endnotes

1. As used in this report, “mean amount of credit” is defined as the average amount of credit in a given category. “Median amount of credit” is defined as the central value representing an equal number of credit values above and below it.
2. Taxpayers may use credits to reduce their tax liabilities computed under the entire net income base, capital base, or subsidiary capital base. Generally, credits may not be used to reduce tax liability below the amount computed under the alternative minimum tax base or the fixed dollar minimum base, whichever is higher. However, the law does allow some specific credits to be applied against those bases. Where applicable, this is noted in the descriptions of the particular credit.
3. The computation for credit carried forward does not apply to some credits. The IMB credit and the QEZE credit for real property taxes do not allow a credit carryforward since they are fully refundable. The QEZE tax reduction credit, the mortgage servicing tax credit, and the credit for purchase of an automated external defibrillator do not allow any carryforward. The alternative fuels credit allows for a transfer of excess credits to affiliates of the taxpayer in addition to a credit carryforward.
4. Historical data presented in this report may differ from that presented in previous reports. This can occur as a result of changes made to the data collection process and minor adjustments made to the original data files. In certain limited instances, errors made on either prior year or 2003 tax liability year credit claim forms may also result in discrepancies. Starting with the 2002 liability year, the studyfile is comprised of taxpayers whose filing period beginning date is within the corresponding calendar year. Previous data files were comprised of taxpayers whose file period end date was between December of one year and November of the following year.
5. ZEAs expired effective June 13, 2004. The 2002 report was the first year for which zone-level data was available. In that report, ZEA wage tax credit was added to EZ wage tax credit for the zone-level table. However, in light of the expiration of the ZEA portion of the wage tax credit, and in order to provide a consistent table for future analysis, only EZ wage tax credit data was included in the zone-level table in this report.
6. Legislation enacted as part of the 2005-2006 State budget allowed the QETC employment credit to be refundable to all businesses, starting in 2005.
7. Chapter 62 of the Laws of 2006 increased the base acreage from 250 to 350 acres, effective for taxable years beginning on or after January 1, 2006.
8. The credit for vehicles expired after 2004. Starting in 2005, the credit is available for alternative fuel vehicle refueling property only.
9. Legislation enacted as part of the 2004-2005 State budget increased the credit percentage to 20 percent of premiums paid for tax years beginning on or after January 1, 2004.

Table 1: Comparison of Article 9-A Tax Credit Activity - 2002 and 2003

| | 2002 | | | | | | | |
|--|---------------------|-----------------------------------|------------------------|-------------------|------------------|----------------|--------------------------------|------------------------|
| | (\$ in millions) | | | | | | | |
| | Total Credit Earned | Unused Credit from the Prior Year | Total Credit Available | Recaptured Credit | Credit Claimed | Credit Used | Refundable Credit ¹ | Credit Carried Forward |
| Investment Tax Credit | \$153.1 | \$1,532.9 | \$1,686.0 | \$15.7 | \$1,670.3 | \$57.8 | \$18.5 | \$1,594.0 |
| Investment Tax Credit for the Financial Services Industry | 87.5 | 156.4 | 243.9 | 2.2 | 241.6 | 29.6 | 3.7 | 208.3 |
| Special Additional Mortgage Recording Tax Credit | 4.9 | 1.8 | 6.7 | 0.0 | 6.7 | 1.6 | 3.0 | 2.0 |
| Empire Zone Credits | 343.5 | 325.1 | 668.6 | 10.0 | 658.6 | 59.9 | 65.8 | 532.8 |
| Alternative Minimum Tax Credit | 3.7 | 38.9 | 38.9 | 0.0 | 38.9 | 0.6 | 0.0 | 38.3 |
| Mortgage Servicing Tax Credit | d/ | d/ | d/ | d/ | d/ | d/ | d/ | d/ |
| Farmers' School Tax Credit | 0.8 | 0.0 | 0.9 | 0.0 | 0.9 | 0.0 | 0.8 | 0.1 |
| Credit for Employment of Persons with Disabilities | 0.2 | 0.2 | 0.4 | 0.0 | 0.4 | 0.2 | 0.0 | 0.2 |
| Alternative Fuels Credit ² | 0.6 | 0.4 | 1.0 | 0.0 | 1.0 | 0.5 | 0.0 | 0.5 |
| QETC Employment Credit | 0.4 | 1.2 | 1.6 | 0.0 | 1.6 | 0.1 | 0.2 | 1.3 |
| QETC Capital Tax Credit | d/ | d/ | d/ | d/ | d/ | d/ | d/ | d/ |
| IMB Credit | 14.9 | -- | 14.9 | 0.0 | 14.9 | 1.9 | 12.9 | -- |
| Credit for Purchase of an Automated External Defibrillator | 0.0 | -- | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -- |
| Green Building Credit ³ | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Low-Income Housing Credit | d/ | d/ | d/ | d/ | d/ | d/ | d/ | d/ |
| Long-Term Care Insurance Credit | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total⁴ | \$609.8 | \$2,056.9 | \$2,662.8 | \$28.0 | \$2,634.9 | \$152.3 | \$104.9 | \$2,377.5 |

| | 2003 | | | | | | | |
|--|---------------------|-----------------------------------|------------------------|-------------------|------------------|----------------|--------------------------------|------------------------|
| | (\$ in millions) | | | | | | | |
| | Total Credit Earned | Unused Credit from the Prior Year | Total Credit Available | Recaptured Credit | Credit Claimed | Credit Used | Refundable Credit ¹ | Credit Carried Forward |
| Investment Tax Credit | \$125.4 | \$1,569.0 | \$1,694.4 | \$7.9 | \$1,686.5 | \$70.0 | \$16.2 | \$1,600.3 |
| Investment Tax Credit for the Financial Services Industry | 72.3 | 186.1 | 258.4 | 2.6 | 255.8 | 17.7 | d/ | 234.2 |
| Special Additional Mortgage Recording Tax Credit | 7.5 | 2.0 | 9.4 | 0.0 | 9.4 | 2.0 | 4.2 | 3.2 |
| Empire Zone Credits | 327.8 | 704.6 | 1,032.4 | 1.8 | 1,030.0 | 51.1 | 77.5 | 900.5 |
| Alternative Minimum Tax Credit | 2.7 | 1.5 | 1.5 | 0.0 | 1.5 | 0.7 | 0.0 | 0.8 |
| Mortgage Servicing Tax Credit | d/ | d/ | d/ | d/ | d/ | d/ | d/ | d/ |
| Farmers' School Tax Credit | 1.0 | 0.0 | 1.0 | 0.0 | 1.0 | 0.0 | 0.9 | 0.1 |
| Credit for Employment of Persons with Disabilities | 0.1 | 0.2 | 0.3 | 0.0 | 0.3 | 0.1 | 0.0 | 0.2 |
| Alternative Fuels Credit ² | 2.5 | 0.5 | 3.0 | 0.0 | 3.0 | 1.1 | 0.0 | 1.8 |
| QETC Employment Credit | 0.1 | 1.2 | 1.4 | 0.0 | 1.4 | 0.0 | 0.1 | 1.2 |
| QETC Capital Tax Credit | d/ | d/ | d/ | d/ | d/ | d/ | d/ | d/ |
| IMB Credit | 7.6 | 0.0 | 7.6 | 0.0 | 7.6 | 1.5 | 6.2 | 0.0 |
| Credit for Purchase of an Automated External Defibrillator | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Green Building Credit ³ | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Low-Income Housing Credit | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Long-Term Care Insurance Credit | 0.0 | 0.0 | 0.1 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 |
| Total⁴ | \$547.0 | \$2,465.2 | \$3,009.6 | \$12.3 | \$2,996.7 | \$144.5 | \$108.9 | \$2,742.3 |

¹ Credit refunded includes amounts eligible for refund, but instead claimed as an overpayment applied against next year's tax liability at the discretion of the taxpayer.

² The provisions of this credit allow for the transfer of excess credit to affiliates of the taxpayer. However, in 2002 and 2003, no corporations transferred credit to affiliates.

³ No credit was claimed in 2002 or 2003.

⁴ Total row reflects the vertical summation of the individual credit components. Horizontal calculations within the column are not valid. Totals may not add due to rounding.

d/ Tax Law provisions prohibit disclosure of data.

Table 2: Profile of Total New York State Tax Credits – Credits Earned by Type - 2002 and 2003

| Credit | 2002 | | 2003 | |
|--|---------------------|-------------------------|---------------------|-------------------------|
| | Number of Taxpayers | Amount of Credit Earned | Number of Taxpayers | Amount of Credit Earned |
| Investment Tax Credit | 1,870 | \$153,081,758 | 1,680 | \$125,376,019 |
| Investment Tax Credit for the Financial Services Industry | 43 | 87,472,700 | 51 | 72,264,420 |
| Special Additional Mortgage Recording Credit | 82 | 4,890,779 | 110 | 7,454,360 |
| EZ Wage Tax Credit | 438 | 59,853,631 | 510 | 36,369,910 |
| EZ Capital Tax Credit | 41 | 237,507 | 50 | 202,846 |
| EZ Investment Tax Credit | 365 | 189,843,063 | 398 | 160,612,162 |
| EZ Investment Tax Credit for the Financial Services Industry | 3 | 675 | 9 | 1,052,988 |
| ZEA Wage Credit | 79 | 29,882,207 | 95 | 46,046,255 |
| QEZE Credit for Real Property Taxes | 204 | 58,246,627 | 284 | 72,496,650 |
| QEZE Tax Reduction Credit | 190 | 5,454,179 | 273 | 11,039,850 |
| Alternative Minimum Tax Credit | 2,314 | 3,742,515 | 1,875 | 2,660,982 |
| Mortgage Servicing Tax Credit | d/ | d/ | d/ | d/ |
| Farmers' School Tax Credit | 139 | 843,862 | 136 | 987,937 |
| Credit for Employment of Persons with Disabilities | 49 | 195,630 | 40 | 144,642 |
| Alternative Fuels Credit | 5 | 606,416 | 9 | 2,458,990 |
| QETC Employment Credit | 27 | 403,063 | 16 | 143,238 |
| QETC Capital Tax Credit | d/ | d/ | d/ | d/ |
| IMB Credit | 1,202 | 14,863,909 | 1,124 | 7,628,710 |
| Credit for Purchase of an Automated External Defibrillator | 13 | 41,500 | 19 | 36,084 |
| Green Building Credit | 0 | 0 | 0 | 0 |
| Low-Income Housing Credit | d/ | d/ | d/ | d/ |
| Long-Term Care Insurance Credit | 32 | 38,854 | 27 | 43,373 |

d/ Tax Law provisions prohibit disclosure of data.

Table 3: Profile of Total New York State Tax Credits – Credits Claimed by Type - 2002 and 2003

| Credit | 2002 | | 2003 | |
|--|---------------------|--------------------------|---------------------|--------------------------|
| | Number of Taxpayers | Amount of Credit Claimed | Number of Taxpayers | Amount of Credit Claimed |
| Investment Tax Credit | 3,091 | \$1,670,273,552 | 2,919 | \$1,686,467,520 |
| Investment Tax Credit for the Financial Services Industry | 59 | 241,628,650 | 65 | 255,817,791 |
| Special Additional Mortgage Recording Credit | 127 | 6,697,969 | 131 | 9,444,905 |
| EZ Wage Tax Credit | 599 | 105,513,946 | 736 | 111,247,366 |
| EZ Capital Tax Credit | 54 | 370,624 | 66 | 422,837 |
| EZ Investment Tax Credit | 447 | 441,056,700 | 510 | 748,524,544 |
| EZ Investment Tax Credit for the Financial Services Industry | 5 | 32,232 | 11 | 1,412,293 |
| ZEA Wage Credit | 102 | 47,922,725 | 125 | 85,478,210 |
| QEZE Credit for Real Property Taxes | 204 | 58,246,222 | 284 | 71,934,601 |
| QEZE Tax Reduction Credit | 190 | 5,454,179 | 273 | 11,039,850 |
| Alternative Minimum Tax Credit | 2,924 | 38,880,490 | 450 | 1,467,460 |
| Mortgage Servicing Tax Credit | d/ | d/ | d/ | d/ |
| Farmers' School Tax Credit | 142 | 871,760 | 140 | 1,029,748 |
| Credit for Employment of Persons with Disabilities | 77 | 362,267 | 69 | 323,950 |
| Alternative Fuels Credit | 6 | 972,957 | 10 | 2,951,072 |
| QETC Employment Credit | 38 | 1,577,385 | 32 | 1,375,637 |
| QETC Capital Tax Credit | d/ | d/ | d/ | d/ |
| IMB Credit | 1,202 | 14,863,909 | 1,124 | 7,628,710 |
| Credit for Purchase of an Automated External Defibrillator | 13 | 41,500 | 19 | 36,084 |
| Green Building Credit | 0 | 0 | 0 | 0 |
| Low-Income Housing Credit | d/ | d/ | d/ | d/ |
| Long-Term Care Insurance Credit | 32 | 38,856 | 28 | 53,157 |

d/ Tax Law provisions prohibit disclosure of data.

Table 4: Profile of Total New York State Tax Credits – Credits Used by Type - 2002 and 2003

| Credit | 2002 | | 2003 | |
|--|---------------------|-----------------------|---------------------|-----------------------|
| | Number of Taxpayers | Amount of Credit Used | Number of Taxpayers | Amount of Credit Used |
| Investment Tax Credit | 2,138 | \$57,805,085 | 2,039 | \$70,033,730 |
| Investment Tax Credit for the Financial Services Industry | 45 | 29,624,906 | 53 | 17,761,932 |
| Special Additional Mortgage Recording Credit | 116 | 1,641,926 | 116 | 1,998,212 |
| EZ Wage Tax Credit | 350 | 25,448,782 | 427 | 12,248,080 |
| EZ Capital Tax Credit | 38 | 71,150 | 38 | 47,960 |
| EZ Investment Tax Credit | 250 | 18,829,959 | 260 | 12,899,329 |
| EZ Investment Tax Credit for the Financial Services Industry | 3 | 675 | 8 | 49,013 |
| ZEA Wage Credit | 73 | 9,286,664 | 95 | 12,912,478 |
| QEZE Credit for Real Property Taxes | 60 | 894,202 | 89 | 2,885,569 |
| QEZE Tax Reduction Credit | 173 | 5,335,449 | 246 | 10,048,767 |
| Alternative Minimum Tax Credit | 485 | 584,235 | 414 | 704,005 |
| Mortgage Servicing Tax Credit | d/ | d/ | d/ | d/ |
| Farmers' School Tax Credit | 20 | 23,665 | 18 | 48,239 |
| Credit for Employment of Persons with Disabilities | 51 | 174,436 | 38 | 126,467 |
| Alternative Fuels Credit | 3 | 480,875 | 6 | 1,125,196 |
| QETC Employment Credit | 17 | 111,078 | 12 | 49,297 |
| QETC Capital Tax Credit | d/ | d/ | d/ | d/ |
| IMB Credit | 421 | 1,948,429 | 362 | 1,477,500 |
| Credit for Purchase of an Automated External Defibrillator | 12 | 25,202 | 19 | 36,084 |
| Green Building Credit | 0 | 0 | 0 | 0 |
| Low-Income Housing Credit | d/ | d/ | d/ | d/ |
| Long-Term Care Insurance Credit | 28 | 28,199 | 20 | 26,335 |

d/ Tax Law provisions prohibit disclosure of data.

Table 5: Profile of Total New York State Tax Credits – Credits Refunded by Type - 2002 and 2003

| Credit | 2002 | | 2003 | |
|--|---------------------|---------------------------|---------------------|---------------------------|
| | Number of Taxpayers | Amount of Credit Refunded | Number of Taxpayers | Amount of Credit Refunded |
| Investment Tax Credit | 91 | \$18,517,788 | 67 | \$16,174,366 |
| Investment Tax Credit for the Financial Services Industry | d/ | d/ | 3 | 3,875,257 |
| Special Additional Mortgage Recording Credit | 13 | 2,998,940 | 15 | 4,216,904 |
| EZ Wage Tax Credit | 116 | 3,796,047 | 130 | 3,763,987 |
| EZ Capital Tax Credit | - | - | - | - |
| EZ Investment Tax Credit | 50 | 4,438,718 | 58 | 3,595,803 |
| EZ Investment Tax Credit for the Financial Services Industry | 0 | 0 | 4 | 618,298 |
| ZEA Wage Credit | 8 | 174,328 | 7 | 458,500 |
| QEZE Credit for Real Property Taxes | 183 | 57,352,019 | 259 | 69,049,030 |
| QEZE Tax Reduction Credit | - | - | - | - |
| Alternative Minimum Tax Credit | - | - | - | - |
| Mortgage Servicing Tax Credit | - | - | - | - |
| Farmers' School Tax Credit | 127 | 786,959 | 124 | 896,621 |
| Credit for Employment of Persons with Disabilities | - | - | - | - |
| Alternative Fuels Credit | 0 | 0 | 0 | 0 |
| QETC Employment Credit | 12 | 198,220 | 10 | 117,738 |
| QETC Capital Tax Credit | - | - | - | - |
| IMB Credit | 865 | 12,915,484 | 801 | 6,151,215 |
| Credit for Purchase of an Automated External Defibrillator | - | - | - | - |
| Green Building Credit | - | - | - | - |
| Low-Income Housing Credit | - | - | - | - |
| Long-Term Care Insurance Credit | - | - | - | - |

d/ Tax Law provisions prohibit disclosure of data.

Table 6: Profile of Total New York State Tax Credits – Credits Carried Forward by Type - 2002 and 2003

| Credit | 2002 | | 2003 | |
|--|---------------------|----------------------------------|---------------------|----------------------------------|
| | Number of Taxpayers | Amount of Credit Carried Forward | Number of Taxpayers | Amount of Credit Carried Forward |
| Investment Tax Credit | 2,620 | \$1,593,950,669 | 2,491 | \$1,600,259,405 |
| Investment Tax Credit for the Financial Services Industry | 34 | 208,288,472 | 36 | 234,180,602 |
| Special Additional Mortgage Recording Credit | 53 | 2,005,545 | 41 | 3,219,483 |
| EZ Wage Tax Credit | 553 | 76,269,100 | 657 | 95,235,257 |
| EZ Capital Tax Credit | 21 | 299,474 | 35 | 374,866 |
| EZ Investment Tax Credit | 411 | 417,788,022 | 467 | 732,029,421 |
| EZ Investment Tax Credit for the Financial Services Industry | d/ | d/ | 7 | 744,983 |
| ZEA Wage Credit | 78 | 38,461,741 | 93 | 72,107,231 |
| QEZE Credit for Real Property Taxes | - | - | - | - |
| QEZE Tax Reduction Credit | - | - | - | - |
| Alternative Minimum Tax Credit | 2,591 | 38,296,255 | 157 | 763,457 |
| Mortgage Servicing Tax Credit | d/ | d/ | d/ | d/ |
| Farmers' School Tax Credit | 14 | 61,136 | 16 | 84,889 |
| Credit for Employment of Persons with Disabilities | 43 | 187,832 | 44 | 197,483 |
| Alternative Fuels Credit | 3 | 492,082 | 6 | 1,825,876 |
| OETC Employment Credit | 22 | 1,315,085 | 21 | 1,208,602 |
| OETC Capital Tax Credit | d/ | d/ | d/ | d/ |
| IMB Credit | - | - | - | - |
| Credit for Purchase of an Automated External Defibrillator | - | - | - | - |
| Green Building Credit | 0 | 0 | 0 | 0 |
| Low-Income Housing Credit | d/ | d/ | 4 | 10,089 |
| Long-Term Care Insurance Credit | 12 | 10,657 | 18 | 26,822 |

d/ Tax Law provisions prohibit disclosure of data.

Table 7: New York State Investment Tax Credit by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|--------------------------|-------------------|----------------------|-------------------------|--------------------|----------------------|--------------------|
| | Entire Net Income | 279 | \$12,271,277 | 9.79 | \$5,437 | \$43,983 |
| Fixed Dollar Minimum Tax | 783 | 56,902,450 | 45.39 | 4,036 | 72,672 | |
| Capital Base | 89 | 10,663,960 | 8.51 | 2,195 | 119,820 | |
| Alternative Minimum Tax | 529 | 45,538,332 | 36.32 | 10,846 | 86,084 | |
| Total | 1,680 | \$125,376,019 | 100.00 | \$5,778 | \$74,629 | |

| Credit Claimed | Basis of Taxation | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|--------------------------|-------------------|------------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Entire Net Income | 366 | \$32,616,740 | 1.93 | \$6,333 | \$89,117 |
| Fixed Dollar Minimum Tax | 1,609 | 1,103,034,212 | 65.41 | 25,199 | 685,540 | |
| Capital Base | 172 | 164,165,664 | 9.73 | 7,377 | 954,452 | |
| Alternative Minimum Tax | 772 | 386,650,904 | 22.93 | 48,245 | 500,843 | |
| Total | 2,919 | \$1,686,467,520 | 100.00 | \$25,131 | \$577,755 | |

| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|--------------------------|-------------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | Entire Net Income | 313 | \$14,887,118 | 21.26 | \$5,358 | \$47,563 |
| Fixed Dollar Minimum Tax | 921 | 19,296,721 | 27.55 | 958 | 20,952 | |
| Capital Base | 109 | 1,402,059 | 2.00 | 1,796 | 12,863 | |
| Alternative Minimum Tax | 696 | 34,447,832 | 49.19 | 4,661 | 49,494 | |
| Total | 2,039 | \$70,033,730 | 100.00 | \$2,223 | \$34,347 | |

| Credit Carried Forward | Basis of Taxation | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
|--------------------------|-------------------|------------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | Entire Net Income | 73 | \$17,723,472 | 1.11 | \$10,370 | \$242,787 |
| Fixed Dollar Minimum Tax | 1,581 | 1,068,831,168 | 66.79 | 24,618 | 676,048 | |
| Capital Base | 80 | 162,173,584 | 10.13 | 34,373 | 2,027,170 | |
| Alternative Minimum Tax | 757 | 351,531,181 | 21.97 | 43,677 | 464,374 | |
| Total | 2,491 | \$1,600,259,405 | 100.00 | \$28,028 | \$642,416 | |

Table 8: New York State Investment Tax Credit by Major Industry Group - 2003 Liability Year

| Credit Earned | Major Industry Group | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|--|--|----------------------|-------------------------|--------------------|----------------------|--------------------|
| | Agriculture, Forestry, Fishing & Hunting | 177 | \$1,820,178 | 1.45 | \$2,133 | \$10,283 |
| Mining | 24 | 754,503 | 0.60 | 9,501 | 31,438 | |
| Utilities | 0 | 0 | 0.00 | 0 | 0 | |
| Construction | 29 | 314,285 | 0.25 | 3,185 | 10,837 | |
| Manufacturing | 1,118 | 94,177,431 | 75.12 | 22,699 | 259,626 | |
| Wholesale Trade | 85 | 3,492,357 | 2.78 | 2,941 | 41,087 | |
| Retail Trade | 30 | 1,891,538 | 1.51 | 9,016 | 96,055 | |
| Transportation & Warehousing | d/ | d/ | d/ | d/ | d/ | |
| Information | 53 | 4,858,679 | 3.87 | 12,470 | 91,673 | |
| Finance and Insurance | 0 | 0 | 0.00 | 0 | 0 | |
| Real Estate, Rental, & Leasing | 3 | 48,838 | 0.04 | d/ | 16,279 | |
| Professional, Scientific, & Technical Services | 63 | 11,776,793 | 9.39 | 8,596 | 186,933 | |
| Management of Companies & Enterprises | 62 | 5,648,610 | 4.50 | 27,032 | 91,107 | |
| Administrative & Support & Waste Management & Remediation Services | 5 | 214,315 | 0.17 | 4,204 | 42,863 | |
| Educational Services | d/ | d/ | d/ | d/ | d/ | |
| Health Care & Social Assistance | 22 | 344,163 | 0.27 | 5,083 | 15,644 | |
| Arts, Entertainment, & Recreation | d/ | d/ | d/ | d/ | d/ | |
| Accommodation & Food Services | 0 | 0 | 0.00 | 0 | 0 | |
| Other Services (except Public Administration) | 4 | 15,789 | 0.01 | 3,651 | 3,947 | |
| Public Administration | 0 | 0 | 0.00 | 0 | 0 | |
| Total | 1,680 | \$125,376,019 | 100.00 | \$5,778 | \$74,629 | |

| Credit Claimed | Major Industry Group | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|--|--|------------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Agriculture, Forestry, Fishing & Hunting | 257 | \$15,254,677 | 0.90 | \$16,420 | \$59,357 |
| Mining | 35 | 4,947,669 | 0.29 | 52,784 | 141,362 | |
| Utilities | 3 | 334,751 | 0.02 | d/ | 111,584 | |
| Construction | 57 | 2,785,685 | 0.17 | 11,411 | 48,872 | |
| Manufacturing | 1,942 | 1,173,488,933 | 69.58 | 100,837 | 1,603,695 | |
| Wholesale Trade | 164 | 18,203,331 | 1.08 | 11,010 | 110,996 | |
| Retail Trade | 64 | 7,975,956 | 0.47 | 12,982 | 213,041 | |
| Transportation & Warehousing | 5 | 86,206 | 0.01 | 10,697 | 17,241 | |
| Information | 88 | 21,157,493 | 1.25 | 18,323 | 240,426 | |
| Finance and Insurance | 0 | 0 | 0.00 | 0 | 0 | |
| Real Estate, Rental, & Leasing | 15 | 3,983,779 | 0.24 | 10,743 | 265,585 | |
| Professional, Scientific, & Technical Services | 121 | 372,772,305 | 22.10 | 13,495 | 3,080,763 | |
| Management of Companies & Enterprises | 87 | 58,056,261 | 3.44 | 94,428 | 667,313 | |
| Remediation Services | 11 | 5,225,405 | 0.31 | 36,450 | 475,037 | |
| Educational Services | d/ | d/ | d/ | d/ | d/ | |
| Health Care & Social Assistance | 54 | 1,829,712 | 0.11 | 6,845 | 33,884 | |
| Arts, Entertainment, & Recreation | d/ | d/ | d/ | d/ | d/ | |
| Accommodation & Food Services | d/ | d/ | d/ | d/ | d/ | |
| Other Services (except Public Administration) | 11 | 235,637 | 0.01 | 12,699 | 21,422 | |
| Public Administration | 0 | 0 | 0.00 | 0 | 0 | |
| Total | 2,919 | \$1,686,467,520 | 100.00 | \$25,131 | \$577,755 | |

d/ Tax Law provisions prohibit disclosure of data.

Table 8: New York State Investment Tax Credit by Major Industry Group - 2003 Liability Year (Cont'd)

| Credit Used | Major Industry Group | Number of | Amount of | % of Credit | Median Credit | Mean Credit |
|------------------------|--|--------------|------------------------|-----------------|-----------------|------------------|
| | | Taxpayers | Credit Used | Used | Used | Used |
| | Agriculture, Forestry, Fishing & Hunting | 180 | \$622,033 | 0.89 | \$857 | \$3,456 |
| | Mining | 31 | 876,720 | 1.25 | 2,662 | 28,281 |
| | Utilities | d/ | d/ | d/ | d/ | d/ |
| | Construction | 40 | 255,498 | 0.36 | 1,010 | 6,387 |
| | Manufacturing | 1,385 | 46,570,096 | 66.50 | 9,441 | 140,444 |
| | Wholesale Trade | 114 | 1,475,832 | 2.11 | 1,765 | 12,946 |
| | Retail Trade | 42 | 775,267 | 1.11 | 2,483 | 32,909 |
| | Transportation & Warehousing | 3 | 9,703 | 0.01 | d/ | 3,234 |
| | Information | 65 | 5,573,611 | 7.95 | 4,439 | 85,748 |
| | Finance and Insurance | 0 | 0 | 0.00 | 0 | 0 |
| | Real Estate, Rental, & Leasing | 5 | 7,337 | 0.01 | 335 | 1467 |
| | Professional, Scientific, & Technical Services | 69 | 10,104,091 | 14.42 | 2,281 | 146,436 |
| | Management of Companies & Enterprises | 60 | 3,150,469 | 4.50 | 14,084 | 52,508 |
| | Administrative & Support & Waste Management & Remediation Services | 7 | 442,742 | 0.63 | 3,037 | 63,249 |
| | Educational Services | 0 | 0 | 0.00 | 0 | 0 |
| | Health Care & Social Assistance | 29 | 131,486 | 0.19 | 2,010 | 4,534 |
| | Arts, Entertainment, & Recreation | d/ | d/ | d/ | d/ | d/ |
| | Accommodation & Food Services | 0 | 0 | 0.00 | 0 | 0 |
| | Other Services (except Public Administration) | 6 | 3,326 | 0.00 | 449 | 554 |
| | Public Administration | 0 | 0 | 0.00 | 0 | 0 |
| | Total | 2,039 | \$70,033,730 | 100.00 | \$2,223 | \$34,347 |
| Credit Carried Forward | Major Industry Group | Number of | Amount of | % of Credit | Median Credit | Mean Credit |
| | | Taxpayers | Credit Carried Forward | Carried Forward | Carried Forward | Carried Forward |
| | Agriculture, Forestry, Fishing & Hunting | 244 | \$14,629,900 | 0.91 | \$18,121 | \$59,959 |
| | Mining | 28 | 4,070,949 | 0.25 | 52,760 | 145,391 |
| | Utilities | 3 | 313,682 | 0.02 | d/ | 104,561 |
| | Construction | 52 | 2,530,187 | 0.16 | 11,999 | 48,657 |
| | Manufacturing | 1,668 | 1,111,646,564 | 69.47 | 122,667 | 1,733,740 |
| | Wholesale Trade | 130 | 16,631,360 | 1.04 | 13,131 | 127,934 |
| | Retail Trade | 45 | 7,199,703 | 0.45 | 31,504 | 276,565 |
| | Transportation & Warehousing | 3 | 76,503 | 0.00 | d/ | 25,501 |
| | Information | 60 | 15,569,978 | 0.97 | 21,612 | 259,500 |
| | Finance and Insurance | 0 | 0 | 0.00 | 0 | 0 |
| | Real Estate, Rental, & Leasing | 14 | 397,642 | 0.25 | 11,295 | 284,032 |
| | Professional, Scientific, & Technical Services | 103 | 362,603,112 | 22.66 | 13,495 | 3,520,419 |
| | Management of Companies & Enterprises | 69 | 54,202,176 | 3.39 | 242,783 | 785,539 |
| | Remediation Services | 10 | 4,782,663 | 0.30 | 34,217 | 478,266 |
| | Educational Services | d/ | d/ | d/ | d/ | d/ |
| | Health Care & Social Assistance | 48 | 1,678,605 | 0.10 | 5,494 | 34,971 |
| | Arts, Entertainment, & Recreation | d/ | d/ | d/ | d/ | d/ |
| | Accommodation & Food Services | d/ | d/ | d/ | d/ | d/ |
| | Other Services (except Public Administration) | 10 | 232,311 | 0.01 | 19,167 | 23,231 |
| | Public Administration | 0 | 0 | 0.00 | 0 | 0 |
| | Total | 2,491 | \$1,600,259,405 | 100.00 | \$28,028 | \$642,416 |

d/ Tax Law provisions prohibit disclosure of data.

Table 9: New York State Investment Tax Credit by Size of Entire Net Income - 2003 Liability Year

| Credit Earned | Size of Entire Net Income | | | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|---------------|---------------------------|---|-------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | | | | | | | | |
| | Zero or Net Loss | | | 684 | \$71,690,236 | 57.18 | \$5,035 | \$104,810 |
| | \$ 1 | - | \$ 99,999 | 421 | 2,501,228 | 1.99 | 2,634 | 5,941 |
| | 100,000 | - | 499,999 | 170 | 2,688,414 | 2.14 | 6,979 | 15,814 |
| | 500,000 | - | 999,999 | 88 | 2,479,359 | 1.98 | 12,680 | 28,175 |
| | 1,000,000 | - | 24,999,999 | 226 | 15,016,252 | 11.97 | 19,561 | 66,444 |
| | 25,000,000 | - | 49,999,999 | 25 | 5,655,290 | 4.51 | 53,043 | 226,212 |
| | 50,000,000 | - | 99,999,999 | 20 | 3,931,352 | 3.13 | 118,897 | 196,568 |
| | 100,000,000 | - | 499,999,999 | 39 | 8,581,983 | 6.84 | 90,738 | 220,051 |
| | 500,000,000 | - | and over | 7 | 12,831,905 | 10.23 | 961,233 | 1,833,129 |
| | Total | | | 1,680 | \$125,376,019 | 100.00 | \$5,778 | \$74,629 |

| Credit Claimed | Size of Entire Net Income | | | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|----------------|---------------------------|---|-------------|---------------------|--------------------------|---------------------|-----------------------|---------------------|
| | | | | | | | | |
| | Zero or Net Loss | | | 1,345 | \$799,133,363 | 47.39 | \$28,417 | \$594,151 |
| | \$ 1 | - | \$ 99,999 | 843 | 33,311,082 | 1.97 | 13,414 | 39,515 |
| | 100,000 | - | 499,999 | 242 | 39,332,733 | 2.33 | 21,016 | 162,532 |
| | 500,000 | - | 999,999 | 116 | 158,593,047 | 9.40 | 41,433 | 1,367,181 |
| | 1,000,000 | - | 24,999,999 | 270 | 125,378,577 | 7.43 | 78,253 | 464,365 |
| | 25,000,000 | - | 49,999,999 | 30 | 44,849,782 | 2.66 | 89,048 | 1,494,993 |
| | 50,000,000 | - | 99,999,999 | 24 | 33,062,505 | 1.96 | 522,634 | 1,377,604 |
| | 100,000,000 | - | 499,999,999 | 40 | 73,548,505 | 4.36 | 147,792 | 1,838,713 |
| | 500,000,000 | - | and over | 9 | 379,257,926 | 22.48 | 1,565,653 | 42,139,770 |
| | Total | | | 2,919 | \$1,686,467,520 | 100.00 | \$25,131 | \$577,755 |

Table 9: New York State Investment Tax Credit by Size of Entire Net Income - 2003 Liability Year (Cont'd)

| Credit Used | Size of Entire Net Income | | | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|-------------|---------------------------|---|-------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | | | | | | | | |
| | Zero or Net Loss | | | 739 | \$10,041,811 | 14.34 | \$1,278 | \$13,588 |
| | \$ 1 | - | \$ 99,999 | 627 | 952,893 | 1.36 | 1,011 | 1,520 |
| | 100,000 | - | 499,999 | 222 | 1,603,023 | 2.29 | 6,240 | 7,221 |
| | 500,000 | - | 999,999 | 102 | 1,776,703 | 2.54 | 16,072 | 17,419 |
| | 1,000,000 | - | 24,999,999 | 251 | 14,860,370 | 21.21 | 28,716 | 59,205 |
| | 25,000,000 | - | 49,999,999 | 26 | 5,451,099 | 7.78 | 93,992 | 209,658 |
| | 50,000,000 | - | 99,999,999 | 23 | 4,476,044 | 6.39 | 176,864 | 194,611 |
| | 100,000,000 | - | 499,999,999 | 40 | 11,621,889 | 16.59 | 139,240 | 290,547 |
| | 500,000,000 | - | and over | 9 | 19,249,898 | 27.47 | 846,413 | 2,138,878 |
| | Total | | | 2,039 | \$70,033,730 | 100.00 | \$2,223 | \$34,347 |

| Credit Carried Forward | Size of Entire Net Income | | | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
|------------------------|---------------------------|---|-------------|---------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | | | | | | | | |
| | Zero or Net Loss | | | 1,253 | \$773,618,944 | 48.34 | \$30,071 | \$617,413 |
| | \$ 1 | - | \$ 99,999 | 781 | 32,288,377 | 2.02 | 14,706 | 41,342 |
| | 100,000 | - | 499,999 | 175 | 37,651,468 | 2.35 | 50,340 | 215,151 |
| | 500,000 | - | 999,999 | 77 | 156,483,479 | 9.78 | 69,958 | 2,032,253 |
| | 1,000,000 | - | 24,999,999 | 156 | 110,356,977 | 6.90 | 250,361 | 707,417 |
| | 25,000,000 | - | 49,999,999 | 15 | 39,398,683 | 2.46 | 448,992 | 2,626,579 |
| | 50,000,000 | - | 99,999,999 | 15 | 28,586,461 | 1.79 | 919,759 | 1,905,764 |
| | 100,000,000 | - | 499,999,999 | 14 | 61,866,988 | 3.87 | 1,507,135 | 4,419,071 |
| | 500,000,000 | - | and over | 5 | 360,008,028 | 22.49 | 5,935,330 | 72,001,606 |
| | Total | | | 2,491 | \$1,600,259,405 | 100.00 | \$28,028 | \$642,416 |

Table 10: New York State Investment Tax Credit by Size of Credit Used - 2003 Liability Year

| Credit Earned | Size of Credit Used | | | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|---------------|---------------------|---|----------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | Negative* | | | | d/ | d/ | d/ | d/ |
| Zero | | | | 277 | \$26,690,885 | 21.29 | \$2,477 | \$96,357 |
| | \$ 1 | - | \$ 499 | 216 | 1,128,072 | 0.90 | 726 | 5,223 |
| | 500 | - | 999 | d/ | d/ | d/ | d/ | d/ |
| | 1,000 | - | 4,999 | 436 | 5,271,306 | 4.20 | 3,383 | 12,090 |
| | 5,000 | - | 9,999 | 162 | 3,695,660 | 2.95 | 8,123 | 22,813 |
| | 10,000 | - | 24,999 | 171 | 16,095,533 | 12.84 | 16,312 | 94,126 |
| | 25,000 | - | 49,999 | 93 | 6,550,618 | 5.22 | 34,370 | 70,437 |
| | 50,000 | - | 99,999 | 65 | 6,011,252 | 4.79 | 61,490 | 92,481 |
| | 100,000 | - | 499,999 | 103 | 38,837,507 | 30.97 | 186,197 | 377,063 |
| | 500,000 | - | and over | 16 | 20,455,392 | 16.31 | 655,188 | 1,278,462 |
| | Total | | | 1,680 | \$125,376,019 | 100.00 | \$5,778 | \$74,629 |

| Credit Claimed | Size of Credit Used | | | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|----------------|---------------------|---|----------|---------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Negative* | | | | 10 | -\$1,051,783 | -0.06 | -\$11,059 |
| Zero | | | | 880 | 391,050,948 | 23.19 | 15,601 | 444,376 |
| | \$ 1 | - | \$ 499 | 441 | 22,309,236 | 1.32 | 8,160 | 50,588 |
| | 500 | - | 999 | 235 | 8,720,065 | 0.52 | 12,190 | 37,107 |
| | 1,000 | - | 4,999 | 612 | 74,985,754 | 4.45 | 25,565 | 122,526 |
| | 5,000 | - | 9,999 | 215 | 43,389,637 | 2.57 | 38,306 | 201,812 |
| | 10,000 | - | 24,999 | 210 | 147,047,505 | 8.72 | 92,822 | 700,226 |
| | 25,000 | - | 49,999 | 112 | 77,045,062 | 4.57 | 79,263 | 687,902 |
| | 50,000 | - | 99,999 | 74 | 51,572,251 | 3.06 | 147,137 | 696,922 |
| | 100,000 | - | 499,999 | 111 | 388,699,864 | 23.04 | 849,038 | 3,501,801 |
| | 500,000 | - | and over | 19 | 482,698,981 | 28.62 | 6,781,743 | 25,405,210 |
| | Total | | | 2,919 | \$1,686,467,520 | 100.00 | \$25,131 | \$577,755 |

* "Negative" means recapture exceeds amount of available credit.

Table 10: New York State Investment Tax Credit by Size of Credit Used - 2003 Liability Year (Cont'd)

| Credit Used | Size of Credit Used | | | Number of | Amount of | % of Credit | Median Credit | Mean Credit | |
|-------------|---------------------|---------|---|-----------|--------------|-------------|---------------|-------------|-----------|
| | | | | Taxpayers | Credit Used | Used | Used | Used | |
| | Negative* | | | 10 | -\$1,051,783 | -1.50 | -\$11,059 | -\$105,178 | |
| | Zero | | | 0 | 0 | 0.00 | 0 | 0 | |
| | \$ | 1 | - | \$ 499 | 441 | 97,534 | 0.14 | 216 | 221 |
| | | 500 | - | 999 | 235 | 170,425 | 0.24 | 730 | 725 |
| | | 1,000 | - | 4,999 | 612 | 1,457,832 | 2.08 | 2,053 | 2,382 |
| | | 5,000 | - | 9,999 | 215 | 1,528,365 | 2.18 | 6,929 | 7,109 |
| | | 10,000 | - | 24,999 | 210 | 3,310,742 | 4.73 | 14,719 | 15,765 |
| | | 25,000 | - | 49,999 | 112 | 3,963,036 | 5.66 | 34,370 | 35,384 |
| | | 50,000 | - | 99,999 | 74 | 5,045,028 | 7.20 | 64,137 | 68,176 |
| | | 100,000 | - | 499,999 | 111 | 24,933,300 | 35.59 | 188,873 | 224,624 |
| | | 500,000 | - | and over | 19 | 30,579,251 | 43.64 | 942,810 | 1,609,434 |
| | Total | | | 2,039 | \$70,033,730 | 100.00 | \$2,223 | \$34,347 | |

| Credit Carried Forward | Size of Credit Used | | | Number of | Amount of | % of Credit | Median Credit | Mean Credit | |
|------------------------|---------------------|---------|---|-----------|------------------------|-----------------|-----------------|-----------------|------------|
| | | | | Taxpayers | Credit Carried Forward | Carried Forward | Carried Forward | Carried Forward | |
| | Negative* | | | 0 | \$0 | 0.00 | \$0 | \$0 | |
| | Zero | | | 869 | 390,509,254 | 24.40 | 15,630 | 449,378 | |
| | \$ | 1 | - | \$ 499 | 370 | 21,763,108 | 1.36 | 12,114 | 58,819 |
| | | 500 | - | 999 | 195 | 8,506,460 | 0.53 | 19,568 | 43,623 |
| | | 1,000 | - | 4,999 | 504 | 73,312,535 | 4.58 | 36,888 | 145,461 |
| | | 5,000 | - | 9,999 | 163 | 41,774,662 | 2.61 | 62,334 | 256,286 |
| | | 10,000 | - | 24,999 | 158 | 143,352,256 | 8.96 | 134,834 | 907,293 |
| | | 25,000 | - | 49,999 | 81 | 72,442,153 | 4.53 | 103,957 | 894,348 |
| | | 50,000 | - | 99,999 | 49 | 46,527,223 | 2.91 | 402,265 | 949,535 |
| | | 100,000 | - | 499,999 | 86 | 350,155,082 | 21.88 | 1,209,256 | 4,071,571 |
| | | 500,000 | - | and over | 16 | 451,916,672 | 28.24 | 6,528,474 | 28,244,792 |
| | Total | | | 2,491 | \$1,600,259,405 | 100.00 | \$28,028 | \$642,416 | |

* "Negative" means recapture exceeds amount of available credit.

d/ Tax Law provisions prohibit disclosure of data.

Table 11: New York State Investment Tax Credit for the Financial Services Industry by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|--------------------------|-------------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | Entire Net Income | 21 | \$3,418,866 | 4.73 | \$29,150 | \$162,803 |
| Fixed Dollar Minimum Tax | 13 | 25,534,603 | 35.33 | 2,847 | 1,964,200 | |
| Capital Base | 7 | 74,889 | 0.10 | 4,510 | 10,698 | |
| Alternative Minimum Tax | 10 | 43,236,062 | 59.83 | 1,124,076 | 4,323,606 | |
| Total | 51 | \$72,264,420 | 100.00 | \$10,478 | \$1,416,949 | |

| Credit Claimed | Basis of Taxation | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|--------------------------|-------------------|----------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Entire Net Income | 21 | \$14,958,022 | 5.85 | \$29,150 | \$712,287 |
| Fixed Dollar Minimum Tax | 21 | 93,513,260 | 36.55 | 12,503 | 4,453,012 | |
| Capital Base | 9 | 3,013,105 | 1.18 | 4,657 | 334,789 | |
| Alternative Minimum Tax | 14 | 144,333,404 | 56.42 | 113,598 | 10,309,529 | |
| Total | 65 | \$255,817,791 | 100.00 | \$20,374 | \$3,935,658 | |

| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|--------------------------|-------------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | Entire Net Income | 21 | \$3,583,626 | 20.18 | \$29,150 | \$170,649 |
| Fixed Dollar Minimum Tax | 15 | 684,094 | 3.85 | 1,198 | 45,606 | |
| Capital Base | 7 | 46,291 | 0.26 | 4,657 | 6,613 | |
| Alternative Minimum Tax | 10 | 13,447,921 | 75.71 | 28,560 | 1,344,792 | |
| Total | 53 | \$17,761,932 | 100.00 | \$7,829 | \$335,131 | |

| Credit Carried Forward | Basis of Taxation | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
|--------------------------|-------------------|----------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | Entire Net Income | d/ | d/ | d/ | d/ | d/ |
| Fixed Dollar Minimum Tax | 20 | \$92,828,166 | 39.64 | \$21,484 | \$4,641,408 | |
| Capital Base | d/ | d/ | d/ | d/ | d/ | |
| Alternative Minimum Tax | 12 | 127,011,226 | 54.24 | 93,196 | 10,584,269 | |
| Total | 36 | \$234,180,602 | 100.00 | \$36,131 | \$6,505,017 | |

d/ Tax Law provisions prohibit disclosure of data.

Table 12: New York State Special Additional Mortgage Recording Tax Credit by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|--------------------------|-------------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | Entire Net Income | 5 | \$787,731 | 10.57 | \$56,328 | \$157,546 |
| Fixed Dollar Minimum Tax | 32 | 3,709,725 | 49.77 | 2,412 | 115,929 | |
| Capital Base | 62 | 204,320 | 2.74 | 1,249 | 3,295 | |
| Alternative Minimum Tax | 11 | 2,752,584 | 36.93 | 60,284 | 250,235 | |
| Total | 110 | \$7,454,360 | 100.00 | \$2,050 | \$67,767 | |

| Credit Claimed | Basis of Taxation | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|--------------------------|-------------------|---------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Entire Net Income | 6 | \$788,058 | 8.34 | \$41,195 | \$131,343 |
| Fixed Dollar Minimum Tax | 43 | 4,821,255 | 51.05 | 3,297 | 112,122 | |
| Capital Base | 71 | 229,997 | 2.44 | 1,249 | 3,239 | |
| Alternative Minimum Tax | 11 | 3,605,595 | 38.18 | 91,992 | 327,781 | |
| Total | 131 | \$9,444,905 | 100.00 | \$2,339 | \$72,099 | |

| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|--------------------------|-------------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | Entire Net Income | 6 | \$788,058 | 39.44 | \$41,195 | \$131,343 |
| Fixed Dollar Minimum Tax | 34 | 61,584 | 3.08 | 988 | 1,811 | |
| Capital Base | 66 | 214,064 | 10.71 | 1,249 | 3,243 | |
| Alternative Minimum Tax | 10 | 934,506 | 46.77 | 51,003 | 93,451 | |
| Total | 116 | \$1,998,212 | 100.00 | \$1,310 | \$17,226 | |

| Credit Carried Forward | Basis of Taxation | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
|--------------------------|-------------------|---------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | Entire Net Income | 0 | \$0 | 0.00 | \$0 | \$0 |
| Fixed Dollar Minimum Tax | 31 | \$2,201,942 | 68.39 | \$2,210 | \$71,030 | |
| Capital Base | 5 | 15,933 | 0.49 | 1,495 | 3,187 | |
| Alternative Minimum Tax | 5 | 1,001,608 | 31.11 | 48,526 | 200,322 | |
| Total | 41 | \$3,219,483 | 100.00 | \$2,210 | \$78,524 | |

d/ Tax Law provisions prohibit disclosure of data.

Table 13: New York State EZ Wage Tax Credit by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|--------------------------|-------------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | Entire Net Income | 145 | \$13,647,651 | 37.52 | \$16,500 | \$94,122 |
| Fixed Dollar Minimum Tax | 229 | 12,750,431 | 35.06 | 12,375 | 55,679 | |
| Capital Base | 56 | 3,427,095 | 9.42 | 18,843 | 61,198 | |
| Alternative Minimum Tax | 80 | 6,544,733 | 17.99 | 14,250 | 81,809 | |
| Total | 510 | \$36,369,910 | 100.00 | \$14,625 | \$71,314 | |

| Credit Claimed | Basis of Taxation | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|--------------------------|-------------------|----------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Entire Net Income | 196 | \$33,575,740 | 30.18 | \$23,794 | \$171,305 |
| Fixed Dollar Minimum Tax | 357 | 53,932,196 | 48.48 | 26,624 | 151,071 | |
| Capital Base | 76 | 7,679,107 | 6.90 | 23,142 | 101,041 | |
| Alternative Minimum Tax | 107 | 16,060,323 | 14.44 | 28,500 | 150,096 | |
| Total | 736 | \$111,247,366 | 100.00 | \$24,951 | \$151,151 | |

| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|--------------------------|-------------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | Entire Net Income | 155 | \$8,650,976 | 70.63 | \$3,644 | \$55,813 |
| Fixed Dollar Minimum Tax | 138 | 2,010,784 | 16.42 | 1,230 | 14,571 | |
| Capital Base | 60 | 480,013 | 3.92 | 1,060 | 8,000 | |
| Alternative Minimum Tax | 74 | 1,106,307 | 9.03 | 2,745 | 14,950 | |
| Total | 427 | \$12,248,080 | 100.00 | \$2,182 | \$28,684 | |

| Credit Carried Forward | Basis of Taxation | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
|--------------------------|-------------------|---------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | Entire Net Income | 154 | \$24,593,323 | 25.82 | \$21,392 | \$159,697 |
| Fixed Dollar Minimum Tax | 347 | 49,488,287 | 51.96 | 23,062 | 142,618 | |
| Capital Base | 68 | 6,616,365 | 6.95 | 24,058 | 97,299 | |
| Alternative Minimum Tax | 88 | 14,537,282 | 15.26 | 25,569 | 165,196 | |
| Total | 657 | \$95,235,257 | 100.00 | \$22,969 | \$144,955 | |

Table 14: New York State EZ Wage Tax Credit by Major Industry Group - 2003 Liability Year

| Credit Earned | Major Industry Group | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|---------------|--|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | Agriculture, Forestry, Fishing & Hunting | d/ | d/ | d/ | d/ | d/ |
| | Mining | d/ | d/ | d/ | d/ | d/ |
| | Utilities | 3 | \$287,175 | 0.79 | d/ | \$95,725 |
| | Construction | 19 | 255,260 | 0.70 | 7,500 | 13,435 |
| | Manufacturing | 164 | 18,580,676 | 51.09 | 93,750 | 308,629 |
| | Wholesale Trade | 64 | 4,750,800 | 13.06 | 14,063 | 74,231 |
| | Retail Trade | 66 | 4,882,595 | 13.42 | 36,000 | 196,543 |
| | Transportation & Warehousing | 25 | 1,959,060 | 5.39 | 44,250 | 247,741 |
| | Information | 6 | 175,313 | 0.48 | 24,750 | 29,219 |
| | Finance and Insurance | 17 | 263,511 | 0.72 | 6,000 | 15,501 |
| | Real Estate, Rental, & Leasing | 39 | 181,592 | 0.50 | 1,500 | 4,656 |
| | Professional, Scientific, & Technical Services | 32 | 814,035 | 2.24 | 11,438 | 25,439 |
| | Management of Companies & Enterprises | 16 | 2,000,846 | 5.50 | 24,739 | 125,053 |
| | Administrative & Support & Waste Management & Remediation Services | 12 | 906,375 | 2.49 | 29,813 | 75,531 |
| | Educational Services | d/ | d/ | d/ | d/ | d/ |
| | Health Care & Social Assistance | 7 | 264,000 | 0.73 | 4,875 | 37,714 |
| | Arts, Entertainment, & Recreation | 4 | 218,407 | 0.60 | 31,204 | 54,602 |
| | Accommodation & Food Services | 13 | 135,015 | 0.37 | 3,000 | 10,386 |
| | Other Services (except Public Administration) | 19 | 425,625 | 1.17 | 7,500 | 22,401 |
| | Public Administration | 0 | 0 | 0.00 | 0 | 0 |
| | Total | 510 | \$36,369,910 | 100.00 | \$14,625 | \$71,314 |

| Credit Claimed | Major Industry Group | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|----------------|--|---------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Agriculture, Forestry, Fishing & Hunting | 3 | \$96,447 | 0.09 | d/ | \$32,149 |
| | Mining | d/ | d/ | d/ | d/ | d/ |
| | Utilities | 3 | 462,796 | 0.42 | d/ | 154,265 |
| | Construction | 35 | 786,604 | 0.71 | 11,250 | 22,474 |
| | Manufacturing | 274 | 63,717,262 | 57.28 | 127,580 | 675,932 |
| | Wholesale Trade | 82 | 9,290,251 | 8.35 | 24,090 | 113,296 |
| | Retail Trade | 82 | 6,290,192 | 5.65 | 35,345 | 201,955 |
| | Transportation & Warehousing | 37 | 7,274,017 | 6.54 | 67,212 | 362,640 |
| | Information | 12 | 1,738,226 | 1.56 | 41,969 | 144,852 |
| | Finance and Insurance | 22 | 500,943 | 0.45 | 5,813 | 22,770 |
| | Real Estate, Rental, & Leasing | 42 | 336,217 | 0.30 | 2,250 | 8,005 |
| | Professional, Scientific, & Technical Services | 48 | 10,473,148 | 9.41 | 26,114 | 218,191 |
| | Management of Companies & Enterprises | 21 | 4,378,453 | 3.94 | 31,668 | 208,498 |
| | Administrative & Support & Waste Management & Remediation Services | 13 | 1,210,529 | 1.09 | 71,826 | 93,118 |
| | Educational Services | d/ | d/ | d/ | d/ | d/ |
| | Health Care & Social Assistance | 10 | 987,609 | 0.89 | 23,527 | 98,761 |
| | Arts, Entertainment, & Recreation | 4 | 379,970 | 0.34 | 40,349 | 94,993 |
| | Accommodation & Food Services | 18 | 226,761 | 0.20 | 4,125 | 12,598 |
| | Other Services (except Public Administration) | 26 | 1,825,504 | 1.64 | 22,740 | 70,212 |
| | Public Administration | 0 | 0 | 0.00 | 0 | 0 |
| | Total | 736 | \$111,247,366 | 100.00 | \$24,951 | \$151,151 |

d/ Tax Law provisions prohibit disclosure of data.

Table 14: New York State EZ Wage Tax Credit by Major Industry Group - 2003 Liability Year (Cont'd)

| Credit Used | Major Industry Group | Number of | Amount of | % of Credit | Median Credit | Mean Credit |
|------------------------|--|------------|------------------------|-----------------|-----------------|------------------|
| | | Taxpayers | Credit Used | Used | Used | Used |
| | Agriculture, Forestry, Fishing & Hunting | d/ | d/ | d/ | d/ | d/ |
| | Mining | d/ | d/ | d/ | d/ | d/ |
| | Utilities | 3 | \$181,197 | 1.48 | d/ | \$60,399 |
| | Construction | 18 | 53,437 | 0.44 | 1,961 | 2,969 |
| | Manufacturing | 144 | 4,586,693 | 37.45 | 12,336 | 81,791 |
| | Wholesale Trade | 51 | 1,443,762 | 11.79 | 3,357 | 28,309 |
| | Retail Trade | 69 | 4,385,026 | 35.80 | 5,732 | 174,223 |
| | Transportation & Warehousing | 28 | 387,992 | 3.17 | 4,891 | 26,269 |
| | Information | 6 | 114,235 | 0.93 | 3443 | 19,039 |
| | Finance and Insurance | 8 | 32,152 | 0.26 | 3,691 | 4,019 |
| | Real Estate, Rental, & Leasing | 24 | 51183 | 0.42 | 1060 | 2133 |
| | Professional, Scientific, & Technical Services | 28 | 176,743 | 1.44 | 795 | 6,312 |
| | Management of Companies & Enterprises | 13 | 509,297 | 4.16 | 10,924 | 39,177 |
| | Administrative & Support & Waste Management & Remediation Services | 5 | 33,366 | 0.27 | 4,814 | 6,673 |
| | Educational Services | d/ | d/ | d/ | d/ | d/ |
| | Health Care & Social Assistance | 5 | 87,188 | 0.71 | 6,966 | 17,438 |
| | Arts, Entertainment, & Recreation | 3 | 7554 | 0.06 | d/ | 2518 |
| | Accommodation & Food Services | 3 | 4,721 | 0.04 | d/ | 1,574 |
| | Other Services (except Public Administration) | 15 | 172,928 | 1.41 | 655 | 11,529 |
| | Public Administration | 0 | 0 | 0.00 | 0 | 0 |
| | Total | 427 | \$12,248,080 | 100.00 | \$2,182 | \$28,684 |
| Credit Carried Forward | Major Industry Group | Number of | Amount of | % of Credit | Median Credit | Mean Credit |
| | | Taxpayers | Credit Carried Forward | Carried Forward | Carried Forward | Carried Forward |
| | Agriculture, Forestry, Fishing & Hunting | 3 | \$83,217 | 0.09 | d/ | \$27,739 |
| | Mining | d/ | d/ | d/ | d/ | d/ |
| | Utilities | 3 | 269,265 | 0.28 | d/ | 89,755 |
| | Construction | 32 | 720,416 | 0.76 | 10,811 | 22,513 |
| | Manufacturing | 255 | 56,507,495 | 59.33 | 115,997 | 644,732 |
| | Wholesale Trade | 70 | 7,666,163 | 8.05 | 24,058 | 109,517 |
| | Retail Trade | 63 | 1,822,312 | 1.91 | 27,496 | 69,794 |
| | Transportation & Warehousing | 32 | 6,481,770 | 6.81 | 70,878 | 318,483 |
| | Information | 12 | 1,607,679 | 1.69 | 38,833 | 133,973 |
| | Finance and Insurance | 18 | 378,457 | 0.40 | 7,320 | 21,025 |
| | Real Estate, Rental, & Leasing | 33 | 276,520 | 0.29 | 1,561 | 8,379 |
| | Professional, Scientific, & Technical Services | 45 | 10,172,153 | 10.68 | 20,625 | 226,048 |
| | Management of Companies & Enterprises | 18 | 3,810,744 | 4.00 | 24,369 | 211,708 |
| | Administrative & Support & Waste Management & Remediation Services | 13 | 1,118,474 | 1.17 | 61,102 | 86,036 |
| | Educational Services | d/ | d/ | d/ | d/ | d/ |
| | Health Care & Social Assistance | 10 | 885,939 | 0.93 | 17,152 | 88,594 |
| | Arts, Entertainment, & Recreation | 4 | 337,139 | 0.35 | 26446 | 84,285 |
| | Accommodation & Food Services | 18 | 198,602 | 0.21 | 4,125 | 11,033 |
| | Other Services (except Public Administration) | 25 | 1,645,642 | 1.73 | 24,000 | 65,826 |
| | Public Administration | 0 | 0 | 0.00 | 0 | 0 |
| | Total | 657 | \$95,235,257 | 100.00 | \$22,969 | \$144,955 |

d/ Tax Law provisions prohibit disclosure of data.

Table 15: New York State EZ Wage Tax Credit by Size of Entire Net Income - 2003 Liability Year

| Credit Earned | Size of Entire Net Income | | | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|---------------|---------------------------|---|-------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | | | | | | | | |
| | Zero or Net Loss | | | 177 | \$11,724,683 | 32.24 | \$15,750 | \$66,241 |
| | \$ 1 | - | \$ 99,999 | 162 | 2,582,082 | 7.10 | 6,938 | 15,939 |
| | 100,000 | - | 499,999 | 69 | 2,385,062 | 6.56 | 15,750 | 34,566 |
| | 500,000 | - | 999,999 | 19 | 960,532 | 2.64 | 51,000 | 50,554 |
| | 1,000,000 | - | 24,999,999 | 54 | 6,046,216 | 16.62 | 44,409 | 111,967 |
| | 25,000,000 | - | 49,999,999 | 9 | 3,203,250 | 8.81 | 81,750 | 355,917 |
| | 50,000,000 | - | 99,999,999 | 6 | 2,193,750 | 6.03 | 104,625 | 365,625 |
| | 100,000,000 | - | 499,999,999 | 9 | 1,479,675 | 4.07 | 157,500 | 164,408 |
| | 500,000,000 | - | and over | 5 | 5,794,660 | 15.93 | 918,705 | 1,158,932 |
| | Total | | | 510 | \$36,369,910 | 100.00 | \$14,625 | \$71,314 |

| Credit Claimed | Size of Entire Net Income | | | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|----------------|---------------------------|---|-------------|---------------------|--------------------------|---------------------|-----------------------|---------------------|
| | | | | | | | | |
| | Zero or Net Loss | | | 278 | \$40,678,332 | 36.57 | \$26,813 | \$146,325 |
| | \$ 1 | - | \$ 99,999 | 232 | 9,261,455 | 8.33 | 12,000 | 39,920 |
| | 100,000 | - | 499,999 | 98 | 6,110,242 | 5.49 | 24,355 | 62,349 |
| | 500,000 | - | 999,999 | 27 | 4,030,914 | 3.62 | 58,379 | 149,293 |
| | 1,000,000 | - | 24,999,999 | 65 | 15,942,844 | 14.33 | 64,875 | 245,275 |
| | 25,000,000 | - | 49,999,999 | 11 | 6,290,635 | 5.65 | 119,935 | 571,876 |
| | 50,000,000 | - | 99,999,999 | 8 | 4,468,163 | 4.02 | 112,019 | 558,520 |
| | 100,000,000 | - | 499,999,999 | 11 | 2,378,390 | 2.14 | 171,945 | 216,217 |
| | 500,000,000 | - | and over | 6 | 22,086,391 | 19.85 | 1,211,969 | 3,681,065 |
| | Total | | | 736 | \$111,247,366 | 100.00 | \$24,951 | \$151,151 |

| Credit Used | Size of Entire Net Income | | | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|-------------|---------------------------|---|-------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | | | | | | | | |
| | Zero or Net Loss | | | 109 | \$1,399,053 | 11.42 | \$916 | \$12,835 |
| | \$ 1 | - | \$ 99,999 | 152 | 198,497 | 1.62 | 913 | 1,306 |
| | 100,000 | - | 499,999 | 75 | 405,334 | 3.31 | 4,265 | 5,404 |
| | 500,000 | - | 999,999 | 19 | 279,020 | 2.28 | 14,919 | 14,685 |
| | 1,000,000 | - | 24,999,999 | 45 | 1,454,109 | 11.87 | 20,929 | 32,314 |
| | 25,000,000 | - | 49,999,999 | 7 | 1,216,072 | 9.93 | 81,750 | 173,725 |
| | 50,000,000 | - | 99,999,999 | 6 | 512,027 | 4.18 | 95,865 | 85,338 |
| | 100,000,000 | - | 499,999,999 | 10 | 1,861,691 | 15.20 | 165,371 | 186,169 |
| | 500,000,000 | - | and over | 4 | 4,922,277 | 40.19 | 1,211,969 | 1,230,569 |
| | Total | | | 427 | \$12,248,080 | 100.00 | \$2,182 | \$28,684 |

| Credit Carried Forward | Size of Entire Net Income | | | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
|------------------------|---------------------------|---|-------------|---------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | | | | | | | | |
| | Zero or Net Loss | | | 270 | \$36,776,583 | 38.62 | \$23,841 | \$136,210 |
| | \$ 1 | - | \$ 99,999 | 217 | 8,658,635 | 9.09 | 12,532 | 39,902 |
| | 100,000 | - | 499,999 | 86 | 5,627,627 | 5.91 | 30,191 | 65,438 |
| | 500,000 | - | 999,999 | 23 | 3,664,867 | 3.85 | 67,252 | 159,342 |
| | 1,000,000 | - | 24,999,999 | 43 | 13,823,596 | 14.52 | 140,837 | 321,479 |
| | 25,000,000 | - | 49,999,999 | 7 | 5,047,000 | 5.30 | 448,423 | 721,000 |
| | 50,000,000 | - | 99,999,999 | 5 | 3,956,136 | 4.15 | 50,063 | 791,227 |
| | 100,000,000 | - | 499,999,999 | 3 | 516,699 | 0.54 | d/ | 172,233 |
| | 500,000,000 | - | and over | 3 | 17,164,114 | 18.02 | d/ | 5,721,371 |
| | Total | | | 657 | \$95,235,257 | 100.00 | \$22,969 | \$144,955 |

d/ Tax Law provisions prohibit disclosure of data.

Table 16: New York State EZ Wage Tax Credit by Size of Credit Used - 2003 Liability Year

| Credit Earned | Size of Credit Used | | | | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|--------------------|---------------------|--|--|-----|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | Zero | | | | 197 | \$12,252,565 | 33.69 | \$13,500 | \$62,196 |
| \$ 1 - \$ 499 | | | | 49 | 641,930 | 1.77 | 7,500 | 13,101 | |
| 500 - 999 | | | | 43 | 1,047,478 | 2.88 | 7,500 | 24,360 | |
| 1,000 - 4,999 | | | | 118 | 3,456,875 | 9.50 | 9,000 | 29,296 | |
| 5,000 - 9,999 | | | | 26 | 1,162,230 | 3.20 | 18,750 | 44,701 | |
| 10,000 - 24,999 | | | | 25 | 1,491,687 | 4.10 | 28,500 | 59,667 | |
| 25,000 - 49,999 | | | | 20 | 2,348,385 | 6.46 | 45,188 | 117,419 | |
| 50,000 - 99,999 | | | | 13 | 4,078,380 | 11.21 | 92,565 | 313,722 | |
| 100,000 - 499,999 | | | | 14 | 3,074,370 | 8.45 | 155,415 | 219,598 | |
| 500,000 - and over | | | | 5 | 6,816,010 | 18.74 | 918,705 | 1,363,202 | |
| Total | | | | 510 | \$36,369,910 | 100.00 | \$14,625 | \$71,314 | |

| Credit Claimed | Size of Credit Used | | | | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|--------------------|---------------------|--|--|-----|---------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Zero | | | | 309 | \$42,751,760 | 38.43 | \$24,331 | \$138,355 |
| \$ 1 - \$ 499 | | | | 79 | 2,286,925 | 2.06 | 12,000 | 28,948 | |
| 500 - 999 | | | | 61 | 2,763,392 | 2.48 | 12,172 | 45,302 | |
| 1,000 - 4,999 | | | | 146 | 8,043,654 | 7.23 | 16,500 | 55,094 | |
| 5,000 - 9,999 | | | | 41 | 4,371,127 | 3.93 | 47,625 | 106,613 | |
| 10,000 - 24,999 | | | | 37 | 8,015,590 | 7.21 | 60,000 | 216,638 | |
| 25,000 - 49,999 | | | | 23 | 5,976,618 | 5.37 | 48,750 | 259,853 | |
| 50,000 - 99,999 | | | | 18 | 13,168,500 | 11.84 | 194,625 | 731,583 | |
| 100,000 - 499,999 | | | | 17 | 7,116,875 | 6.40 | 213,399 | 418,640 | |
| 500,000 - and over | | | | 5 | 16,752,925 | 15.06 | 1,021,938 | 3,350,585 | |
| Total | | | | 736 | \$111,247,366 | 100.00 | \$24,951 | \$151,151 | |

| Credit Used | Size of Credit Used | | | | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Earned | Mean Credit Used |
|--------------------|---------------------|--|--|-----|---------------------|-----------------------|------------------|----------------------|------------------|
| | Zero | | | | 0 | \$0 | 0.00 | \$0 | \$0 |
| \$ 1 - \$ 499 | | | | 79 | 19,170 | 0.16 | 231 | 243 | |
| 500 - 999 | | | | 61 | 43,172 | 0.35 | 705 | 708 | |
| 1,000 - 4,999 | | | | 146 | 362,479 | 2.96 | 2,177 | 2,483 | |
| 5,000 - 9,999 | | | | 41 | 287,695 | 2.35 | 6,697 | 7,017 | |
| 10,000 - 24,999 | | | | 37 | 593,114 | 4.84 | 15,248 | 16,030 | |
| 25,000 - 49,999 | | | | 23 | 790,554 | 6.45 | 31,500 | 34,372 | |
| 50,000 - 99,999 | | | | 18 | 1,355,195 | 11.06 | 74,091 | 75,289 | |
| 100,000 - 499,999 | | | | 17 | 2,572,330 | 21.00 | 153,330 | 151,314 | |
| 500,000 - and over | | | | 5 | 6,224,371 | 50.82 | 1,021,938 | 1,244,874 | |
| Total | | | | 427 | \$12,248,080 | 100.00 | \$2,182 | \$28,684 | |

| Credit Carried Forward | Size of Credit Used | | | | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
|------------------------|---------------------|--|--|-----|---------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | Zero | | | | 309 | \$40,665,917 | 42.70 | \$22,545 | \$131,605 |
| \$ 1 - \$ 499 | | | | 74 | 2,198,410 | 2.31 | 11,802 | 29,708 | |
| 500 - 999 | | | | 58 | 2,550,594 | 2.68 | 11,887 | 43,976 | |
| 1,000 - 4,999 | | | | 120 | 7,416,273 | 7.79 | 20,039 | 61,802 | |
| 5,000 - 9,999 | | | | 33 | 3,968,248 | 4.17 | 67,252 | 120,250 | |
| 10,000 - 24,999 | | | | 28 | 7,274,333 | 7.64 | 101,876 | 259,798 | |
| 25,000 - 49,999 | | | | 13 | 4,878,078 | 5.12 | 91,155 | 375,237 | |
| 50,000 - 99,999 | | | | 12 | 11,813,305 | 12.40 | 396,794 | 984,442 | |
| 100,000 - 499,999 | | | | 7 | 3,941,545 | 4.14 | 261,420 | 563,078 | |
| 500,000 - and over | | | | 3 | 10,528,554 | 11.06 | d/ | 3,509,518 | |
| Total | | | | 657 | \$95,235,257 | 100.00 | \$22,969 | \$144,955 | |

Table 17: New York State ZEA Wage Tax Credit by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|--------------------------|-------------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | Entire Net Income | 47 | \$10,757,192 | 23.36 | \$78,000 | \$228,876 |
| Fixed Dollar Minimum Tax | 13 | 8,121,972 | 17.64 | 97,500 | 624,767 | |
| Capital Base | 26 | 16,252,176 | 35.30 | 210,000 | 625,084 | |
| Alternative Minimum Tax | 9 | 10,914,915 | 23.70 | 235,298 | 1,212,768 | |
| Total | 95 | \$46,046,255 | 100.00 | \$138,750 | \$484,697 | |

| Credit Claimed | Basis of Taxation | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|--------------------------|-------------------|---------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Entire Net Income | 57 | \$15,957,995 | 18.67 | \$89,250 | \$279,965 |
| Fixed Dollar Minimum Tax | 25 | 12,365,484 | 14.47 | 125,309 | 494,619 | |
| Capital Base | 31 | 28,421,567 | 33.25 | 244,500 | 916,825 | |
| Alternative Minimum Tax | 12 | 28,733,164 | 33.61 | 303,000 | 2,394,430 | |
| Total | 125 | \$85,478,210 | 100.00 | \$166,954 | \$683,826 | |

| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|--------------------------|-------------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | Entire Net Income | 52 | \$9,317,566 | 72.16 | \$28,511 | \$179,184 |
| Fixed Dollar Minimum Tax | 8 | 322,397 | 2.50 | 763 | 40,300 | |
| Capital Base | 26 | 1,998,096 | 15.47 | 29,133 | 76,850 | |
| Alternative Minimum Tax | 9 | 1,274,419 | 9.87 | 96,317 | 141,602 | |
| Total | 95 | \$12,912,478 | 100.00 | \$33,310 | \$135,921 | |

| Credit Carried Forward | Basis of Taxation | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
|--------------------------|-------------------|---------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | Entire Net Income | 28 | \$6,620,321 | 9.18 | \$63,442 | \$236,440 |
| Fixed Dollar Minimum Tax | 25 | 11,985,648 | 16.62 | 111,576 | 479,426 | |
| Capital Base | 29 | 26,042,518 | 36.12 | 238,176 | 898,018 | |
| Alternative Minimum Tax | 11 | 27,458,744 | 38.08 | 330,712 | 2,496,249 | |
| Total | 93 | \$72,107,231 | 100.00 | \$143,169 | \$775,347 | |

d/ Tax Law provisions prohibit disclosure of data.

Table 18: New York State EZ Wage Tax Credit by Empire Zone* - 2003 Liability Year

| Empire Zone | Amount of Credit Earned | Amount of Credit Claimed | Amount of Credit Used | Amount of Credit Refunded | Amount of Credit Carried Forward |
|--------------------------------|-------------------------|--------------------------|-----------------------|---------------------------|----------------------------------|
| Albany (City) | \$339,570 | \$522,986 | \$31,921 | \$23,416 | \$467,648 |
| Albany County | 253,125 | 876,870 | 20,666 | 77,813 | 778,391 |
| Amsterdam | d/ | d/ | d/ | d/ | d/ |
| Auburn | 830,250 | 2,067,320 | 178,201 | 222,188 | 1,666,931 |
| Brookhaven | d/ | d/ | d/ | d/ | d/ |
| Broome County | 2,713,125 | 7,626,123 | 311,712 | 0 | 7,314,411 |
| Buffalo | 2,105,733 | 5,508,872 | 385,757 | 101,463 | 5,021,652 |
| Buffalo** | d/ | d/ | d/ | d/ | d/ |
| Cattaraugus County | 46,500 | 176,572 | 40,000 | 1 | 136,571 |
| Clinton County | d/ | d/ | d/ | d/ | d/ |
| Cortland County | d/ | d/ | d/ | d/ | d/ |
| Dunkirk/Sheridan | 747,078 | 1,169,450 | 3,282 | 368,089 | 798,079 |
| Dutchess County | 1,416,750 | 9,811,563 | 117,709 | 696,375 | 8,997,477 |
| East Harlem | d/ | d/ | d/ | d/ | d/ |
| East New York | 218,250 | 2,141,243 | 18,476 | 8,250 | 2,114,514 |
| Elmira | 715,125 | 1,888,344 | 81,866 | 285,375 | 1,521,102 |
| Essex County/Moriah-Port Henry | d/ | d/ | d/ | d/ | d/ |
| Far Rockaway | d/ | d/ | d/ | d/ | d/ |
| Franklin County | d/ | d/ | d/ | d/ | d/ |
| Friendship | d/ | d/ | d/ | d/ | d/ |
| Fulton | d/ | d/ | d/ | d/ | d/ |
| Genesee County | d/ | d/ | d/ | d/ | d/ |
| Geneva | d/ | d/ | d/ | d/ | d/ |
| Gloversville | d/ | d/ | d/ | d/ | d/ |
| Greater Jamestown | 159,375 | 2,201,946 | 79,124 | 75,000 | 2,047,820 |
| Hornell | d/ | d/ | d/ | d/ | d/ |
| Hunts Point | 222,375 | 873,645 | 24,373 | 0 | 849,272 |
| Islip | d/ | d/ | d/ | d/ | d/ |
| Kingston | 198,375 | 726,997 | 127,909 | 3,252 | 595,833 |
| Lackawanna | d/ | d/ | d/ | d/ | d/ |
| Lewis County | d/ | d/ | d/ | d/ | d/ |
| Madison County | d/ | d/ | d/ | d/ | d/ |
| Monroe County | d/ | d/ | d/ | d/ | d/ |
| Mount Vernon | d/ | d/ | d/ | d/ | d/ |
| Niagara Falls | d/ | d/ | d/ | d/ | d/ |

d/ Tax Law provisions prohibit disclosure of data.

Table 18: New York State EZ Wage Tax Credit by Empire Zone* - 2003 Liability Year (Cont'd)

| Empire Zone | Amount of Credit Earned | Amount of Credit Claimed | Amount of Credit Used | Amount of Credit Refunded | Amount of Credit Carried Forward |
|-----------------------------|-------------------------|--------------------------|-----------------------|---------------------------|----------------------------------|
| North Brooklyn Navy Yard | \$2,503,440 | \$6,932,501 | \$340,826 | \$5,830 | \$6,585,843 |
| Norwich | 9,000 | 162,307 | 3,676 | 0 | 158,631 |
| Ogdensburg | d/ | d/ | d/ | d/ | d/ |
| Oneida/Herkimer Counties | 213,750 | 721,043 | 6,322 | 76,688 | 638,033 |
| Onondaga County | 1,796,938 | 2,675,771 | 21,030 | 6,405 | 2,648,332 |
| Orange County | d/ | d/ | d/ | d/ | d/ |
| Orleans County | d/ | d/ | d/ | d/ | d/ |
| Oswego | d/ | d/ | d/ | d/ | d/ |
| Plattsburgh | 177,107 | 948,626 | 21,156 | 55,875 | 871,594 |
| Port Morris | 51,375 | 1,833,536 | 30,171 | 0 | 1,803,365 |
| Potsdam | 123,000 | 207,094 | 18,255 | 39,750 | 149,089 |
| Rensselaer County | d/ | d/ | d/ | d/ | d/ |
| Rochester | 563,158 | 3,384,181 | 67,770 | 145,952 | 3,170,458 |
| Rome | d/ | d/ | d/ | d/ | d/ |
| Saratoga County | d/ | d/ | d/ | d/ | d/ |
| Schenectady | 281,250 | 889,626 | 69,311 | 18,750 | 801,565 |
| Schuyler County | d/ | d/ | d/ | d/ | d/ |
| Seneca County | d/ | d/ | d/ | d/ | d/ |
| South Jamaica | d/ | d/ | d/ | d/ | d/ |
| Southwest Brooklyn | 1,335,750 | 3,052,231 | 173,160 | 183,751 | 2,695,319 |
| Staten Island - North Shore | d/ | d/ | d/ | d/ | d/ |
| Staten Island - West Shore | d/ | d/ | d/ | d/ | d/ |
| Suffolk County | d/ | d/ | d/ | d/ | d/ |
| Sullivan County | d/ | d/ | d/ | d/ | d/ |
| Syracuse | 323,553 | 1,279,805 | 41,721 | 82,876 | 1,155,205 |
| Tioga County | d/ | d/ | d/ | d/ | d/ |
| Tonawanda | 169,875 | 287,003 | 25,837 | 4,687 | 256,478 |
| Triple Cities | 82,758 | 1,353,087 | 101,092 | 0 | 1,251,995 |
| Troy | 356,625 | 717,180 | 90,674 | 28,500 | 598,006 |
| Utica | 1,056,750 | 1,666,814 | 88,282 | 57,750 | 1,520,781 |
| Warren County | 584,625 | 730,489 | 229,142 | 54,888 | 446,457 |
| Washington County | d/ | d/ | d/ | d/ | d/ |
| Watertown | d/ | d/ | d/ | d/ | d/ |
| Wayne County | d/ | d/ | d/ | d/ | d/ |
| Yonkers | 526,027 | 1,099,704 | 19,270 | 91,340 | 989,094 |
| Multiple Zones | 8,839,957 | 21,539,410 | 7,435,771 | 27,563 | 14,076,076 |
| Unidentified | 2,687,100 | 11,453,487 | 580,082 | 17,352 | 10,856,051 |
| Total | \$36,369,910 | \$111,247,366 | \$12,248,080 | \$3,763,987 | \$95,235,257 |

* Due to disclosure requirements, data is displayed only for zones with more than seven taxpayers as of the 2003 studyfile

** Buffalo received a second EZ in the 5th round of zone designations.

d/ Tax Law provisions prohibit disclosure of data.

Table 19: New York State EZ Capital Tax Credit by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|--------------------------|-------------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | Entire Net Income | 23 | \$126,219 | 62.22 | \$1,250 | \$5,488 |
| Fixed Dollar Minimum Tax | 11 | 50,771 | 25.03 | 2,500 | 4,616 | |
| Capital Base | 9 | 12,784 | 6.30 | 821 | 1,420 | |
| Alternative Minimum Tax | 7 | 13,072 | 6.44 | 1,250 | 1,867 | |
| Total | 50 | \$202,846 | 100.00 | \$1,250 | \$4,057 | |

| Credit Claimed | Basis of Taxation | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|--------------------------|-------------------|---------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Entire Net Income | 28 | \$142,667 | 33.74 | \$1,250 | \$5,095 |
| Fixed Dollar Minimum Tax | 18 | 140,970 | 33.34 | 1,696 | 7,832 | |
| Capital Base | 10 | 106,128 | 25.10 | 1,036 | 10,613 | |
| Alternative Minimum Tax | 10 | 33,072 | 7.82 | 2,500 | 3,307 | |
| Total | 66 | \$422,837 | 100.00 | \$1,250 | \$6,407 | |

| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|--------------------------|-------------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | Entire Net Income | 23 | \$30,753 | 64.12 | \$846 | \$1,337 |
| Fixed Dollar Minimum Tax | 3 | 3,141 | 6.55 | d/ | 1,047 | |
| Capital Base | 9 | 9,944 | 20.73 | 673 | 1,105 | |
| Alternative Minimum Tax | 3 | 4,122 | 8.59 | d/ | 1,374 | |
| Total | 38 | \$47,960 | 100.00 | \$712 | \$1,262 | |

| Credit Carried Forward | Basis of Taxation | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
|--------------------------|-------------------|---------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | Entire Net Income | 8 | \$111,904 | 29.85 | \$2,859 | \$13,988 |
| Fixed Dollar Minimum Tax | 16 | 137,829 | 36.77 | 1,696 | 8,614 | |
| Capital Base | 3 | 96,183 | 25.66 | d/ | 32,061 | |
| Alternative Minimum Tax | 8 | 28,950 | 7.72 | 2,500 | 3,619 | |
| Total | 35 | \$374,866 | 100.00 | \$2,109 | \$10,710 | |

d/ Tax Law provisions prohibit disclosure of data.

Table 20: New York State EZ Investment Tax Credit by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|--------------------------|-------------------|----------------------|-------------------------|--------------------|----------------------|--------------------|
| | Entire Net Income | 49 | \$12,119,047 | 7.55 | \$12,654 | \$247,327 |
| Fixed Dollar Minimum Tax | 264 | 139,275,520 | 86.72 | 16,804 | 527,559 | |
| Capital Base | 14 | 703,319 | 0.44 | 13,039 | 50,237 | |
| Alternative Minimum Tax | 71 | 8,514,276 | 5.30 | 21,342 | 119,919 | |
| Total | 398 | \$160,612,162 | 100.00 | \$16,651 | \$403,548 | |

| Credit Claimed | Basis of Taxation | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|--------------------------|-------------------|----------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Entire Net Income | 61 | \$46,376,110 | 6.20 | \$15,494 | \$760,264 |
| Fixed Dollar Minimum Tax | 333 | 621,079,408 | 82.97 | 79,876 | 1,865,103 | |
| Capital Base | 16 | 22,941,512 | 3.06 | 33,910 | 1,433,845 | |
| Alternative Minimum Tax | 100 | 58,127,514 | 7.77 | 47,630 | 581,275 | |
| Total | 510 | \$748,524,544 | 100.00 | \$56,805 | \$1,467,695 | |

| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|--------------------------|-------------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | Entire Net Income | 42 | \$4,015,549 | 31.13 | \$7,313 | \$95,608 |
| Fixed Dollar Minimum Tax | 148 | 7,477,401 | 57.97 | 4,953 | 50,523 | |
| Capital Base | 8 | 59,274 | 0.46 | 1,459 | 7,409 | |
| Alternative Minimum Tax | 62 | 1,347,105 | 10.44 | 2,354 | 21,728 | |
| Total | 260 | \$12,899,329 | 100.00 | \$4,642 | \$49,613 | |

| Credit Carried Forward | Basis of Taxation | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
|--------------------------|-------------------|----------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | Entire Net Income | 37 | \$41,963,958 | 5.73 | \$28,385 | \$1,134,161 |
| Fixed Dollar Minimum Tax | 327 | 610,758,293 | 83.43 | 79,808 | 1,867,762 | |
| Capital Base | 10 | 22,816,195 | 3.12 | 136,541 | 2,281,620 | |
| Alternative Minimum Tax | 93 | 56,490,975 | 7.72 | 43,713 | 607,430 | |
| Total | 467 | \$732,029,421 | 100.00 | \$58,523 | \$1,567,515 | |

Table 21: New York State EZ Investment Tax Credit by Size of Entire Net Income - 2003 Liability Year

| Credit Earned | Size of Entire Net Income | | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|---------------|---------------------------|---------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | | | | | | | |
| | Zero or Net Loss | | 160 | \$21,695,710 | 13.51 | \$15,764 | \$135,598 |
| | \$ 1 | - \$ 99,999 | 85 | 879,279 | 0.55 | 3,387 | 10,344 |
| | 100,000 | - 499,999 | 57 | 2,554,719 | 1.59 | 18,041 | 44,820 |
| | 500,000 | - 999,999 | 22 | 1,854,710 | 1.15 | 49,308 | 84,305 |
| | 1,000,000 | - 24,999,999 | 50 | 9,634,309 | 6.00 | 78,264 | 192,686 |
| | 25,000,000 | - 49,999,999 | 8 | 4,562,605 | 2.84 | 428,981 | 570,326 |
| | 50,000,000 | - 99,999,999 | 6 | 1,093,842 | 0.68 | 66,751 | 182,307 |
| | 100,000,000 | - 499,999,999 | 6 | 2,284,902 | 1.42 | 52,348 | 380,817 |
| | 500,000,000 | - and over | 4 | 116,052,086 | 72.26 | 3,236,525 | 29,013,022 |
| | | Total | 398 | \$160,612,162 | 100.00 | \$16,651 | \$403,548 |

| Credit Claimed | Size of Entire Net Income | | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|----------------|---------------------------|---------------|---------------------|--------------------------|---------------------|-----------------------|---------------------|
| | | | | | | | |
| | Zero or Net Loss | | 216 | \$302,114,461 | 40.36 | \$79,764 | \$1,398,678 |
| | \$ 1 | - \$ 99,999 | 119 | 6,414,588 | 0.86 | 16,311 | 53,904 |
| | 100,000 | - 499,999 | 71 | 8,780,144 | 1.17 | 46,091 | 123,664 |
| | 500,000 | - 999,999 | 26 | 7,293,948 | 0.97 | 123,600 | 280,536 |
| | 1,000,000 | - 24,999,999 | 51 | 32,905,080 | 4.40 | 163,991 | 645,198 |
| | 25,000,000 | - 49,999,999 | 9 | 42,426,004 | 5.67 | 2,102,906 | 4,714,000 |
| | 50,000,000 | - 99,999,999 | 7 | 11,918,081 | 1.59 | 344,349 | 1,702,583 |
| | 100,000,000 | - 499,999,999 | 7 | 44,501,835 | 5.95 | 105,946 | 6,357,405 |
| | 500,000,000 | - and over | 4 | 292,170,403 | 39.03 | 7,048,454 | 73,042,601 |
| | | Total | 510 | \$748,524,544 | 100.00 | \$56,805 | \$1,467,695 |

d/ Tax Law provisions prohibit disclosure of data.

Table 21: New York State EZ Investment Tax Credit by Size of Entire Net Income - 2003 Liability Year (Cont'd)

| Credit Used | Size of Entire Net Income | | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|-------------|---------------------------|---------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | | | | | | | |
| | Zero or Net Loss | | 71 | \$1,553,301 | 12.04 | \$4,718 | \$21,877 |
| | \$ 1 | - \$ 99,999 | 61 | 68,294 | 0.53 | 901 | 1,120 |
| | 100,000 | - 499,999 | 59 | 382,330 | 2.96 | 3,874 | 6,480 |
| | 500,000 | - 999,999 | 16 | 232,402 | 1.80 | 10,387 | 14,525 |
| | 1,000,000 | - 24,999,999 | 32 | 1,435,215 | 11.13 | 30,703 | 44,850 |
| | 25,000,000 | - 49,999,999 | 6 | 451,155 | 3.50 | 80,753 | 75,193 |
| | 50,000,000 | - 99,999,999 | 5 | 503,425 | 3.90 | 70,631 | 100,685 |
| | 100,000,000 | - 499,999,999 | 6 | 1,380,965 | 10.71 | 228,824 | 230,161 |
| | 500,000,000 | - and over | 4 | 6,892,242 | 53.43 | 1,563,416 | 1,723,061 |
| | Total | | 260 | \$12,899,329 | 100.00 | \$4,642 | \$49,613 |

| Credit Carried Forward | Size of Entire Net Income | | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
|------------------------|---------------------------|---------------|---------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | | | | | | | |
| | Zero or Net Loss | | 210 | \$297,841,813 | 40.69 | \$81,695 | \$1,418,294 |
| | \$ 1 | - \$ 99,999 | 110 | 6,210,806 | 0.85 | 16,275 | 56,462 |
| | 100,000 | - 499,999 | 63 | 8,224,291 | 1.12 | 42,788 | 130,544 |
| | 500,000 | - 999,999 | 24 | 6,978,630 | 0.95 | 126,571 | 290,776 |
| | 1,000,000 | - 24,999,999 | 42 | 31,234,300 | 4.27 | 362,788 | 743,674 |
| | 25,000,000 | - 49,999,999 | 7 | 41,725,894 | 5.70 | 2,479,659 | 5,960,842 |
| | 50,000,000 | - 99,999,999 | d/ | d/ | d/ | d/ | d/ |
| | 100,000,000 | - 499,999,999 | 4 | 43,120,870 | 5.89 | 7,754,859 | 10,780,218 |
| | 500,000,000 | - and over | d/ | d/ | d/ | d/ | d/ |
| | Total | | 467 | \$732,029,421 | 100.00 | \$58,523 | \$1,567,515 |

d/ Tax Law provisions prohibit disclosure of data.

Table 22: New York State EZ Investment Tax Credit by Size of Credit Used - 2003 Liability Year

| Credit Earned | Size of Credit Used | | | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|---------------|---------------------|---|----------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | Negative* | | | | 0 | \$0 | 0.00 | \$0 |
| Zero | | | | 181 | 19,239,478 | 11.98 | 11,199 | 106,295 |
| | \$ 1 | - | \$ 499 | 27 | 291,607 | 0.18 | 3,911 | 10,800 |
| | 500 | - | 999 | 16 | 634,526 | 0.40 | 2,488 | 39,658 |
| | 1,000 | - | 4,999 | 58 | 2,188,080 | 1.36 | 8,666 | 37,726 |
| | 5,000 | - | 9,999 | 28 | 3,085,892 | 1.92 | 27,845 | 110,210 |
| | 10,000 | - | 24,999 | 31 | 3,804,638 | 2.37 | 49,195 | 122,730 |
| | 25,000 | - | 49,999 | 17 | 2,593,776 | 1.61 | 95,060 | 152,575 |
| | 50,000 | - | 99,999 | 23 | 5,019,133 | 3.13 | 89,673 | 218,223 |
| | 100,000 | - | 499,999 | 14 | 11,954,770 | 7.44 | 520,346 | 853,912 |
| | 500,000 | - | and over | 3 | 111,800,262 | 69.61 | d/ | 37,266,754 |
| | Total | | | 398 | \$160,612,162 | 100.00 | \$16,651 | \$403,548 |

| Credit Claimed | Size of Credit Used | | | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|----------------|---------------------|---|----------|---------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Negative* | | | | d/ | d/ | d/ | d/ |
| Zero | | | | 250 | \$291,087,221 | 38.89 | \$49,584 | \$1,164,349 |
| | \$ 1 | - | \$ 499 | 39 | 1,972,767 | 0.26 | 18,919 | 50,584 |
| | 500 | - | 999 | d/ | d/ | d/ | d/ | d/ |
| | 1,000 | - | 4,999 | 76 | 7,259,253 | 0.97 | 26,536 | 95,516 |
| | 5,000 | - | 9,999 | 34 | 9,429,196 | 1.26 | 110,342 | 277,329 |
| | 10,000 | - | 24,999 | 34 | 16,603,290 | 2.22 | 140,323 | 488,332 |
| | 25,000 | - | 49,999 | 17 | 7,999,436 | 1.07 | 227,289 | 470,555 |
| | 50,000 | - | 99,999 | 23 | 31,121,694 | 4.16 | 572,048 | 1,353,117 |
| | 100,000 | - | 499,999 | 15 | 101,244,450 | 13.53 | 2,612,541 | 6,749,630 |
| | 500,000 | - | and over | 3 | 280,294,722 | 37.45 | d/ | 93,431,574 |
| | Total | | | 510 | \$748,524,544 | 100.00 | \$56,805 | \$1,467,695 |

* "Negative" means recapture exceeds amount of available credit.

d/ Tax Law provisions prohibit disclosure of data.

Table 22: New York State EZ Investment Tax Credit by Size of Credit Used - 2003 Liability Year (Cont'd)

| Credit Used | Size of Credit Used | | | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used | |
|------------------------|---------------------|---------|---|---------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|-------------|
| | | | | | | | | | |
| | Negative* | | | d/ | d/ | d/ | d/ | d/ | |
| | Zero | | | 0 | \$0 | 0.00 | \$0 | \$0 | |
| | \$ | 1 | - | \$ 499 | 39 | 9,916 | 0.08 | 217 | 254 |
| | | 500 | - | 999 | d/ | d/ | d/ | d/ | |
| | | 1,000 | - | 4,999 | 76 | 184,113 | 1.43 | 2,035 | 2,423 |
| | | 5,000 | - | 9,999 | 34 | 248,022 | 1.92 | 7,176 | 7,295 |
| | | 10,000 | - | 24,999 | 34 | 556,904 | 4.32 | 15,558 | 16,380 |
| | | 25,000 | - | 49,999 | 17 | 593,967 | 4.60 | 32,582 | 34,939 |
| | | 50,000 | - | 99,999 | 23 | 1,602,644 | 12.42 | 65,372 | 69,680 |
| | | 100,000 | - | 499,999 | 15 | 3,196,353 | 24.78 | 152,536 | 213,090 |
| | | 500,000 | - | and over | 3 | 6,514,225 | 50.50 | d/ | 2,171,408 |
| | | | | Total | 260 | \$12,899,329 | 100.00 | \$4,642 | \$49,613 |
| Credit Carried Forward | Size of Credit Used | | | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward | |
| | | | | | | | | | |
| | Negative* | | | 0 | \$0 | 0.00 | \$0 | \$0 | |
| | Zero | | | 250 | 289,347,158 | 39.53 | 46,981 | 1,157,389 | |
| | \$ | 1 | - | \$ 499 | 35 | 1,917,667 | 0.26 | 18,778 | 54,790 |
| | | 500 | - | 999 | d/ | d/ | d/ | d/ | |
| | | 1,000 | - | 4,999 | 64 | 6,413,600 | 0.88 | 27,564 | 100,213 |
| | | 5,000 | - | 9,999 | 31 | 8,281,227 | 1.13 | 108,589 | 267,136 |
| | | 10,000 | - | 24,999 | 27 | 16,046,386 | 2.19 | 235,018 | 594,311 |
| | | 25,000 | - | 49,999 | 15 | 7,400,034 | 1.01 | 261,321 | 493,336 |
| | | 50,000 | - | 99,999 | 16 | 29,519,050 | 4.03 | 844,785 | 1,844,941 |
| | | 100,000 | - | 499,999 | 14 | 98,048,097 | 13.39 | 2,566,666 | 7,003,436 |
| | | 500,000 | - | and over | d/ | d/ | d/ | d/ | |
| | | | | Total | 467 | \$732,029,421 | 100.00 | \$58,523 | \$1,567,515 |

* "Negative" means recapture exceeds amount of available credit.

d/ Tax Law provisions prohibit disclosure of data.

Table 23: New York State Investment Tax Credit by Empire Zone* - 2003 Liability Year

| Empire Zone | Amount of Credit Earned | Amount of Credit Claimed | Amount of Credit Used | Amount of Credit Refunded | Amount of Credit Carried Forward |
|--------------------------------|-------------------------------|--------------------------------|-----------------------------|---------------------------------|---|
| Albany (City) | \$1,720,894 | \$5,273,159 | \$120,649 | \$144,444 | \$5,008,076 |
| Albany County | d/ | d/ | d/ | d/ | d/ |
| Amsterdam | 528,495 | 2,638,682 | 61,336 | 0 | 2,577,346 |
| Auburn | 3,888,960 | 14,058,846 | 179,640 | 563,148 | 13,316,058 |
| Brookhaven | d/ | d/ | d/ | d/ | d/ |
| Broome County | 1,185,961 | 6,589,954 | 87,949 | 0 | 6,502,005 |
| Buffalo | 4,949,951 | 38,858,894 | 715,221 | 66,074 | 38,077,599 |
| Cattaraugus County | d/ | d/ | d/ | d/ | d/ |
| Clinton County | d/ | d/ | d/ | d/ | d/ |
| Cortland County | d/ | d/ | d/ | d/ | d/ |
| Dunkirk/Sheridan | d/ | d/ | d/ | d/ | d/ |
| Dutchess County | d/ | d/ | d/ | d/ | d/ |
| East Harlem | d/ | d/ | d/ | d/ | d/ |
| East New York | d/ | d/ | d/ | d/ | d/ |
| Elmira | 2,823,594 | 23,932,242 | 397,549 | 25,027 | 23,509,666 |
| Essex County/Moriah-Port Henry | d/ | d/ | d/ | d/ | d/ |
| Franklin County | d/ | d/ | d/ | d/ | d/ |
| Friendship | d/ | d/ | d/ | d/ | d/ |
| Fulton | d/ | d/ | d/ | d/ | d/ |
| Genesee County | d/ | d/ | d/ | d/ | d/ |
| Geneva | d/ | d/ | d/ | d/ | d/ |
| Gloversville | d/ | d/ | d/ | d/ | d/ |
| Greater Jamestown | 826,605 | 9,564,236 | 191,431 | 6,013 | 9,366,792 |
| Hornell | d/ | d/ | d/ | d/ | d/ |
| Hunts Point | d/ | d/ | d/ | d/ | d/ |
| Islip | d/ | d/ | d/ | d/ | d/ |
| Kingston | 121,875 | 1,492,164 | 162,327 | 0 | 1,329,837 |
| Lackawanna | d/ | d/ | d/ | d/ | d/ |
| Lewis County | d/ | d/ | d/ | d/ | d/ |
| Madison County | d/ | d/ | d/ | d/ | d/ |
| Monroe County | d/ | d/ | d/ | d/ | d/ |
| Niagara Falls | d/ | d/ | d/ | d/ | d/ |
| North Brooklyn Navy Yard | 414,815 | 1,902,306 | 91,992 | 0 | 1,810,314 |
| Norwich | d/ | d/ | d/ | d/ | d/ |

d/ Tax Law provisions prohibit disclosure of data.

Table 23: New York State Investment Tax Credit by Empire Zone* - 2003 Liability Year (Cont'd)

| Empire Zone | Amount of Credit Earned | Amount of Credit Claimed | Amount of Credit Used | Amount of Credit Refunded | Amount of Credit Carried Forward |
|-----------------------------|-------------------------------|--------------------------------|-----------------------------|---------------------------------|---|
| Ogdensburg | d/ | d/ | d/ | d/ | d/ |
| Oneida/Herkimer Counties | \$826,409 | \$3,371,193 | \$74,708 | \$53,043 | \$3,243,442 |
| Onondaga County | 805,657 | 1,738,029 | 172,901 | 0 | 1,565,128 |
| Orange County | d/ | d/ | d/ | d/ | d/ |
| Orleans County | d/ | d/ | d/ | d/ | d/ |
| Oswego | d/ | d/ | d/ | d/ | d/ |
| Otsego County | d/ | d/ | d/ | d/ | d/ |
| Plattsburgh | 1,415,662 | 10,562,146 | 237,633 | 42,849 | 10,281,664 |
| Port Morris | d/ | d/ | d/ | d/ | d/ |
| Potsdam | d/ | d/ | d/ | d/ | d/ |
| Rensselaer County | d/ | d/ | d/ | d/ | d/ |
| Rochester | 592,533 | 4,495,162 | 82,467 | 25,616 | 4,387,079 |
| Rome | d/ | d/ | d/ | d/ | d/ |
| Saratoga County | d/ | d/ | d/ | d/ | d/ |
| Schenectady | 1,244,146 | 3,153,279 | 457,712 | 5,607 | 2,689,960 |
| Schuyler County | d/ | d/ | d/ | d/ | d/ |
| Seneca County | d/ | d/ | d/ | d/ | d/ |
| South Jamaica | d/ | d/ | d/ | d/ | d/ |
| Southwest Brooklyn | 125,014 | 1,526,580 | 21,481 | 0 | 1,505,099 |
| Staten Island - North Shore | d/ | d/ | d/ | d/ | d/ |
| Syracuse | 346,637 | 3,556,166 | 88,197 | 0 | 3,467,969 |
| Tioga County | d/ | d/ | d/ | d/ | d/ |
| Tonawanda | d/ | d/ | d/ | d/ | d/ |
| Triple Cities | 74,715 | 720,821 | 23,110 | 8,263 | 689,449 |
| Troy | d/ | d/ | d/ | d/ | d/ |
| Utica | 663,864 | 3,698,836 | 182,235 | 0 | 3,516,601 |
| Warren County | 1,971,371 | 2,610,313 | 193,199 | 17,342 | 2,399,772 |
| Washington County | d/ | d/ | d/ | d/ | d/ |
| Watertown | 405,853 | 3,389,979 | 20,582 | 25,372 | 3,344,025 |
| Yonkers | d/ | d/ | d/ | d/ | d/ |
| Multiple Zones | 6,549,594 | 19,557,181 | 616,058 | 248,954 | 18,692,168 |
| Unidentified | 1,614,866 | 196,166,355 | 726,066 | 203,277 | 195,237,012 |
| Total | \$160,612,162 | \$748,524,544 | \$12,899,330 | \$3,595,803 | \$732,029,421 |

* Due to disclosure requirements, data is displayed only for zones with more than seven taxpayers as of the 2003 studyfile

d/ Tax Law provisions prohibit disclosure of data.

Table 24: New York State QEZE Credit for Real Property Taxes* by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|---------------|--------------------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | | Entire Net Income | 43 | \$5,806,610 | 10.24 | \$52,479 |
| | Fixed Dollar Minimum Tax | 139 | 43,229,326 | 76.25 | 28,294 | 311,002 |
| | Capital Base | 10 | 2,297,494 | 4.05 | 195,573 | 229,749 |
| | Alternative Minimum Tax | 55 | 5,360,844 | 9.46 | 9,694 | 97,470 |
| | Total | 247 | \$56,694,274 | 100.00 | \$24,874 | \$229,531 |

| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|-------------|--------------------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | | Entire Net Income | 17 | \$2,062,383 | 76.62 | \$4,896 |
| | Fixed Dollar Minimum Tax | 32 | 476,407 | 17.70 | 853 | 14,888 |
| | Capital Base | 4 | 39,340 | 1.46 | 10,564 | 9,835 |
| | Alternative Minimum Tax | 21 | 113,433 | 4.21 | 1,836 | 5,402 |
| | Total | 74 | \$2,691,563 | 100.00 | \$1,745 | \$36,372 |

* The provisions of this credit do not allow a carryforward of excess credit.

Therefore, credit earned is the same as credit claimed.

d/ Tax Law provisions prohibit disclosure of data.

Table 25: New York State QEZE Credit for Real Property Taxes for Corporate Partners* by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|---------------|--------------------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | | Entire Net Income | d/ | d/ | d/ | d/ |
| | Fixed Dollar Minimum Tax | 19 | \$3,830,534 | 24.24 | \$22,059 | \$201,607 |
| | Capital Base | d/ | d/ | d/ | d/ | d/ |
| | Alternative Minimum Tax | 9 | 374,749 | 2.37 | 16,992 | 41,639 |
| | Total | 37 | \$15,802,376 | 100.00 | \$19,840 | \$427,091 |

| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|-------------|--------------------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | | Entire Net Income | 4 | \$4,966 | 2.56 | \$845 |
| | Fixed Dollar Minimum Tax | 5 | 8,865 | 4.57 | 736 | 1,773 |
| | Capital Base | d/ | d/ | d/ | d/ | d/ |
| | Alternative Minimum Tax | d/ | d/ | d/ | d/ | d/ |
| | Total | 15 | \$194,006 | 100.00 | \$1,092 | \$12,934 |

* The provisions of this credit do not allow a carryforward of excess credit.

Therefore, credit earned is the same as credit claimed.

d/ Tax Law provisions prohibit disclosure of data.

Table 26: New York State QEZE Tax Reduction Credit* by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|---------------|--------------------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | | Entire Net Income | 74 | \$5,889,129 | 54.48 | \$8,738 |
| | Fixed Dollar Minimum Tax | 116 | 3,692,133 | 34.16 | 1,324 | 31,829 |
| | Capital Base | 18 | 73,202 | 0.68 | 700 | 4,067 |
| | Alternative Minimum Tax | 51 | 1,154,348 | 10.68 | 2,469 | 22,634 |
| | Total | 259 | \$10,808,812 | 100.00 | \$2,436 | \$41,733 |

| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|-------------|--------------------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | | Entire Net Income | 73 | \$5,763,054 | 58.60 | \$8,145 |
| | Fixed Dollar Minimum Tax | 93 | 2,846,424 | 28.94 | 1,597 | 30,607 |
| | Capital Base | 18 | 71,106 | 0.72 | 519 | 3,950 |
| | Alternative Minimum Tax | 50 | 1,154,347 | 11.74 | 3,183 | 23,087 |
| | Total | 234 | \$9,834,931 | 100.00 | \$2,880 | \$42,030 |

* The provisions of this credit do not allow a carryforward of excess credit.

Therefore, credit earned is the same as credit claimed.

Table 27: New York State QEZE Tax Reduction Credit for Corporate Partners* by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|---------------|--------------------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | | Entire Net Income | 8 | \$136,325 | 59.01 | \$5,661 |
| | Fixed Dollar Minimum Tax | d/ | d/ | d/ | d/ | d/ |
| | Capital Base | d/ | d/ | d/ | d/ | d/ |
| | Alternative Minimum Tax | 5 | 68,992 | 29.86 | 3,744 | 13,798 |
| | Total | 14 | \$231,038 | 100.00 | \$5,931 | \$16,503 |

| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|-------------|--------------------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | | Entire Net Income | 8 | \$134,322 | 62.82 | \$4,863 |
| | Fixed Dollar Minimum Tax | d/ | d/ | d/ | d/ | d/ |
| | Capital Base | d/ | d/ | d/ | d/ | d/ |
| | Alternative Minimum Tax | 3 | 53,793 | 25.16 | d/ | 17,931 |
| | Total | 12 | \$213,836 | 100.00 | \$4,863 | \$17,820 |

* The provisions of this credit do not allow a carryforward of excess credit.

Therefore, credit earned is the same as credit claimed.

d/ Tax Law provisions prohibit disclosure of data.

Table 28: New York State QEZE Credits¹ by Empire Zone² - 2003 Liability Year³

| Empire Zone | Credit for Real Property Taxes | | | Tax Reduction Credit | |
|--------------------------------|--------------------------------|-----------------------|--|--------------------------|-----------------------|
| | Amount of Credit Claimed | Amount of Credit Used | Amount of Credit Refunded ⁴ | Amount of Credit Claimed | Amount of Credit Used |
| Albany (City) | d/ | d/ | d/ | d/ | d/ |
| Albany County | d/ | d/ | d/ | d/ | d/ |
| Amsterdam | d/ | d/ | d/ | d/ | d/ |
| Auburn | d/ | d/ | d/ | \$404,071 | \$402,046 |
| Brookhaven | d/ | d/ | d/ | d/ | d/ |
| Broome County | d/ | d/ | d/ | d/ | d/ |
| Buffalo | \$4,168,095 | \$76,606 | \$4,091,490 | 363,323 | 357,640 |
| Buffalo ⁵ | d/ | d/ | d/ | d/ | d/ |
| Cattaraugus County | d/ | d/ | d/ | d/ | d/ |
| Cortland County | d/ | d/ | d/ | d/ | d/ |
| Dunkirk/Sheridan | d/ | d/ | d/ | d/ | d/ |
| Dutchess County | d/ | d/ | d/ | d/ | d/ |
| East Harlem | d/ | d/ | d/ | d/ | d/ |
| East New York | d/ | d/ | d/ | d/ | d/ |
| Elmira | 1,222,117 | 5,169 | 1,216,948 | 111,592 | 111,553 |
| Essex County/Moriah-Port Henry | d/ | d/ | d/ | d/ | d/ |
| Far Rockaway | d/ | d/ | d/ | d/ | d/ |
| Franklin County | d/ | d/ | d/ | d/ | d/ |
| Friendship | d/ | d/ | d/ | d/ | d/ |
| Fulton | d/ | d/ | d/ | d/ | d/ |
| Genesee County | d/ | d/ | d/ | d/ | d/ |
| Geneva | d/ | d/ | d/ | d/ | d/ |
| Gloversville | d/ | d/ | d/ | d/ | d/ |
| Greater Jamestown | d/ | d/ | d/ | d/ | d/ |
| Hornell | d/ | d/ | d/ | d/ | d/ |
| Hunts Point | d/ | d/ | d/ | d/ | d/ |
| Islip | d/ | d/ | d/ | d/ | d/ |
| Kingston | d/ | d/ | d/ | d/ | d/ |
| Lackawanna | d/ | d/ | d/ | d/ | d/ |
| Lewis County | d/ | d/ | d/ | d/ | d/ |
| Madison County | d/ | d/ | d/ | d/ | d/ |
| Monroe County | d/ | d/ | d/ | d/ | d/ |
| Mount Vernon | 504,875 | 11,949 | 492,926 | d/ | d/ |
| Niagara Falls | d/ | d/ | d/ | d/ | d/ |
| North Brooklyn Navy Yard | d/ | d/ | d/ | d/ | d/ |
| Norwich | d/ | d/ | d/ | d/ | d/ |

d/ Tax Law provisions prohibit disclosure of data.

Table 28: New York State QEZE Credits¹ by Empire Zone² - 2003 Liability Year³ (Cont'd)

| Empire Zone | Credit for Real Property Taxes | | | Tax Reduction Credit | |
|-----------------------------|--------------------------------|-----------------------|--|--------------------------|-----------------------|
| | Amount of Credit Claimed | Amount of Credit Used | Amount of Credit Refunded ⁴ | Amount of Credit Claimed | Amount of Credit Used |
| Ogdensburg | d/ | d/ | d/ | d/ | d/ |
| Oneida/Herkimer Counties | d/ | d/ | d/ | d/ | d/ |
| Onondaga County | \$1,368,686 | \$1,180 | \$1,367,506 | \$1,039,953 | \$1,036,244 |
| Orange County | d/ | d/ | d/ | d/ | d/ |
| Orleans County | d/ | d/ | d/ | d/ | d/ |
| Oswego | d/ | d/ | d/ | d/ | d/ |
| Plattsburgh | d/ | d/ | d/ | 10,667 | 10,667 |
| Port Morris | d/ | d/ | d/ | d/ | d/ |
| Potsdam | d/ | d/ | d/ | d/ | d/ |
| Rensselaer County | d/ | d/ | d/ | d/ | d/ |
| Rochester | d/ | d/ | d/ | d/ | d/ |
| Rome | d/ | d/ | d/ | d/ | d/ |
| Saratoga County | d/ | d/ | d/ | d/ | d/ |
| Schenectady | d/ | d/ | d/ | d/ | d/ |
| Schuyler County | d/ | d/ | d/ | d/ | d/ |
| Seneca County | d/ | d/ | d/ | d/ | d/ |
| South Jamaica | d/ | d/ | d/ | d/ | d/ |
| Southwest Brooklyn | d/ | d/ | d/ | 21,997 | 19,227 |
| Staten Island - North Shore | d/ | d/ | d/ | d/ | d/ |
| Suffolk County | d/ | d/ | d/ | d/ | d/ |
| Sullivan County | d/ | d/ | d/ | d/ | d/ |
| Syracuse | 820,314 | 4,791 | 815,523 | 99,200 | 98,897 |
| Tioga County | d/ | d/ | d/ | d/ | d/ |
| Tonawanda | d/ | d/ | d/ | d/ | d/ |
| Triple Cities | d/ | d/ | d/ | d/ | d/ |
| Troy | d/ | d/ | d/ | d/ | d/ |
| Utica | d/ | d/ | d/ | 25,140 | 24,507 |
| Warren County | d/ | d/ | d/ | d/ | d/ |
| Washington County | d/ | d/ | d/ | d/ | d/ |
| Watertown | d/ | d/ | d/ | d/ | d/ |
| Wayne County | d/ | d/ | d/ | d/ | d/ |
| Yonkers | 823,032 | 1,562 | 821,470 | d/ | d/ |
| Multiple Zones | 3,304,980 | 2,020,874 | 1,284,106 | 2,766,908 | 2,766,820 |
| Unidentified | 6,671,597 | 12,033 | 6,659,564 | 1,024,039 | 691,420 |
| Total | \$71,934,601 | \$2,885,569 | \$69,049,030 | \$11,039,850 | \$10,048,767 |

¹ The provisions of these credits do not allow a carryforward of excess credit. Therefore, credit earned is the same as credit claimed. However, corporate partners do not report amount earned by the partnership, only amounts claimed that were passed through to them. Thus, this table, which displays corporate partner amounts combined with non-partner corporations, reports amounts claimed instead of earned.

² Due to disclosure requirements, data is displayed only for zones with more than seven taxpayers as of the 2003 studyfile

³ Includes data from corporate partner filers.

⁴ Credit refunded includes amounts eligible for refund, but instead claimed as an overpayment applied against next year's tax liability at the discretion of the taxpayer.

⁵ Buffalo received a second EZ in the 5th round of zone designations.

d/ Tax Law provisions prohibit disclosure of data.

Table 29: New York State Alternative Minimum Tax Credit by Major Industry Group - 2003 Liability Year

| Credit Earned | Credit Earned | | | | | |
|----------------|--|---------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Major Industry Group | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
| | Agriculture, Forestry, Fishing & Hunting | 25 | \$10,106 | 0.38 | \$233 | \$404 |
| | Mining | 3 | 267 | 0.01 | d/ | 89 |
| | Utilities | 10 | 16,233 | 0.61 | 654 | 1,623 |
| | Construction | 162 | 117,955 | 4.43 | 180 | 728 |
| | Manufacturing | 130 | 685,526 | 25.69 | 697 | 18,149 |
| | Wholesale Trade | 222 | 172,254 | 6.45 | 171 | 776 |
| | Retail Trade | 205 | 91,226 | 3.43 | 220 | 843 |
| | Transportation & Warehousing | 65 | 76,118 | 2.85 | 385 | 1,414 |
| | Information | 66 | 71,390 | 2.67 | 414 | 1,082 |
| | Finance and Insurance | 99 | 290,392 | 10.88 | 304 | 2,933 |
| | Real Estate, Rental, & Leasing | 276 | 436,395 | 16.35 | 208 | 1,581 |
| | Professional, Scientific, & Technical Services | 247 | 379,344 | 14.26 | 214 | 1,536 |
| | Management of Companies & Enterprises | 23 | 76,912 | 2.88 | 443 | 3,344 |
| | Administrative & Support & Waste Management & Remediation Services | 47 | 56,108 | 2.10 | 184 | 1,194 |
| | Educational Services | 7 | 4,462 | 0.17 | 62 | 637 |
| | Health Care & Social Assistance | 105 | 63,894 | 2.39 | 245 | 609 |
| | Arts, Entertainment, & Recreation | 34 | 22,675 | 0.85 | 192 | 667 |
| | Accommodation & Food Services | 66 | 64,750 | 2.43 | 149 | 981 |
| | Other Services (except Public Administration) | 83 | 24,975 | 0.94 | 120 | 301 |
| | Public Administration | 0 | 0 | 0.00 | 0 | 0 |
| | Total | 1,875 | \$2,660,982 | 100.00 | \$196 | \$1,419 |
| Credit Claimed | Credit Claimed | | | | | |
| | Major Industry Group | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
| | Agriculture, Forestry, Fishing & Hunting | 3 | \$951 | 0.06 | d/ | \$317 |
| | Mining | d/ | d/ | d/ | d/ | d/ |
| | Utilities | 0 | 0 | 0.00 | 0 | 0 |
| | Construction | 61 | 150,223 | 10.24 | 542 | 2,463 |
| | Manufacturing | 35 | 114,488 | 7.80 | 7,636 | 11,908 |
| | Wholesale Trade | 44 | 117,806 | 8.03 | 356 | 2,677 |
| | Retail Trade | 34 | 44,160 | 3.01 | 677 | 2,678 |
| | Transportation & Warehousing | 18 | 51,944 | 3.54 | 162 | 2,886 |
| | Information | 11 | 8,916 | 0.61 | 248 | 811 |
| | Finance and Insurance | 32 | 133,778 | 9.12 | 460 | 4,181 |
| | Real Estate, Rental, & Leasing | 58 | 66,419 | 4.53 | 313 | 1,145 |
| | Professional, Scientific, & Technical Services | 50 | 28,739 | 1.96 | 184 | 575 |
| | Management of Companies & Enterprises | 6 | 532,142 | 36.26 | 3,609 | 88,690 |
| | Administrative & Support & Waste Management & Remediation Services | 13 | 8,522 | 0.58 | 324 | 656 |
| | Educational Services | d/ | d/ | d/ | d/ | d/ |
| | Health Care & Social Assistance | 40 | 111,837 | 7.62 | 451 | 2,796 |
| | Arts, Entertainment, & Recreation | 13 | 79,463 | 5.42 | 413 | 6,113 |
| | Accommodation & Food Services | 16 | 8,145 | 0.56 | 573 | 509 |
| | Other Services (except Public Administration) | 15 | 9,222 | 0.63 | 407 | 615 |
| | Public Administration | 0 | 0 | 0.00 | 0 | 0 |
| | Total | 450 | \$1,467,460 | 100.00 | \$407 | \$3,261 |

d/ Tax Law provisions prohibit disclosure of data.

Table 29: New York State Alternative Minimum Tax Credit by Major Industry Group - 2003 Liability Year (Cont'd)

| Credit Used | Major Industry Group | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|-------------|--|---------------------|-----------------------|------------------|--------------------|------------------|
| | Agriculture, Forestry, Fishing & Hunting | 3 | \$951 | 0.14 | \$109 | \$317 |
| | Mining | d/ | d/ | d/ | d/ | d/ |
| | Utilities | 0 | 0 | 0.00 | 0 | 0 |
| | Construction | 57 | 98,463 | 13.99 | 529 | 1,727 |
| | Manufacturing | 31 | 82,308 | 11.69 | 3,122 | 8,239 |
| | Wholesale Trade | 42 | 36,970 | 5.25 | 266 | 880 |
| | Retail Trade | 29 | 31,858 | 4.53 | 400 | 2,279 |
| | Transportation & Warehousing | 16 | 46,561 | 6.61 | 141 | 2,910 |
| | Information | 10 | 7,748 | 1.10 | 213 | 775 |
| | Finance and Insurance | 29 | 122,123 | 17.35 | 343 | 4,211 |
| | Real Estate, Rental, & Leasing | 56 | 34693 | 4.93 | 185 | 620 |
| | Professional, Scientific, & Technical Services | 46 | 16086 | 2.28 | 152 | 350 |
| | Management of Companies & Enterprises | 6 | 56,561 | 8.03 | 3,609 | 9,427 |
| | Administrative & Support & Waste Management & Remediation Services | 12 | 3,150 | 0.45 | 187 | 263 |
| | Educational Services | d/ | d/ | d/ | d/ | d/ |
| | Health Care & Social Assistance | 35 | 73,910 | 10.50 | 206 | 2,112 |
| | Arts, Entertainment, & Recreation | 12 | 78,210 | 11.11 | 428 | 6,518 |
| | Accommodation & Food Services | 14 | 7,424 | 1.05 | 573 | 530 |
| | Other Services (except Public Administration) | 15 | 6,284 | 0.89 | 240 | 419 |
| | Public Administration | 0 | 0 | 0.00 | 0 | 0 |
| | Total | 414 | \$704,005 | 100.00 | \$302 | \$1,700 |

| Credit Carried Forward | Major Industry Group | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
|------------------------|--|---------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | Agriculture, Forestry, Fishing & Hunting | 0 | \$0 | 0.00 | \$0 | \$0 |
| | Mining | d/ | d/ | d/ | d/ | d/ |
| | Utilities | 0 | 0 | 0.00 | 0 | 0 |
| | Construction | 20 | 51,760 | 6.78 | 1,604 | 2,588 |
| | Manufacturing | 15 | 32,180 | 4.22 | 14,308 | 15,019 |
| | Wholesale Trade | 12 | 80,836 | 10.59 | 480 | 6,736 |
| | Retail Trade | 12 | 12,302 | 1.61 | 2,138 | 2,166 |
| | Transportation & Warehousing | 5 | 5,384 | 0.71 | 488 | 1,077 |
| | Information | d/ | d/ | d/ | d/ | d/ |
| | Finance and Insurance | 8 | 11,655 | 1.53 | 818 | 1,457 |
| | Real Estate, Rental, & Leasing | 22 | 31727 | 4.16 | 693 | 1442 |
| | Professional, Scientific, & Technical Services | 21 | 12,653 | 1.66 | 97 | 603 |
| | Management of Companies & Enterprises | 3 | 475,581 | 62.29 | 30,423 | 158,527 |
| | Administrative & Support & Waste Management & Remediation Services | 4 | 5,372 | 0.70 | 69 | 1,343 |
| | Educational Services | 0 | 0 | 0.00 | 0 | 0 |
| | Health Care & Social Assistance | 17 | 37,927 | 4.97 | 1,127 | 2,231 |
| | Arts, Entertainment, & Recreation | 4 | 1,253 | 0.16 | 196 | 313 |
| | Accommodation & Food Services | 6 | 721 | 0.09 | 90 | 120 |
| | Other Services (except Public Administration) | 6 | 2,938 | 0.38 | 348 | 490 |
| | Public Administration | 0 | 0 | 0.00 | 0 | 0 |
| | Total | 157 | \$763,457 | 100.00 | \$591 | \$4,863 |

d/ Tax Law provisions prohibit disclosure of data.

Table 30: New York State Alternative Minimum Tax Credit by Size of Entire Net Income - 2003 Liability Year

| Credit Earned | Size of Entire Net Income | | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|---------------|---------------------------|---------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | | | | | | | |
| | Zero or Net Loss | | 548 | \$1,530,336 | 57.51 | \$249 | \$2,793 |
| | \$ 1 | - \$ 99,999 | 1,276 | 770,790 | 28.97 | 173 | 604 |
| | 100,000 | - 499,999 | 27 | 227,361 | 8.52 | 2,324 | 8,421 |
| | 500,000 | - 999,999 | 11 | 91,251 | 3.42 | 5,265 | 8,296 |
| | 1,000,000 | - 24,999,999 | 13 | 41,244 | 1.55 | 1,762 | 3,173 |
| | 25,000,000 | - 49,999,999 | 0 | 0 | 0.00 | 0 | 0 |
| | 50,000,000 | - 99,999,999 | 0 | 0 | 0.00 | 0 | 0 |
| | 100,000,000 | - 499,999,999 | 0 | 0 | 0.00 | 0 | 0 |
| | 500,000,000 | - and over | 0 | 0 | 0.00 | 0 | 0 |
| | Total | | 1,875 | \$2,660,982 | 100.00 | \$196 | \$1,419 |

| Credit Claimed | Size of Entire Net Income | | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|----------------|---------------------------|---------------|---------------------|--------------------------|---------------------|-----------------------|---------------------|
| | | | | | | | |
| | Zero or Net Loss | | 28 | \$26,051 | 1.78 | \$328 | \$930 |
| | \$ 1 | - \$ 99,999 | 324 | 311,118 | 21.20 | 324 | 960 |
| | 100,000 | - 499,999 | 54 | 222,954 | 15.19 | 1,380 | 4,129 |
| | 500,000 | - 999,999 | 9 | 58,012 | 3.95 | 443 | 6,446 |
| | 1,000,000 | - 24,999,999 | 20 | 706,975 | 48.18 | 4,913 | 35,349 |
| | 25,000,000 | - 49,999,999 | 8 | 24,555 | 1.67 | 1,767 | 3,069 |
| | 50,000,000 | - 99,999,999 | 5 | 51,461 | 3.51 | 6,603 | 10,292 |
| | 100,000,000 | - 499,999,999 | d/ | d/ | d/ | d/ | d/ |
| | 500,000,000 | - and over | d/ | d/ | d/ | d/ | d/ |
| | Total | | 450 | \$1,467,460 | 100.00 | \$407 | \$3,261 |

d/ Tax Law provisions prohibit disclosure of data.

Table 30: New York State Alternative Minimum Tax Credit by Size of Entire Net Income - 2003 Liability Year (Cont'd)

| Credit Used | Size of Entire Net Income | | | Number of | Amount of | % of Credit | Median Credit | Mean Credit | | |
|-------------|---------------------------|-------------|---|-----------|-------------|-------------|---------------|-------------|-------|---------|
| | | | | Taxpayers | Credit Used | Used | Used | Used | | |
| | Zero or Net Loss | | | 0 | \$0 | 0.00 | \$0 | \$0 | | |
| | \$ | 1 | - | \$ | 99,999 | 316 | 138,522 | 19.68 | 190 | 438 |
| | | 100,000 | - | | 499,999 | 54 | 133,170 | 18.92 | 1,262 | 2,466 |
| | | 500,000 | - | | 999,999 | 9 | 27,589 | 3.92 | 443 | 3,065 |
| | | 1,000,000 | - | | 24,999,999 | 20 | 262,374 | 37.27 | 4,913 | 13,119 |
| | | 25,000,000 | - | | 49,999,999 | 8 | 24,555 | 3.49 | 1,767 | 3,069 |
| | | 50,000,000 | - | | 99,999,999 | 5 | 51,461 | 7.31 | 6,603 | 10,292 |
| | | 100,000,000 | - | | 499,999,999 | d/ | d/ | d/ | d/ | d/ |
| | | 500,000,000 | - | | and over | d/ | d/ | d/ | d/ | d/ |
| | | | | | Total | 414 | \$704,005 | 100.00 | \$302 | \$1,700 |

| Credit Carried Forward | Size of Entire Net Income | | | Number of | Amount of | % of Credit | Median Credit | Mean Credit | | |
|------------------------|---------------------------|-------------|---|-----------|------------------------|-----------------|-----------------|-----------------|-------|---------|
| | | | | Taxpayers | Credit Carried Forward | Carried Forward | Carried Forward | Carried Forward | | |
| | Zero or Net Loss | | | 28 | \$26,051 | 3.41 | \$328 | \$930 | | |
| | \$ | 1 | - | \$ | 99,999 | 120 | 172,597 | 22.61 | 540 | 1,438 |
| | | 100,000 | - | | 499,999 | 7 | 89,785 | 11.76 | 4,093 | 12,826 |
| | | 500,000 | - | | 999,999 | d/ | d/ | d/ | d/ | d/ |
| | | 1,000,000 | - | | 24,999,999 | d/ | d/ | d/ | d/ | d/ |
| | | 25,000,000 | - | | 49,999,999 | 0 | 0 | 0.00 | 0 | 0 |
| | | 50,000,000 | - | | 99,999,999 | 0 | 0 | 0.00 | 0 | 0 |
| | | 100,000,000 | - | | 499,999,999 | 0 | 0 | 0.00 | 0 | 0 |
| | | 500,000,000 | - | | and over | 0 | 0 | 0.00 | 0 | 0 |
| | | | | | Total | 157 | \$763,457 | 100.00 | \$591 | \$4,863 |

d/ Tax Law provisions prohibit disclosure of data.

Table 31: New York State Alternative Minimum Tax Credit by Size of Credit Used - 2003 Liability Year

| Credit Earned | | | | Number of | Amount of | % of Credit | Median Credit | Mean Credit |
|---------------------|---------|---|----------|-----------|----------------|-------------|---------------|-------------|
| Size of Credit Used | | | | Taxpayers | Credit Earned | Earned | Earned | Earned |
| Zero | | | | 1,875 | \$2,660,982 | 100.00 | \$196 | \$1,419 |
| Credit Claimed | | | | Number of | Amount of | % of Credit | Median Credit | Mean Credit |
| Size of Credit Used | | | | Taxpayers | Credit Claimed | Claimed | Claimed | Claimed |
| Negative | | | | 0 | \$0 | 0.00 | \$0 | \$0 |
| Zero | | | | 36 | 34,205 | 2.33 | 414 | 950 |
| \$ | 1 | - | \$ 499 | 266 | 123,827 | 8.44 | 185 | 466 |
| | 500 | - | 999 | 53 | 72,844 | 4.96 | 784 | 1,374 |
| | 1,000 | - | 4,999 | 63 | 196,927 | 13.42 | 2,420 | 3,126 |
| | 5,000 | - | 9,999 | 21 | 212,656 | 14.49 | 6,325 | 10,126 |
| | 10,000 | - | 24,999 | 5 | 101,301 | 6.90 | 14,972 | 20,260 |
| | 25,000 | - | 49,999 | 4 | 571,365 | 39 | 34,592 | 142,841 |
| | 50,000 | - | 99,999 | d/ | d/ | d/ | d/ | d/ |
| | 100,000 | - | 499,999 | d/ | d/ | d/ | d/ | d/ |
| | 500,000 | - | and over | 0 | 0 | 0.00 | 0 | 0 |
| Total | | | | 450 | \$1,467,460 | 100.00 | \$407 | \$3,261 |

d/ Tax Law provisions prohibit disclosure of data.

Table 31: New York State Alternative Minimum Tax Credit by Size of Credit Used - 2003 Liability Year (Cont'd)

| Credit Used | Size of Credit Used | | | Number of | Amount of | % of Credit | Median Credit | Mean Credit | |
|------------------------|---------------------|---------|---|-----------|------------------------|-----------------|-----------------|-----------------|--------|
| | | | | Taxpayers | Credit Used | Used | Used | Used | |
| | Negative | | | 0 | \$0 | 0.00 | \$0 | \$0 | |
| | Zero | | | 0 | 0 | 0.00 | 0 | 0 | |
| | \$ | 1 | - | \$ 499 | 266 | 45,488 | 6.46 | 132 | 171 |
| | | 500 | - | 999 | 53 | 36,894 | 5.24 | 698 | 696 |
| | | 1,000 | - | 4,999 | 63 | 138,163 | 19.63 | 1,698 | 2,193 |
| | | 5,000 | - | 9,999 | 21 | 131,483 | 18.68 | 6,152 | 6,261 |
| | | 10,000 | - | 24,999 | 5 | 70,878 | 10.07 | 14,972 | 14,176 |
| | | 25,000 | - | 49,999 | 4 | 126,764 | 18.01 | 29,279 | 31,691 |
| | | 50,000 | - | 99,999 | d/ | d/ | d/ | d/ | d/ |
| | | 100,000 | - | 499,999 | d/ | d/ | d/ | d/ | d/ |
| | | 500,000 | - | and over | 0 | 0 | 0.00 | 0 | 0 |
| | Total | | | 414 | \$704,005 | 100.00 | \$302 | \$1,700 | |
| Credit Carried Forward | Size of Credit Used | | | Number of | Amount of | % of Credit | Median Credit | Mean Credit | |
| | | | | Taxpayers | Credit Carried Forward | Carried Forward | Carried Forward | Carried Forward | |
| | Negative | | | 0 | \$0 | 0.00 | \$0 | \$0 | |
| | Zero | | | 36 | 34,205 | 4.48 | 414 | 950 | |
| | \$ | 1 | - | \$ 499 | 76 | 78,341 | 10.26 | 269 | 1,031 |
| | | 500 | - | 999 | 16 | 35,950 | 4.71 | 936 | 2,247 |
| | | 1,000 | - | 4,999 | 24 | 58,764 | 7.70 | 1,746 | 2,449 |
| | | 5,000 | - | 9,999 | 3 | 81,173 | 11 | d/ | 27,058 |
| | | 10,000 | - | 24,999 | d/ | d/ | d/ | d/ | d/ |
| | | 25,000 | - | 49,999 | d/ | d/ | d/ | d/ | d/ |
| | | 50,000 | - | 99,999 | 0 | 0 | 0.00 | 0 | 0 |
| | | 100,000 | - | 499,999 | 0 | 0 | 0.00 | 0 | 0 |
| | | 500,000 | - | and over | 0 | 0 | 0.00 | 0 | 0 |
| | Total | | | 157 | \$763,457 | 100.00 | \$591 | \$4,863 | |

d/ Tax Law provisions prohibit disclosure of data.

Table 32: New York State Farmers' School Tax Credit by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|------------------------|--------------------------|---------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | Entire Net Income | 7 | \$40,933 | 4.14 | \$4,341 | \$5,848 |
| | Fixed Dollar Minimum Tax | 97 | 673,671 | 68.19 | 5,433 | 6,945 |
| | Capital Base | 3 | 15,319 | 1.55 | d/ | 5,106 |
| | Alternative Minimum Tax | 29 | 258,014 | 26.12 | 5,898 | 8,897 |
| | Total | 136 | \$987,937 | 100.00 | \$5,539 | \$7,264 |
| Credit Claimed | Basis of Taxation | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
| | Entire Net Income | 8 | \$48,726 | 4.73 | \$4,541 | \$6,091 |
| | Fixed Dollar Minimum Tax | 98 | 680,627 | 66.10 | 5,309 | 6,945 |
| | Capital Base | 5 | 23,922 | 2.32 | 5,297 | 4,784 |
| | Alternative Minimum Tax | 29 | 276,473 | 26.85 | 5,898 | 9,534 |
| | Total | 140 | \$1,029,748 | 100.00 | \$5,439 | \$7,355 |
| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
| | Entire Net Income | 5 | \$30,535 | 63.30 | \$4,341 | \$6,107 |
| | Fixed Dollar Minimum Tax | 8 | 6,623 | 13.73 | 364 | 828 |
| | Capital Base | 0 | 0 | 0.00 | 0 | 0 |
| | Alternative Minimum Tax | 5 | 11,081 | 22.97 | 1,404 | 2,216 |
| | Total | 18 | \$48,239 | 100.00 | \$1,086 | \$2,680 |
| Credit Carried Forward | Basis of Taxation | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
| | Entire Net Income | d/ | d/ | d/ | d/ | d/ |
| | Fixed Dollar Minimum Tax | 8 | \$20,948 | 24.68 | \$2,794 | \$2,619 |
| | Capital Base | 3 | 11,828 | 14 | d/ | 3,943 |
| | Alternative Minimum Tax | d/ | d/ | d/ | d/ | d/ |
| | Total | 16 | \$84,889 | 100.00 | \$3,266 | \$5,306 |

d/ Tax Law provisions prohibit disclosure of data.

Table 33: New York State Credit for Employment of Persons with Disabilities by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|--------------------------|-------------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | Entire Net Income | 22 | \$93,034 | 64.32 | \$2,133 | \$4,229 |
| Fixed Dollar Minimum Tax | 11 | 28,330 | 19.59 | 2,100 | 2,575 | |
| Capital Base | 4 | 7,664 | 5.30 | 1,481 | 1,916 | |
| Alternative Minimum Tax | 3 | 15,614 | 10.79 | d/ | 5,205 | |
| Total | 40 | \$144,642 | 100.00 | \$2,100 | \$3,616 | |

| Credit Claimed | Basis of Taxation | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|--------------------------|-------------------|---------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Entire Net Income | 25 | \$107,568 | 33.21 | \$2,165 | \$4,303 |
| Fixed Dollar Minimum Tax | 28 | 173,272 | 53.49 | 2,249 | 6,188 | |
| Capital Base | 10 | 19,069 | 5.89 | 1,259 | 1,907 | |
| Alternative Minimum Tax | 6 | 24,041 | 7.42 | 3,016 | 4,007 | |
| Total | 69 | \$323,950 | 100.00 | \$2,100 | \$4,695 | |

| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|--------------------------|-------------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | Entire Net Income | 22 | \$98,297 | 77.73 | \$2,133 | \$4,468 |
| Fixed Dollar Minimum Tax | 11 | 17,506 | 13.84 | 594 | 1,591 | |
| Capital Base | 5 | 10,664 | 8.43 | 861 | 2,133 | |
| Alternative Minimum Tax | 0 | 0 | 0.00 | 0 | 0 | |
| Total | 38 | \$126,467 | 100.00 | \$1,921 | \$3,328 | |

| Credit Carried Forward | Basis of Taxation | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
|--------------------------|-------------------|---------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | Entire Net Income | 5 | \$9,271 | 4.69 | \$532 | \$1,854 |
| Fixed Dollar Minimum Tax | 27 | 155,766 | 78.88 | 2,043 | 5,769 | |
| Capital Base | 6 | 8,405 | 4.26 | 942 | 1,401 | |
| Alternative Minimum Tax | 6 | 24,041 | 12.17 | 3,016 | 4,007 | |
| Total | 44 | \$197,483 | 100.00 | \$1,486 | \$4,488 | |

d/ Tax Law provisions prohibit disclosure of data.

Table 34: New York State Alternative Fuels Credit by Credit Component - 2003 Liability Year

| Alternative Fuels | Credit Component | Number of Taxpayers | Amount of Credit | Median Credit Amount | Mean Credit Amount |
|--------------------|------------------------|---------------------|------------------|----------------------|--------------------|
| Vehicle Tax Credit | Credit Earned | 9 | \$2,458,990 | \$10,800 | \$273,221 |
| | Credit Claimed | 10 | 2,951,072 | 56,463 | 295,107 |
| | Credit Used | 6 | 1,125,196 | 42,000 | 187,533 |
| | Credit Carried Forward | 6 | 1,825,876 | 154,179 | 304,313 |

Due to disclosure provisions, data for this credit cannot be displayed in the traditional format. For this report, only the aggregate totals for each credit component are included.

Table 35: New York State Qualified Emerging Technology Company Employment Credit by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|--------------------------|-------------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | Entire Net Income | d/ | d/ | d/ | d/ | d/ |
| Fixed Dollar Minimum Tax | 12 | \$122,000 | 85.17 | \$7,000 | \$10,167 | |
| Capital Base | d/ | d/ | d/ | d/ | d/ | |
| Alternative Minimum Tax | 3 | 13,488 | 9.42 | d/ | 4,496 | |
| Total | 16 | \$143,238 | 100.00 | \$7,000 | \$8,952 | |

| Credit Claimed | Basis of Taxation | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|--------------------------|-------------------|---------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Entire Net Income | d/ | d/ | d/ | d/ | d/ |
| Fixed Dollar Minimum Tax | 24 | \$1,082,345 | 78.68 | \$16,750 | \$45,098 | |
| Capital Base | d/ | d/ | d/ | d/ | d/ | |
| Alternative Minimum Tax | 5 | 226,518 | 16.47 | 12,000 | 45,304 | |
| Total | 32 | \$1,375,637 | 100.00 | \$16,750 | \$42,989 | |

| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|--------------------------|-------------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | Entire Net Income | d/ | d/ | d/ | d/ | d/ |
| Fixed Dollar Minimum Tax | 8 | 19,115 | 38.78 | 833 | 2,389 | |
| Capital Base | d/ | d/ | d/ | d/ | d/ | |
| Alternative Minimum Tax | 3 | 22,432 | 45.50 | d/ | 7,477 | |
| Total | 12 | \$49,297 | 100.00 | \$1,401 | \$4,108 | |

| Credit Carried Forward | Basis of Taxation | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
|--------------------------|-------------------|---------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | Entire Net Income | d/ | d/ | d/ | d/ | d/ |
| Fixed Dollar Minimum Tax | 14 | \$945,492 | 78.23 | \$20,982 | \$67,535 | |
| Capital Base | d/ | d/ | d/ | d/ | d/ | |
| Alternative Minimum Tax | 5 | 204,086 | 16.89 | 1,971 | 40,817 | |
| Total | 21 | \$1,208,602 | 100.00 | \$21,000 | \$57,552 | |

d/ Tax Law provisions prohibit disclosure of data.

Table 36: New York State Industrial or Manufacturing Business Tax Credit* by Basis of Taxation - 2003 Liability Year

| Credit Earned | <hr/> | | | | | |
|---------------|--------------------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
| | Entire Net Income | 203 | \$959,079 | 12.57 | \$773 | \$4,725 |
| | Fixed Dollar Minimum Tax | 547 | 3,867,512 | 50.70 | 825 | 7,070 |
| | Capital Base | 91 | 444,454 | 5.83 | 481 | 4,884 |
| | Alternative Minimum Tax | 283 | 2,357,665 | 30.91 | 1,226 | 8,331 |
| | Total | 1,124 | \$7,628,710 | 100.00 | \$875 | \$6,787 |
| <hr/> | | | | | | |
| Credit Used | <hr/> | | | | | |
| | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
| | Entire Net Income | 190 | \$847,948 | 57.39 | \$726 | \$4,463 |
| | Fixed Dollar Minimum Tax | 53 | 148,032 | 10.02 | 349 | 2,793 |
| | Capital Base | 84 | 365,908 | 24.77 | 422 | 4,356 |
| | Alternative Minimum Tax | 35 | 115,612 | 7.82 | 1,558 | 3,303 |
| | Total | 362 | \$1,477,500 | 100.00 | \$599 | \$4,081 |

* The provisions of this credit do not allow a carryforward of excess credit.
Therefore, credit earned is the same as credit claimed.

Table 37: New York State Industrial or Manufacturing Business Tax Credit* by Size of Entire Net Income - 2003 Liability Year

| Credit Earned | Size of Entire Net Income | | | Number of | Amount of | % of Credit | Median Credit | Mean Credit |
|---------------|---------------------------|-------------|--|-----------|---------------|-------------|---------------|-------------|
| | | | | Taxpayers | Credit Earned | Earned | Earned | Earned |
| | Zero or Net Loss | | | 469 | \$3,696,407 | 48.45 | \$939 | \$7,881 |
| | \$ 1 - | \$ 99,999 | | 270 | 168,235 | 2.21 | 335 | 623 |
| | 100,000 - | 499,999 | | 142 | 228,468 | 2.99 | 685 | 1,609 |
| | 500,000 - | 999,999 | | 47 | 144,483 | 1.89 | 1,449 | 3,074 |
| | 1,000,000 - | 24,999,999 | | 142 | 918,582 | 12.04 | 2,653 | 6,469 |
| | 25,000,000 - | 49,999,999 | | 15 | 380,158 | 4.98 | 11,579 | 25,344 |
| | 50,000,000 - | 99,999,999 | | 14 | 263,783 | 3.46 | 10,290 | 18,842 |
| | 100,000,000 - | 499,999,999 | | 17 | 847,714 | 11.11 | 7,736 | 49,866 |
| | 500,000,000 - | and over | | 8 | 980,880 | 12.86 | 17,033 | 122,610 |
| | Total | | | 1,124 | \$7,628,710 | 100.00 | \$875 | \$6,787 |
| Credit Used | Size of Entire Net Income | | | Number of | Amount of | % of Credit | Median Credit | Mean Credit |
| | | | | Taxpayers | Credit Used | Used | Used | Used |
| | Zero or Net Loss | | | 98 | \$471,431 | 31.91 | \$443 | \$4,811 |
| | \$ 1 - | \$ 99,999 | | 82 | 29,482 | 2.00 | 200 | 360 |
| | 100,000 - | 499,999 | | 64 | 49,608 | 3.36 | 463 | 775 |
| | 500,000 - | 999,999 | | 16 | 20,173 | 1.37 | 1,103 | 1,261 |
| | 1,000,000 - | 24,999,999 | | 72 | 194,672 | 13.18 | 1,770 | 2,704 |
| | 25,000,000 - | 49,999,999 | | 7 | 34,023 | 2.30 | 1,755 | 4,860 |
| | 50,000,000 - | 99,999,999 | | 8 | 62,097 | 4.20 | 5,383 | 7,762 |
| | 100,000,000 - | 499,999,999 | | 11 | 481,695 | 32.60 | 4,804 | 43,790 |
| | 500,000,000 - | and over | | 4 | 134,319 | 9.09 | 17,033 | 33,580 |
| | Total | | | 362 | \$1,477,500 | 100.00 | \$599 | \$4,081 |

* The provisions of this credit do not allow a carryforward of excess credit. Therefore, credit earned is the same as credit claimed.

d/ Tax Law provisions prohibit disclosure of data.

Table 38: New York State Industrial or Manufacturing Business Tax Credit* by Size of Credit Used - 2003 Liability Year

| Credit Earned | Size of Credit Used | | | Number of | Amount of | % of Credit | Median Credit | Mean Credit | |
|---------------|---------------------|----------|--|-----------|---------------|-------------|---------------|-------------|---------|
| | | | | Taxpayers | Credit Earned | Earned | Earned | Earned | |
| Zero | | | | 762 | \$5,876,695 | 77.03 | \$950 | \$7,712 | |
| \$ 1 | - | \$ 499 | | 168 | 58,922 | 0.77 | 185 | 351 | |
| 500 | - | 999 | | 46 | 35,276 | 0.46 | 712 | 767 | |
| 1,000 | - | 4,999 | | 110 | 322,126 | 4.22 | 1,894 | 2,928 | |
| 5,000 | - | 9,999 | | 20 | 165,191 | 2.17 | 7,017 | 8,260 | |
| 10,000 | - | 24,999 | | 10 | 183,826 | 2.41 | 13,207 | 18,383 | |
| 25,000 | - | 49,999 | | d/ | d/ | d/ | d/ | d/ | |
| 50,000 | - | 99,999 | | d/ | d/ | d/ | d/ | d/ | |
| 100,000 | - | 499,999 | | 3 | 657,865 | 8.62 | d/ | 219,288 | |
| 500,000 | - | and over | | 0 | 0 | 0.00 | 0 | 0 | |
| | | | | Total | 1,124 | \$7,628,710 | 100.00 | \$875 | \$6,787 |

| Credit Used | Size of Credit Used | | | Number of | Amount of | % of Credit | Median Credit | Mean Credit | |
|-------------|---------------------|----------|--|-----------|-------------|-------------|---------------|-------------|---------|
| | | | | Taxpayers | Credit Used | Used | Used | Used | |
| Zero | | | | 0 | \$0 | 0.00 | \$0 | \$0 | |
| \$ 1 | - | \$ 499 | | 168 | 33,585 | 2.27 | 159 | 200 | |
| 500 | - | 999 | | 46 | 32,569 | 2.20 | 703 | 708 | |
| 1,000 | - | 4,999 | | 110 | 243,174 | 16.46 | 1,848 | 2,211 | |
| 5,000 | - | 9,999 | | 20 | 139,431 | 9.43 | 6,727 | 6,972 | |
| 10,000 | - | 24,999 | | 10 | 130,044 | 8.79 | 11,806 | 13,004 | |
| 25,000 | - | 49,999 | | d/ | d/ | d/ | d/ | d/ | |
| 50,000 | - | 99,999 | | d/ | d/ | d/ | d/ | d/ | |
| 100,000 | - | 499,999 | | 3 | 657,865 | 44.48 | d/ | 219,288 | |
| 500,000 | - | and over | | 0 | 0 | 0.00 | 0 | 0 | |
| | | | | Total | 362 | \$1,477,500 | 100.00 | \$599 | \$4,081 |

* The provisions of this credit do not allow a carryforward of excess credit. Therefore, credit earned is the same as credit claimed.

d/ Tax Law provisions prohibit disclosure of data.

Table 39: New York State Credit for Purchase of an Automated External Defibrillator* by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|---------------|--------------------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | | Entire Net Income | 11 | \$18,584 | 51.50 | \$1,000 |
| | Fixed Dollar Minimum Tax | d/ | d/ | d/ | d/ | d/ |
| | Capital Base | 3 | 11,000 | 30.48 | d/ | 3,667 |
| | Alternative Minimum Tax | d/ | d/ | d/ | d/ | d/ |
| | Total | 19 | \$36,084 | 100.00 | \$1,000 | \$1,899 |

| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|-------------|--------------------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | | Entire Net Income | 11 | \$18,584 | 51.50 | \$1,000 |
| | Fixed Dollar Minimum Tax | d/ | d/ | d/ | d/ | d/ |
| | Capital Base | 3 | 11,000 | 30.48 | d/ | 3,667 |
| | Alternative Minimum Tax | d/ | d/ | d/ | d/ | d/ |
| | Total | 19 | \$36,084 | 100.00 | \$1,000 | \$1,899 |

* The provisions of this credit do not allow a carryforward of excess credit.

Therefore, credit earned is the same as credit claimed.

d/ Tax Law provisions prohibit disclosure of data.

Table 40: New York State Long-Term Care Insurance Credit by Basis of Taxation - 2003 Liability Year

| Credit Earned | Basis of Taxation | Number of Taxpayers | Amount of Credit Earned | % of Credit Earned | Median Credit Earned | Mean Credit Earned |
|--------------------------|-------------------|---------------------|-------------------------|--------------------|----------------------|--------------------|
| | Entire Net Income | 10 | \$21,679 | 49.98 | \$1,095 | \$2,168 |
| Fixed Dollar Minimum Tax | 13 | 19,998 | 46.11 | 556 | 1,538 | |
| Capital Base | d/ | d/ | d/ | d/ | d/ | |
| Alternative Minimum Tax | d/ | d/ | d/ | d/ | d/ | |
| Total | 27 | \$43,373 | 100.00 | \$719 | \$1,606 | |

| Credit Claimed | Basis of Taxation | Number of Taxpayers | Amount of Credit Claimed | % of Credit Claimed | Median Credit Claimed | Mean Credit Claimed |
|--------------------------|-------------------|---------------------|--------------------------|---------------------|-----------------------|---------------------|
| | Entire Net Income | 10 | \$22,881 | 43.04 | \$1,140 | \$2,288 |
| Fixed Dollar Minimum Tax | 14 | 27,866 | 52.42 | 680 | 1,990 | |
| Capital Base | d/ | d/ | d/ | d/ | d/ | |
| Alternative Minimum Tax | d/ | d/ | d/ | d/ | d/ | |
| Total | 28 | \$53,157 | 100.00 | \$764 | \$1,898 | |

| Credit Used | Basis of Taxation | Number of Taxpayers | Amount of Credit Used | % of Credit Used | Median Credit Used | Mean Credit Used |
|--------------------------|-------------------|---------------------|-----------------------|------------------|--------------------|------------------|
| | Entire Net Income | 9 | \$20,325 | 77.18 | \$836 | \$2,258 |
| Fixed Dollar Minimum Tax | 8 | 4,624 | 17.56 | 125 | 578 | |
| Capital Base | d/ | d/ | d/ | d/ | d/ | |
| Alternative Minimum Tax | d/ | d/ | d/ | d/ | d/ | |
| Total | 20 | \$26,335 | 100.00 | \$505 | \$1,317 | |

| Credit Carried Forward | Basis of Taxation | Number of Taxpayers | Amount of Credit Carried Forward | % of Credit Carried Forward | Median Credit Carried Forward | Mean Credit Carried Forward |
|--------------------------|-------------------|---------------------|----------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | Entire Net Income | d/ | d/ | d/ | d/ | d/ |
| Fixed Dollar Minimum Tax | 14 | \$23,242 | 86.65 | \$617 | \$1,660 | |
| Capital Base | d/ | d/ | d/ | d/ | d/ | |
| Alternative Minimum Tax | 3 | 1,024 | 3.82 | d/ | 341 | |
| Total | 18 | \$26,822 | 100.00 | \$588 | \$1,490 | |

d/ Tax Law provisions prohibit disclosure of data.

Appendix A: Credit Provisions Effective for Tax Years Beginning Prior to January 1, 2004

Investment Tax Credit

For tax years beginning on or after December 31, 1968, the investment tax credit (ITC) equaled 1 percent of the cost of new or expanded manufacturing production facilities located in New York State. By 1982, the rate had grown to 6 percent.

For tax years beginning in 1987, 1988, and 1989, the rate dropped to 5 percent of the first \$500 million investment, and 4 percent for investment 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.

Unused ITC can be carried forward for fifteen years. If a taxpayer qualifies as a new business, they can elect to receive a refund of unused ITC during its first five taxable years. A new business is defined as any corporation except:

- A corporation in which over 50 percent of the number of shares of stock entitling their holders to vote for the election of directors or trustees is owned or controlled, directly or indirectly, by a taxpayer subject to the tax under Article 9-A; sections 183, 184, 185, or 186 of Article 9; Article 32; or Article 33 of the Tax Law.
- A corporation that is substantially similar in operation and in ownership to a business entity or entities taxable or previously taxable under Article 9-A; section 183, 184, 185, or 186 of Article 9; Article 32; or Article 33; or that would have been subject to the tax under Article 23 as it was in effect on January 1, 1980; or the income (or losses) of which is (or was) includable under Article 22 of the Tax Law.
- A corporation that has been subject to tax under Article 9-A for more than five taxable years (excluding short periods).

Investment Tax Credit History of Tax Rates

| Investment Year | Rate and Applicable Investment Tax Credit Base |
|--------------------------------------|--|
| 1969 - 1973 | 1% Optional one-year depreciation write-off for research and development property. Industrial waste treatment and air pollution facilities qualify for elective deductions. |
| 1974 - 1977 | 2% Optional one-year depreciation write-off for research and development property. Industrial waste treatment and air pollution facilities qualify for elective deductions. |
| 1978 | 3% Optional one-year depreciation write-off for research and development property. Industrial waste treatment and air pollution facilities qualify for elective deductions. |
| 1/1/79 - 5/31/81 | 4% Optional one-year depreciation write-off for research and development property. Industrial waste treatment and air pollution control facilities qualify for elective deductions. |
| 6/1/81 - 6/30/82 | 5% 10% rate on research and development property acquired after 6/30/82. Industrial waste treatment and air pollution control facilities qualify for elective deductions. |
| 7/1/82 - 1986 | 6% 10% rate on research and development property. Industrial waste treatment and air pollution control facilities qualify for elective deductions. |
| Beginning in 1987, 1988, and 1989 | 5% of the first \$500 million. 4% of the amount above \$500 million. 10% rate on research and development property repealed – An optional 9% rate on research and development property becomes effective in 1987 as a component of ITC. Investments in industrial waste treatment property, air pollution control facilities no longer qualify for elective deductions, but remain eligible for ITC. Credit carryforward limited to 7 years. |
| Beginning in 1990 | 5% of the first \$425 million. 4% of the amount above \$425 million. An optional 9% rate on research and development property. Credit carryforward remained limited to 7 years. |
| Beginning after 1990 | 5% of the first \$350 million. 4% of the amount above \$350 million. An optional 9% rate on research and development property. 1994 law increased carryforward from 7 to 10 years. 1994 law extended pre-1987 ITC cutoff date from 1994 to 1997. 1997 law extended credit carryforward from 10 to 15 years. 1997 law extended pre-1987 ITC cutoff date from 1997 to 2002. ITC extended to broker/dealers (Property placed in service on or after October 1, 1998 and before October 1, 2003). 2002 law extended ITC for financial services to October 1, 2008. 2005 law extended ITC to certain film production facilities. |

In addition, taxpayers who met certain employment tests could qualify for the employment incentive credit (EIC). Prior to 1987, this credit equaled one-half of the ITC base and was available for up to three years. 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.

The 1997-1998 budget extended the ITC and EIC carryforward period from ten to fifteen years. Any unused pre-1987 credits were made available until 2002 to provide relief for businesses. Post-1986 credits have a fifteen year carryforward.

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

History of Tax Rates of the Employment Incentive Credit

| Year Property is Placed in Service | Average Number of Employees During the Tax Year Expressed as a Percentage of Those in the Employment Base Year | Additional Credit as a Percentage of the Investment Credit Base |
|---|--|--|
| Tax Years Beginning in 1987, 1988 or 1989 | At least 101% | 2% of the first \$500 million 2.5% in excess of \$500 million |
| Tax Years Beginning in 1990 | At least 101%, but less than 101.5% | 2% of the applicable ITC base |
| | In excess of 101.5% | 2.5% of the applicable ITC base |
| Tax Years Beginning After 1990 | At least 101%, but less than 102% | 1.5% of the applicable ITC base |
| | At least 102%, but less than 103% | 2% of the applicable ITC base |
| | At least 103% | 2.5% of the applicable ITC base |

Rehabilitation Credit for Historic Barns

Taxpayers may claim a tax credit for the rehabilitation of historic barns in New York State. The credit equals 25 percent of qualified rehabilitation expenditures. The definition of a qualified rehabilitated barn has the same meaning as a “qualified rehabilitated building” for purposes of the federal rehabilitation credit under Section 47 of the Internal Revenue Code. In accordance with federal law for rehabilitation of historic buildings, the barn must have been placed in service before 1936 and would only qualify for the credit based on substantial rehabilitation. Generally, a building will have been considered substantially rehabilitated only if the expenditures exceed the greater of the adjusted basis of the barn or \$5,000. A taxpayer may not claim both the regular investment tax credit on manufacturing property and the investment tax credit for rehabilitation of historic barns on the same property.

Credit for Research and Development Property Under the ITC

Research and development (R&D) property acquired on or after January 1, 1987 qualifies for the ITC. Taxpayers may elect the regular ITC 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 EIC on the same investment.

ITC for the Financial Services Industry

An investment tax credit is allowed for qualified property used in the financial services industry. Brokers or dealers in securities can receive the ITC for equipment or buildings used in broker/dealer activity and in activities connected with broker/dealer operations, such as the provision of investment advisory services for a regulated investment company, and lending activities associated with the purchase and sale of securities. The rate of credit, maximum amounts, carryforward provisions, and recapture rules are generally the same as for the regular investment credit.

Property eligible for this credit includes property used in the course of the taxpayer's business: as a broker or dealer in connection with the purchase or sale of stocks, bonds, commodities, or other securities; as a provider of lending, loan arrangement or loan origination services to customers in connection with the purchase or sale of securities; or as a provider of investment advisory services for a regulated investment company. In addition, qualified property includes property used in a course of the taxpayer's business as an exchange registered as a national securities exchange (such as the New York Stock Exchange) or a board of trade, or an entity wholly owned by one or more national security exchanges or boards of trade that provides automation or technical services to the national security exchanges or boards of trade.

Eligibility for the credit requires all or substantially all of the taxpayer's or affiliate's employees performing the administrative and support functions resulting from or relating to the qualifying uses of the property to be located in New York State. Taxpayers that lease property to an affiliated broker/dealer or exchange are also eligible for credit.

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. The credit is not allowed for such taxes 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.

For periods beginning on or after January 1, 1994, taxpayers may elect to treat the unused portion of the special additional mortgage recording tax credit as an overpayment to be credited or refunded.

Empire Zone/
Zone Equivalent Area/
Qualified
Empire Zone
Enterprise Tax
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 areas called Empire Zones (EZs). Credits include a wage tax credit, a capital tax credit, and an investment tax credit.

The program has been amended periodically since enactment. Generally, the changes consisted of adjustments to the credit calculation formulas, increases in the credit amounts, and expansions in the number of EZs.

The most recent changes occurred in the 2006-07 budget. Two special categories of EZ taxpayers were created based on certain investment criteria: qualified investment projects (QUIPs) and significant capital investment projects (SCIPs). To qualify, taxpayers must meet investment and employment thresholds. In return, they will be able to request refunds of EZ credits that are ordinarily only refundable to new businesses. They will also be deemed new for purposes of the QEZE credits. For complete details on these, and other program changes made in the 2006-07 budget, see Appendix D.

EZ Wage Tax Credit/
ZEA Wage Tax Credit

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

As originally implemented, the credit equaled 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 equaled one-half of these amounts. The total credit could not exceed 50 percent of pre-credit tax liability.

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

Beginning on or after January 1, 1994, the wage tax credit was simplified and shortened. The two-year wage tax credit was based on the average number of newly hired employees. The first

component of the credit equaled the product of the average number of newly hired targeted employees multiplied by \$1,500. The corresponding credit amount for other employees equaled the average number of newly hired nontargeted employees receiving zone wages multiplied by \$750. Beginning on or after January 1, 2001, the credit amounts increased to \$3,000 for each targeted employee and \$1,500 for each nontargeted employee. Both credits became available for five years.

For tax years beginning on or after January 1, 1994, a similar credit was provided for eligible businesses located in zone equivalent areas (ZEAs) for wages paid to full-time employees in a ZEA. In year one, the credit equaled \$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 decreased by one-half. Beginning on January 1, 2001, the ZEA credit amounts were changed to mirror the EZ wage tax credit amounts.

The total EZ 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 50 percent of unused credit refunded.

The ZEA credit expired on June 13, 2004. Taxpayers could not earn new credit, but could use amounts carried forward from prior years.

EZ Capital Tax Credit

A credit applied to the consideration paid for original issue stock purchased from a zone capital corporation. Zone capital corporations are corporations designed to raise money for investment in zone businesses. The credit equaled 25 percent of the amount paid for the stock, up to a lifetime maximum of \$100,000. In any tax year, the credit could not exceed 50 percent of the taxpayer's pre-credit liability. Taxpayers could carry forward unused amounts indefinitely. A recapture provision applied if the taxpayer disposed of the investment within 36 months of acquisition.

For tax years beginning on or after January 1, 1994, the law was amended to allow the EZ capital tax credit for investments in zone capital corporations, direct equity investments in certified zone businesses, and contributions to community development projects. The new credit equals 25 percent of the sum of each type of investment. The lifetime maximum credit per taxpayer equals \$100,000 in each category for an aggregate limit of \$300,000.

Starting in the 2005 tax year, credit can no longer be earned for investments in or contributions to EZ capital corporations. Taxpayers can continue to carryforward any unused amounts of credit calculated for investments made prior to January 1, 2005, however.

EZ Investment Tax Credit

Production property acquired or built in an EZ may qualify for an EZ-ITC of 10 percent. Like the regular ITC, 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, corporations may carry forward any unused EZ-ITC indefinitely.

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

Effective January 1, 1994, the EZ-ITC was amended to allow new businesses to elect a 50 percent refund of the unused credit in lieu of a carryforward. Effective January 1, 2001, taxpayers could apply the EZ-EIC against the alternative minimum tax base.

EZ Investment Tax Credit for the Financial Services Industry

Brokers or dealers in securities that are located in an EZ can receive the EZ-ITC for equipment or buildings used in broker/dealer activity and in activities connected with broker/dealer operations. Qualifying activity includes the provision of investment advisory services for a regulated investment company and lending activities associated with the purchase and sale of securities. The credit allowances are the same as the EZ-ITC.

Qualified Empire Zone Enterprise Credits¹

In 2000, the "Empire Zones Program Act" established two new EZ credits. Businesses that become certified as Qualified Empire Zone Enterprises (QEZE) can receive a credit against property taxes paid and a tax reduction credit in addition to the other EZ credits. In order to qualify for the QEZE credits, a taxpayer must first satisfy an annual employment test.

QEZE Real Property Tax Credit

The credit for real property taxes paid is the product of three factors:

1. a benefit period factor which is based on the number of years the taxpayer has been certified as a QEZE;
2. an employment increase factor which varies depending upon the number of jobs created by the QEZE; and
3. eligible real property taxes paid by the QEZE.

The credit is fully refundable.

QEZE Tax Reduction Credit

The tax reduction credit is the product of four factors:

1. a benefit period factor which is based on the number of years the taxpayer has been certified as a QEZE;
2. an employment increase factor which varies depending upon the number of jobs created by the QEZE;
3. a zone allocation factor which measures the economic presence of the QEZE in the EZ and in New York State; and
4. a tax factor which is the larger of the tax on the entire net income base or the minimum taxable income base.

The credit is non-refundable, but may be used against the alternative minimum tax base. If a taxpayer is wholly located within a zone (has a zone allocation factor of 100%), they may apply the credit against the fixed dollar minimum tax.

Alternative Minimum Tax Credit

Taxpayers began to accumulate the alternative minimum tax (AMT) credit in 1990. Beginning in 1991, taxpayers could claim the AMT credit against their regular tax (entire net income base) for a portion of AMT paid in 1990 and subsequent years. A taxpayer can use the AMT credit to reduce their regular tax liability to the fixed dollar minimum, the capital base, or the minimum taxable income base, whichever is highest. The credit cannot be used against the subsidiary capital base.

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). In addition, prior to 1994, both minimum tax calculations disallowed the net operating loss deduction, and required single weighting of the receipts factor. Corporations 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 from the “tentative” minimum tax equals the minimum tax credit available for subsequent years. Effective for taxable years beginning in 1994, taxpayers may

claim an AMT credit against regular (ENI-based) tax liability for part of the net operating loss deduction not used in computing the AMT. Taxpayers may calculate the AMT 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. Taxpayers will have available the remainder of any unused credit for tax years after 1999.

Farmers' School Tax Credit²

Eligible farmers may claim a refundable real property tax credit against the corporate franchise tax. The credit is available to an eligible farmer, defined as a taxpayer whose gross income from farming is at least 2/3 of total gross income. Eligible farmers also include those who paid school district property taxes on qualified agricultural property pursuant to a land contract. The credit equals the total school property taxes paid on qualified agricultural property in the State up to the acreage limitation, and 50 percent of the school taxes paid on acres in excess of the limitation. The acreage limitation equaled 100 acres in 1997 and 250 acres after 1997. The credit is phased out for taxpayers with New York adjusted gross income (entire net income) in excess of \$100,000. Recapture provisions provide for an addback of the credit if the taxpayer converts the property to a nonqualified use in the two years subsequent to the first year of the credit.

Credit for Employment of Persons with Disabilities

Employers who employ individuals with disabilities may claim a credit for a portion of wages paid to such individuals. The credit equals 35 percent of the first \$6,000 of first year wages paid to the disabled employee (a maximum of \$2,100 per employee). However, if the first year's wages qualify for the federal work opportunity tax credit, the New York credit will apply to second year wages. The credit may be applied against the AMT, and unused credits are not refundable but may be carried forward indefinitely. To become eligible for the State credit, the disabled employee must work for the employer on a full time basis for at least 180 days or 400 hours, and must be certified as disabled by the State Education Department. Visually handicapped individuals may receive certification from the appropriate agency responsible for vocational rehabilitation of the blind and visually impaired.

Alternative Fuels Credit

A tax credit is allowed for electric vehicles, clean fuel vehicles using natural gas, methanol and other alternative fuels, qualified hybrid vehicles, and clean fuel refueling facility property. For corporate franchise taxpayers, the credits may be transferred to affiliates. The tax credits equal: 50 percent of the incremental cost of new electric vehicles registered in New York (capped at \$5,000 per vehicle); 60 percent of the cost of new clean-fuel components for alternative fuel vehicles registered in New York (capped at \$5,000 per vehicle with a gross vehicle weight rating of 14,000 pounds or less, and \$10,000 for those over 14,000 pounds); \$2,000 for qualified hybrid vehicles; and 50 percent of the cost of new clean-fuel refueling property used in a trade or business. For tax years beginning on or after January 1, 2000, the credits apply to electric vehicles and clean fuel vehicle property sold or leased to governmental agencies. The vehicles must be manufactured in New York State. In addition, the manufacturing and processing activities relating to the vehicles must create at least 25 full time jobs in New York. Any excess credit generated by sales or leases to governmental agencies is refundable. Starting on January 1, 2005, only credit for refueling property is allowed.

Qualified Emerging Technology Company Tax Credits

The New York State Emerging Industry Jobs Act provides franchise tax credits for qualified emerging technology companies (QETCs) that create new jobs, or for corporate taxpayers that invest in emerging technology companies.

A QETC is one that is located in New York State, has total annual sales of \$10 million or less, and either: has a ratio of research and development funds to net sales that equals or exceeds the average ratio for typical research and development companies; or has products or services classified as emerging technologies. Emerging technologies are explicitly defined in the instructions for the credit forms.

The employment tax credit equals \$1,000 for each individual employed over a base year level and is allowed for three years. Excess credit may be carried forward indefinitely or be refunded by new QETCs³. The capital tax credit varies in amount depending on how long the investment is held. Investments held for four years from the close of the tax year in which the QETC capital tax credit is first claimed qualify for a 10 percent credit. Investments held for nine years qualify for a 20 percent credit.

The total amount of credit allowable to a taxpayer for all years may not exceed \$150,000 for credit computed at the 10 percent

rate, and \$300,000 for credit computed at the 20 percent rate. Also, the credit and any carryforwards may not exceed 50 percent of the tax due prior to the application of any other tax credits.

Industrial or Manufacturing Business Credit

Industrial or manufacturing businesses (IMBs) are allowed a credit to be taken against taxes due under Article 9-A. The credit is the sum of taxes paid during the taxable year by their suppliers, due under the provisions of Tax Law Sections 186-a, 186-c, 189, and 189-a of Article 9 for gas, electricity, steam, water, or refrigeration; or the services of providing such, which are used or consumed in New York. Energy providers will provide taxpayers, on request, information on the amounts due and paid for these taxes during the taxpayer's liability year.

To qualify for the IMB credit, a taxpayer must be a business which during the taxable year is principally engaged in: manufacturing, processing, assembling, refining, mining, extracting, farming, agriculture, horticulture, floriculture, viticulture, commercial fishing, or research and development; or is an industrial waste treatment facility or an air pollution control facility; or is principally engaged in a combination of such activities.

Mortgage Servicing Tax Credit

Mortgage bankers, registered under Article 12-D of the Banking Law and meeting certain regulatory requirements established by the State of New York Mortgage Agency (SONYMA), may claim a credit against their franchise tax. The credit equals 2.93 percent of the total principal and interest collected by the bank for each SONYMA mortgage secured by a one-to-four family residence. In addition, mortgage bankers may receive an amount equal to the interest collected during their taxable year on each SONYMA mortgage, secured by a five or more family residence, multiplied by a fraction. The fraction depends on the types of properties which secure the serviced mortgage loans. The credit may be applied against the mortgage banker's liability to reduce their liability to zero. There is no carryforward of excess credit.

Low-Income Housing Credit

The "New York State Low-Income Housing Tax Credit Program," based on the existing federal program, requires an agreement between the taxpayer and the commissioner of the New York State Division of Housing and Community Renewal for a long-term commitment to low-income housing. The amount of the credit depends on the applicable percentage of the qualified basis of each low-income building. The credit amount allocated is allowed as a credit against tax for ten tax years. Unused credits may be carried forward indefinitely. The aggregate cap has been raised several times. Presently, it stands at \$12 million each year.

Green Building Credit⁴

The green building credit provides incentives for the construction, rehabilitation, and maintenance of buildings with high environmental standards and energy efficiency. The credit rewards the use of environmentally preferable building materials and renewable and clean energy technologies.

There are six different credit components for which a taxpayer might be allowed a credit. Each credit component has its own requirements, formula for calculating the amount of the credit, and cap. A taxpayer might be allowed one or more of these components, with certain restrictions. The components are:

- whole building credit component (owner or tenant) - where base building and all tenant space are green;
- base building credit component (owner) - applies to areas not intended for occupancy by either a tenant or owner;
- tenant space credit component (owner or tenant);
- fuel cell credit component;
- photovoltaic module credit component; and
- green refrigerant credit component.

To obtain eligibility for the green building credit, the taxpayer must first apply to the Department of Environmental Conservation for an "initial credit component certificate." The certificate will set forth the first taxable year for which the credit may be claimed and the maximum credit amount allowable to the taxpayer. The credit may be claimed for five taxable years beginning with the first taxable year allowed pursuant to the initial credit component certificate. In addition, for each taxable year that a credit is claimed, a taxpayer will have to obtain an eligibility certificate issued by a licensed architect or engineer certifying that the project meets the standards for green buildings.

Where a credit has been allowed to an owner who sells a building or to a tenant who terminates his or her tenancy within the period for allowance of the credit, the successor owner or successor tenant will be allowed the credit for the remainder of the period, as long as the property continues to meet the applicable environmental standards.

Credit for Purchase of an Automated External Defibrillator

Taxpayers may claim a credit for the purchase of an automated external defibrillator. The amount of the credit is equal to the cost of the defibrillator, but is capped at \$500 per unit. There is no limit on the number of units for which the credit may be taken. The credit is nonrefundable, and excess credit may not be carried forward.

Long-Term Care Insurance Credit

Taxpayers may claim a credit equal to 10 percent⁵ of the premiums paid during the tax year for the purchase of, or for continuing coverage under, a long-term care insurance policy that qualifies for the credit pursuant to Insurance Law section 1117. The credit is nonrefundable, but may be carried forward indefinitely.

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

- approved by the New York State Superintendent of Insurance pursuant to section 1117(g) of the Insurance Law; or
- a group contract delivered or issued for delivery outside of New York State that is a qualified long-term care insurance contract as defined in Internal Revenue Code section 7702B.

Fixed Dollar Minimum Tax

Many of New York's tax credits cannot reduce a taxpayer's liability below the alternative minimum tax or the fixed dollar minimum tax. The fixed dollar minimum tax 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 \$6,249,999 | \$ 425 |
| \$500,001 to \$1,000,000 | \$ 325 |
| \$250,001 to \$500,000 | \$ 225 |
| \$250,000 or less | \$ 100 |

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

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

Legislation enacted in 2004 created two temporary thresholds for taxable years beginning in 2004 and 2005. Taxpayers with a gross payroll of \$25 million or more would be subject to a \$10,000 fixed dollar minimum tax. Taxpayers with a gross payroll of less than \$25 million but more than \$6,250,000 would be subject to a \$5,000 fixed dollar minimum tax.

Endnotes

1. This description of the QEZE credits refers to the law as it existed during the time period covered by the data in this report. A description of the structure of the program following the amendments made in the 2005-06 budget is included in Appendix D.
2. Chapter 62 of the Laws of 2006 made several changes to the farmers' school tax credit, effective for taxable years beginning on or after January 1, 2006. The enhancements: increased the base acreage from 250 to 350 acres; raised the income phase-out range from \$100,000-\$150,000 to \$200,000-\$300,000; expanded credit eligibility to include Christmas tree farms; and allowed the flow through of income of corporate farms to shareholders.
3. Legislation enacted as part of the 2005-2006 State budget allowed the QETC employment credit to be refundable to all businesses, starting in 2005.
4. The green building credit was available to taxpayers during the 2003 tax liability year but was not claimed.
5. For tax years beginning after 2003, the credit doubles from 10 percent to 20 percent.

Appendix B: Credit Provisions Effective for Tax Years Beginning After the 2003 Tax Liability Year

Appendix B describes the tax credits that were available to taxpayers for periods following the 2003 tax year. Although these tax credits are available in the year in which this report is produced, final data is not yet available due to filing extensions, fiscal year considerations, and verification and processing procedures.

Credits Available for Tax Years Beginning On or After January 1, 2004

Empire State Film Production Tax Credit

Taxpayers meeting certain threshold levels of film and television production activity in New York State can apply for a tax credit equal to ten percent of qualified costs. The credit can be applied against the alternative minimum tax and is 50 percent refundable. Any amounts carried forward are fully refundable in future periods.

The credit is administered by the Governor's Office for Motion Picture and Television Development.

Credits Available for Tax Years Beginning On or After January 1, 2005

QETC Facilities, Operations, and Training Credit

Taxpayers meeting more stringent QETC qualification tests may qualify for a refundable credit consisting of three components:

1. An 18 percent credit rate on research and development property;
2. A 9 percent credit rate on qualified research expenses; and
3. A 100 percent credit rate for qualified training expenses, up to \$4,000 per employee per year.

A taxpayer may claim the credit for four consecutive years (or five if relocating from an academic incubator facility), and the amount is capped at \$250,000 per taxpayer per year. No credit is allowed for taxable years beginning on or after January 1, 2012.

Security Training Tax
Credit

Owners of commercial buildings over 500,000 square feet can receive a \$3,000 credit for each security guard employed who has undergone training certified by the New York State Office of Homeland Security (OHS) and is paid a certain minimum wage. The credit is administered by OHS and is refundable.

Credits Available for Tax Years Beginning On or After April 1, 2005

Brownfields Tax
Credits

Three refundable tax credits are available to taxpayers who remediate a site under the Brownfield Cleanup Program.

1. The brownfield redevelopment tax credit consists of three credit components relating to costs associated with: site preparation; tangible property; and on-site groundwater remediation. The credit equals 12 percent of costs associated with each component. The credit increases by two percent if the site is remediated to a Track 1 cleanup level (determined by the Department of Environmental Conservation), and by another eight percent if at least one half of the site is located in an Environmental Zone (En-Zone). An En-Zone is an area designated by the Commissioner of Economic Development and, as of the 2000 census, has a poverty rate of at least 20 percent and an unemployment rate of at least 1¼ times the statewide unemployment rate.
2. The remediated brownfield credit for real property taxes equals 25 percent of the product of the taxpayer's employment factor (a percentage based on the number of persons employed by the taxpayer on a qualified site) and the taxpayer's eligible real property taxes. If the site is located in an En-Zone the credit increases to 100 percent. There is a credit limitation equal to the product of the number of full time employees at the qualified site multiplied by \$10,000.
3. The environmental remediation insurance credit is allowed for premiums paid for environmental remediation insurance up to the lesser of \$30,000 or 50 percent of the cost of the premiums.

Credits Available for Costs Incurred On or After July 1, 2005

**Fuel Cell Electricity
Generating
Equipment Credit**

Taxpayers may claim a credit equal to qualified fuel cell electric generating equipment expenditures for the tax year in which the equipment is placed in service, starting with the 2005 tax year. Qualified expenditures are associated with the purchase of on-site electricity generation systems utilizing proton exchange membrane fuel cells up to 100 kilowatts of rated capacity. The maximum credit is \$1,500 per generating unit and the taxpayer may carryforward any unused credit indefinitely.

Credits Available for Expenses Incurred On or After January 1, 2006

**Handicapped
Accessible Taxicabs
and Livery Service
Vehicles Credit**

Corporations and individuals providing a taxicab or livery service can claim a credit equal to the incremental cost associated with the purchase of a handicapped accessible vehicle or the conversion of a conventional vehicle to a handicapped accessible vehicle. The maximum credit is \$10,000 per vehicle. The credit can be used to reduce tax to zero and any remaining credit may be carried forward indefinitely. The credit applies to qualifying expenses incurred on or after January 1, 2006 but before January 1, 2009.

Credits Available for Tax Years Beginning On or After January 1, 2006

**Biofuel Production
Credit**

Taxpayers are allowed to claim a refundable credit for the production of biofuel. The credit equals 15 cents per gallon after the production of the first 40,000 gallons per year presented to market. The credit is capped at \$2.5 million per taxpayer per year for up to four consecutive years per biofuel plant. The credit sunsets after December 31, 2012.

**Land Conservation
Easement Credit**

Land that is under a conservation easement held by a public or private conservation agency is eligible for a refundable credit equal to 25 percent of the taxpayer's school district, county, and city/town real property taxes paid. The maximum allowable tax credit is \$5,000.

Credits Available for Bioheat Purchases Occurring On or After July 1, 2006

**Clean Heating Fuel
Credit**

A refundable tax credit is available for the purchase of bioheat used for space heating or hot water production for residential purposes within New York State. The credit is equal to one cent for each percent of biodiesel per gallon of bioheat purchased on or after July 1, 2006, and before July 1, 2007. The credit is only available in tax years beginning in 2006 and 2007. The amount of the credit may not exceed 20 cents per gallon.

Credits Available for Tax Years Beginning On or After January 1, 2007

**Empire State
Commercial
Production Credit**

The Governor's Office for Motion Picture and Television Development will administer a three part credit designed to encourage the production of commercials in New York State. \$7 million in aggregate credit will be allowed annually, allocated as follows:

- Incremental cost component - \$3 million: 20 percent of qualified production costs in excess of the average of the three prior years' costs. The credit is distributed on a pro-rata basis among all credit applicants, although no individual company shall receive an annual allocation greater than \$300,000;
- MCTD component - \$3 million: 5 percent of qualified production costs in excess of \$500,000 during the calendar year for work within the Metropolitan Commuter Transportation District (MCTD). This component is also awarded on a pro-rata basis, but with no per-company limitation.
- Outside MCTD component - \$1 million: 5 percent of qualified production costs in excess of \$200,000 during the calendar year for work outside the MCTD. This component is allocated in the same manner as the MCTD component.

Fifty percent of the credit is refundable, with the remainder fully refundable in the following year. The credit sunsets on December 31, 2011.

**Credit for
Rehabilitation of
Historic Properties**

Taxpayers may claim a tax credit for the rehabilitation of historic properties located in New York State. The amount of the credit is equal to 30 percent of the credit amount allowed under subsection (c)(3) of section 47 of the Federal Internal Revenue Code (IRC) for the same taxable year. The credit is capped at \$100,000 and any credit taken must be recaptured if the federal credit upon which it is based is recaptured by the taxpayer. Taxpayers may carry forward unused credit amounts to subsequent tax years.

Appendix C: Article 9-A Tax Credit Forms and Credit Ordering Rules

| Forms for Credits Available to Taxpayers During the 2003 Tax Year^{1,2} | |
|--|--|
| Form Number | Form Name |
| CT-40 | <i>Claim for Alternative Fuels Credit</i> |
| CT-41 | <i>Claim for Credit for Employment of Persons with Disabilities</i> |
| CT-43 | <i>Claim for Special Additional Mortgage Recording Tax Credit</i> |
| CT-44 | <i>Claim for Investment Tax Credit for the Financial Services Industry</i> |
| CT-46 | <i>Claim for Investment Tax Credit and Employment Incentive Credit</i> |
| CT-46-ATT | <i>Credit for Rehabilitation Expenses for Retail Enterprises and Historic Barns</i> |
| CT-47 | <i>Claim for Farmers' School Tax Credit</i> |
| CT-249 | <i>Claim for Long-Term Care Insurance Credit</i> |
| CT-250 | <i>Credit for Purchase of an Automated External Defibrillator</i> |
| CT-601/CT- | <i>Claim for EZ Wage Tax Credit/Claim for ZEA Wage Tax Credit</i> |
| CT-602 | <i>Claim for EZ Capital Tax Credit</i> |
| CT-603 | <i>Claim for EZ Investment Tax Credit and EZ Employment Incentive Credit</i> |
| CT-604 | <i>Claim for QEZE Credit for Real Property Taxes and QEZE Tax Reduction Credit^{3,4}</i> |
| CT-605 | <i>Claim for EZ Investment Tax Credit and EZ Employment Incentive Tax Credit for the Financial Services Industry</i> |
| DTF-621 | <i>Claim for QETC Employment Credit</i> |
| DTF-622 | <i>Claim for QETC Capital Tax Credit</i> |
| DTF-623 | <i>Claim for Industrial or Manufacturing Business (IMB) Credit</i> |
| DTF-624 | <i>Claim for Low-Income Housing Credit</i> |
| DTF-630 | <i>Claim for Green Building Credit</i> |

| Forms for Additional Credits Available to Taxpayers for Tax Years After 2003 | |
|---|---|
| Form Number | Form Name |
| CT-248 | <i>Claim for Empire State Film Production Credit</i> |
| DTF-619 | <i>Claim for QETC Facilities, Operations, and Training Credit</i> |
| CT-631 | <i>Claim for Security Officer Training Tax Credit</i> |
| CT-611 | <i>Claim for Brownfield Redevelopment Tax Credit</i> |
| CT-612 | <i>Claim for Remediated Brownfield Credit for Real Property Taxes</i> |
| CT-613 | <i>Claim for Environmental Remediation Insurance Credit</i> |
| CT-259 | <i>Claim for Fuel Cell Electric Generating Equipment Credit</i> |
| CT-239 | <i>Claim for Handicapped Accessible Taxicabs and Livery Service Vehicles Credit</i> |
| CT-243 | <i>Claim for Biofuel Production Credit</i> |
| CT-242 | <i>Claim for Conservation Easement Tax Credit</i> |
| CT-241 | <i>Claim for Clean Heating Fuel Credit</i> |

Note: The form/instruction numbers for the Empire State Commercial Production Credit and Credit for Rehabilitation of Historic Properties have not yet been assigned.

Tax Credit Ordering Rules

Taxpayers are instructed to apply tax credits in the following order:

- non-carryover, non-refundable credits;
- Empire Zone/Zone Equivalent Area Wage Tax Credits;
- carryovers of limited duration;
- carryovers of unlimited duration;
- refundable credits.

The appropriate application of multiple credits is illustrated in the following table. Credits that were available after the 2003 tax liability year, and therefore not covered by this report, are shaded.

| |
|--|
| Carryover Credits |
| Automated external defibrillator credit |
| Qualified Empire Zone Enterprise (QEZE) tax reduction credit |
| Mortgage servicing tax credit |
| Empire Zone (EZ) and Zone Equivalent Area (ZEA) Wage Tax Credits |
| EZ wage tax credit |
| EZ wage tax credit for new businesses only ^{5,6} |
| ZEA wage tax credit |
| ZEA wage tax credit for new businesses only ⁵ |
| Carryover Credits of Limited Duration |
| Investment tax credit (ITC) for financial services |
| Employment incentive credit (EIC) for the financial services industry |
| ITC, including retail enterprises and historic barns credit |
| EIC |
| Carryover Credits of Unlimited Duration |
| Alternative minimum tax credit |
| Alternative fuels credit ⁷ |
| Credit for employing individuals with disabilities |
| Special additional mortgage recording tax credit |
| Long-term care insurance credit |
| EZ capital tax credit |
| EZ-ITC ⁶ |
| EZ-EIC ⁶ |
| EZ-ITC for the financial services industry ⁶ |
| EZ-EIC for the financial services industry ⁶ |
| QETC employment credit ⁸ |
| QETC capital tax credit |
| Low-income housing credit |
| Green building credit |
| Fuel cell electricity generating equipment credit (available for costs incurred on/after 7/1/05) |
| Handicapped Accessible Taxicabs and Livery Service Vehicles Credit (available for expenses incurred on/after 1/1/06) |
| Credit for Rehabilitation of Historic Properties (available for tax years beginning on/after 1/1/07) |
| Credits That Are Refundable |
| Alternative fuels credit for qualified taxpayers only ⁷ |
| Special additional mortgage recording tax credit for residential mortgages only |
| ITC for the financial services industry for new businesses only |
| ITC, including retail enterprises and historic barns credit, for new businesses only |
| Farmers' school tax credit |
| EZ-ITC for new businesses only ⁶ |
| QEZE real property tax credit |
| EZ-ITC for financial services for new businesses only ⁶ |
| Industrial or manufacturing business credit |
| QETC employment credit for new businesses only ⁸ |
| Empire State film production credit (available for tax years beginning on/after 1/1/04) |

| Credits That Are Refundable (continued) |
|--|
| QETC facilities, operations, and training credit (available for tax years beginning on/after 1/1/05) |
| Security training tax credit (available for tax years beginning on/after 1/1/05) |
| Brownfields tax credits (available for tax years beginning on/after 4/1/05) |
| Biofuel production credit (available for tax years beginning on/after 1/1/06) |
| Conservation easement tax credit (available for tax years beginning on/after 1/1/06) |
| Clean heating fuel credit (available for purchases occurring on/after 7/1/06) |
| Empire State commercial production credit (available for tax years beginning on/after 1/1/07) |

Endnotes

1. In 2003, the alternative minimum tax credit was calculated on Schedule B, Part II of Attachment CT-3-ATT, *Schedules B, C, D, and E - Attachment to Form CT-3*.
2. The amount of the credit for servicing certain mortgages, which is available only to mortgage bankers, is reported on a letter from the New York State Mortgage Association to the taxpayer.
3. Corporate partners of a QEZE complete form CT-604-CP, *Claim for QEZE Credit for Real Property Taxes and QEZE Tax Reduction Credit for Corporate Partners*.
4. The two QEZE credits were split into separate credit forms starting in the 2005 tax year. The tax reduction credit remained on form CT-604, but the credit for real property taxes is now calculated on form CT-606.
5. Despite the fact that the EZ/ZEA wage tax credit is refundable to new businesses, the Tax Law requires the credits to be applied prior to carryover-eligible credits or other refundable credits.
6. Legislation enacted as part of the 2006-07 Executive Budget created two special EZ project designations: qualified investment project (QUIP) and significant capital investment project (SCIP). Owners of QUIPs or SCIPs may refund 50 percent of excess EZ wage tax credit, EZ investment tax credit, and EZ employment incentive credit attributable to activity occurring at the project.
7. Beginning on January 1, 2005, the alternative fuels credit is only available for refueling property. The credit was refundable prior to that date, but only for electric vehicles manufactured in New York State, or clean-fuel vehicle property installed in or manufactured as a part of a motor vehicle in New York State, if those vehicles were sold or first leased during the tax year to a governmental unit.
8. For tax years prior to 2005, the QETC employment credit was only refundable to new businesses. For tax years beginning on or after January 1, 2005, the credit is refundable to all businesses.

Appendix D: History of Legislative Actions Impacting Article 9-A Tax Credits

This appendix provides a brief summary of changes to tax credits that were contained in state budgets or as separate legislation. Each year, the Office of Tax Policy Analysis publishes a *Summary of Tax Provisions* which offers a more detailed discussion of budget and tax credit provisions. Also, the Tax Department typically publishes an annual Technical Services Bureau memorandum (TSB-M) that summarizes changes to the Tax Law.

Changes in 1996-97 State Budget Year

- *Credit for Rehabilitation of Historic Barns*

Effective for taxable years beginning on or after January 1, 1997, the investment tax credit (ITC) was expanded to allow a corporate franchise tax credit for the rehabilitation of historic barns in New York State.

- *Farmers' School Tax Credit*

The farmers' school tax credit was enacted, effective for taxable years beginning in 1997.

Changes in 1997-98 State Budget Year

- *Alternative Fuels Credit*

The alternative fuels credit was enacted, available for property placed in service in taxable years beginning on or after January 1, 1998.

- *Credit for Employment of Persons with Disabilities*

The credit for employment of persons with disabilities was enacted, effective for tax years beginning on or after January 1, 1998, with respect to workers who begin work on or after January 1, 1997.

-
- *Investment Tax Credit Carryover*

The budget extended the ITC carryforward from ten to 15 years. Any unused pre-1987 credits were available until 2002 and post-1986 credits have a 15-year carryforward.

Changes in 1998-99 State Budget Year

- *Investment Tax Credit for Broker/Dealers in the Financial Securities Sector*

The ITC available to corporations for manufacturing operations, was extended to corporations, banks and personal income taxpayers that are brokers or dealers in securities. The credit is available for property placed in service for the five year period between October 1, 1998, and September 30, 2003.

- *“New York State Emerging Industry Jobs Act”*

The “New York State Emerging Industry Jobs Act” provided Article 9-A tax credits for qualified emerging technology companies (QETCs) that invest in research and development in New York State.

The provisions include an employment tax credit equal to \$1,000 for each individual employed full time over a base year level. The law also established capital credits that vary depending on how long the investment is held. The credit provisions apply to tax years beginning on or after January 1, 1999.

Changes in 1999-00 State Budget Year

- *Expansion of Qualified Emerging Technology Company Credit to the Remanufacturing of Certain Commodities*

The existing definition of qualified emerging technologies for purposes of the QETC employment tax credit and capital investment tax credits was broadened. The new definition includes companies that use remanufacturing processes to restore eligible commodities.

The expanded definition provision took effect for taxable years beginning on or after January 1, 2001.

- *Automated External Defibrillator Tax Credit*

The automated external defibrillator tax credit was enacted, effective for taxable years beginning on or after January 1, 2001.

-
- *Merger and Acquisition Provisions Relating to the Investment Tax Credit*

The budget legislation repealed provisions relating to mergers, acquisitions, and consolidations, and as a result prevented the elimination of ITC for these companies. The provisions took effect for taxable years beginning on or after January 1, 2000.

- *Economic Development Zone, Zone Equivalent Area Wage Tax Credit Expansion*

The budget legislation doubled the existing wage tax credit for wages paid in Economic Development (EDZs) and Zone Equivalent Areas (ZEAs). The credit increased from \$1,500 to \$3,000 for targeted employees and from \$750 to \$1,500 for other individuals. In addition, the legislation increased, from two to five years, the period in which taxpayers may claim the ZEA wage credit. The provisions took effect for taxable years beginning on or after January 1, 2001.

- *Alternative Fuels Credit Expansion*

The availability of existing alternative fuels credits for electric vehicles and clean fuel vehicle property was expanded. The credits apply to such vehicles sold or leased to governmental entities in taxable years beginning on or after January 1, 2000. The credit was capped at \$2.5 million for the total amount allowed, with a sunset on December 31, 2001.

Changes in 2000-01 State Budget Year

- *“Empire Zones Program Act”*

The “Empire Zones Program Act” changed the term, “Economic Development Zone” to “Empire Zone” (EZ) and created two new credits. Businesses that meet an annual employment test can become certified as Qualified Empire Zone Enterprises (QEZEs) and receive a credit for real property taxes and a tax reduction credit. The credits apply to taxable years beginning on or after January 1, 2001.

- *Empire Zone Employment Incentive Credit and the Alternative Minimum Tax*

The budget amended the EZ employment incentive credit, allowing it to be used against the alternative minimum tax base. The change was effective for tax years beginning on or after January 1, 2001.

- *Green Building Credit*

The green building credit was enacted. The total credit pool available is \$25 million over 10 years, and the Department of Environmental Conservation determines the amount of credit available to individual taxpayers. The credits apply to costs incurred on or after June 1, 1999, for property placed in service or that has received a final certificate of occupancy in tax years beginning on or after January 1, 2001.

- *Industrial or Manufacturing Business Credit*

The industrial or manufacturing business (IMB) credit was enacted, effective for taxable years ending on or after January 1, 2000.

- *Merger and Acquisition Retroactive Investment Tax Credit*

The budget provided for the law preventing the unfair elimination of ITC for companies involved in mergers and acquisitions to apply retroactively to tax years beginning on or after January 1, 1997. Amended returns could not be filed prior to April 1, 2001.

- *Alternative Fuels Credit Extension*

Special provisions under Article 9-A relating to the sale or lease of electric vehicles or clean fuel vehicle property installed in motor vehicles to governmental entities were extended to include taxable years beginning in 2002 and 2003.

- *Low-Income Housing Credit*

The budget established the “New York State Low-Income Housing Tax Credit Program.” The credit is administered by the New York State Division of Housing and Community Renewal (DHCR) and is effective for tax years beginning on or after January 1, 2000, with respect to commitments for construction agreed upon on or after May 15, 2000.

- *Investment Tax Credit Transfer*

This provision allowed taxpayers to transfer their ITC to a transferee corporation in a qualified, stock-for-assets spinoff transaction. The credit transfer is allowed for ITC property

transferred as part of the spinoff, where recapture or limitation of the ITC would otherwise be required. If both parties jointly elect, the transferor would not be required to recapture its ITC on the transferred property. The transferee would then acquire the transferor's unused ITC. If they do not jointly elect the first option, the transferor would be required to recapture its ITC. The transferee would obtain the recaptured amount as its credit. Under either option, the transferee would treat the transferor's holding period and original cost as if it were its own for purposes of possible recapture. If the transferred credit exceeds the transferee's tax, the transferee would be entitled to a refund in the year of the credit. The credit allowed to the transferee is available in four equal portions beginning in the second succeeding taxable year following the transaction year. This provision applies to transfers of property occurring on or after January 1, 1999, in connection with qualified transactions completed prior to June 1, 1999, where the transfers occur in a taxable year of the transferee of the property which began in 1999.

- *Long-term care insurance credit*

The long-term care insurance credit was enacted, effective for tax years beginning on or after January 1, 2002.

Changes in 2001-02
State Budget Year

- *Empire Zone program expansion*

Eight new Empire Zones were authorized.

Changes in 2002-03
State Budget Year

- *Special Investment Tax Credit Provisions*

Special provisions were enacted for dealing with property damaged or destroyed in the September 11th terrorist attacks. Ordinarily, a taxpayer would be required to recapture the ITC in the year in which such property ceases to be in qualified use, but in this instance, such recapture may be deferred to the next taxable year. If, in that year, a taxpayer retains a significant number of employees, no recapture is required. Also, no recapture is required if a taxpayer lost more than 50 percent of its employees. If a taxpayer elects not to defer recapture and purchases replacement property, the ITC base is determined without regard to the normal required basis reduction.

- *Investment Tax Credit for the Financial Services Industry Extended*

The sunset date for the ITC for the financial services industry was extended from October 1, 2003 to October 1, 2008. This provision applies to property placed in service before October 1, 2008.

- *Low-Income Housing Credit Doubled*

The Statewide aggregate credit limit for the low-income housing tax credit was doubled from \$2 million to \$4 million.

- *Empire Zone Technical Corrections*

The EZ program was amended to clarify certain provisions and implement new components for several credit calculations. The changes fall into three main categories:

New Business Definition

The five-year new business period concept was clarified and simplified for the purpose of claiming refunds of credits. The new language clarified that a new business can receive an EZ-ITC refund in each of its first five years.

QEZE Technical Corrections

Technical issues were addressed regarding: the interplay of the effective date of the QEZE program with the General Municipal Law (GML) statutory provisions; the real property tax credit calculation; the treatment of payments in lieu of taxes; the employment test; and the definition of "employment number."

The effective date correction allows a certified QEZE to continue to receive QEZE benefits for the full term to which they are entitled, even in the event that the GML provisions authorizing the QEZE program were not extended past their expiration date of July 31, 2004.

The real property tax credit calculation was amended to include a limitation which is the greater of the employment increase limitation or the capital investment limitation. It also incorporated a recapture provision for instances where the amount of property taxes used in the property tax factor are reduced.

The corrections also codified Tax Department policy that the term *eligible real property taxes* included certain payments in lieu of taxes (PILOT payments). However, the amendment included a requirement that the PILOT payments be made pursuant to a written agreement approved by both the New York State Department of Economic Development and Office of Real Property Services as satisfying generally accepted and recognized standards of real property tax appraisals.

The employment test was modified so that: if a QEZE is certified in at least one EZ, all qualified employees working in any EZ will be considered employees for purposes of the employment test, regardless of whether the QEZE is certified in all of the EZs; for QEZEs that have a base period of zero years and an employment number in EZs greater than zero, the employment test will be met only if the QEZE is a new business; a taxpayer located in an EZ as a result of a boundary revision or in a newly designated EZ, will calculate the test as if they were always in that location and as if that location was always included in that EZ; and when a business enterprise relocates to an EZ from a business incubator facility, the test will be calculated as if the business enterprise was located in the EZ during its base period.

The term “employment number” was modified to exclude any individual who was employed in the preceding sixty months by a related person to the QEZE (as related person is defined in IRC section 465(b)(3)(c)).

EZ Wage Tax Credit Amendments

The new language specified that, in order for a related business to claim a wage tax credit, the employee for which the credit is being claimed must not have been employed by the related business within the preceding 60 months. This requirement can be waived if the individual had never previously generated a wage tax credit. The budget also clarified that the wage tax credit allowance period is five years from the date of original certification.

- *Empire Zone Expansion*

Ten new EZs were authorized, bringing the total number of EZs across the State to 72. Four zones were previously approved but not designated, while of the six new zones, four will contain two square miles, and two will contain one square mile. Also, this provision required that 75 percent of all unused zone acreage

designated after January 1, 2003, must be limited to three primary non-contiguous areas. The remaining 25 percent of "floater" acreage can only be designated outside of three primary areas if certain specific job creation criteria are met.

Changes in 2003-04 State Budget Year

There were no tax credit provisions enacted or affected by the 2003-04 State Budget. Separate legislation, Part H of Chapter 1 of the Laws of 2003, enacted the Brownfields tax credits.

- *Brownfields Tax Credit Program*

The brownfields tax credit program consists of three components:

Brownfield Redevelopment Tax Credit

The refundable credit equals 12 percent of the expenses related to site remediation, tangible personal property (i.e. structures) development, and groundwater remediation. A two percent bonus rate applies if the cleanup achieves a "Track 1" standard, established by the Department of Environmental Conservation (DEC). An eight percent bonus rate applies if the project is in an "En-Zone," defined as an area with a poverty rate of at least 20 percent and an unemployment rate of at least 1.25 times the statewide rate.

Remediated Brownfield Credit for Real Property Taxes

The refundable credit is based on the number of full-time employees hired and property taxes paid. To qualify, the taxpayer must hire at least 25 employees. The credit is capped at 25 percent of property taxes, but if the property is located in an En-Zone, the cap is removed.

Remediation Insurance Credit

The refundable credit is available only in the year in which the certificate of remediation is issued by DEC. The credit equals the lesser of \$30,000 or 50 percent of the premiums paid by the taxpayer for environmental remediation insurance.

Changes in 2004-05 State Budget Year

- *Empire State Film Production Credit*

The budget established a new tax credit for film production activity in New York State. If the taxpayer satisfies certain criteria regarding a threshold level of activity in the State, the credit equals 10 percent of qualified production costs incurred in the production of films and television shows. Fifty percent of excess credit is refundable, and any excess credit carried forward

is fully refundable in the second year. The aggregate amount of credit available in any calendar year is \$25 million. The credit is administered by the Governor's Motion Picture Office. The credit sunsets in four years.

- *Low-Income Housing Credit Increased*

The Statewide aggregate credit limit for the low-income housing tax credit was increased from \$4 million to \$6 million.

- *Alternative Fuels Credit Extension*

The alternative fuels credit was extended for vehicles and property placed in service in taxable years beginning on or after January 1, 2004. The credit sunsets for taxable years beginning after December 31, 2004.

- *QETC Credits Expanded*

The QETC employment and capital tax credits were expanded to cover businesses engaged in biotechnology.

- *Empire Zone Extension and Clarification*

The budget extended the Empire Zones program to March 31, 2005.

A separate law, Chapter 209 of the Laws of 2004, was enacted which clarified that taxpayers who are certified before the expiration of the EZ program would be allowed to continue to claim the benefits to which they are entitled for the full benefit period.

- *Long-Term Care Insurance Credit Doubled*

Health-related budget legislation (Chapter 58 of the Laws of 2004) increased the credit for long-term care insurance from 10 to 20 percent of premiums paid, effective for tax years beginning after 2003.

Changes in 2005-06 State Budget Year

- *Empire Zone/Qualified Empire Zone Enterprise Reform and Extension*

Part W of Chapter 61, as amended by Part A of Chapter 63, of the Laws of 2005 contained significant reforms to the Empire Zones (EZ)/Qualified Empire Zone Enterprise (QEZE) program.

Changes to the zone boundaries affect all taxpayers, while changes to eligibility and benefits apply to taxpayers certified on or after April 1, 2005. The entire program was extended to June 30, 2011.

Zone Structure

- Zones will now be designated as either Investment Zones (IZ) or Development Zones (DZ). Generally, IZs encompass economically distressed areas and DZs are “county zones.”
- The zone boundaries will be redrawn and will attempt to encompass as much of the old boundaries as possible.
- IZs may only contain three areas; DZs may only contain six areas. However, if the DZ is located in more than one county, it may contain 12 areas.
- Both IZs and DZs can apply to have one additional area within their borders.
- DZs can apply to have three areas designated as IZs.
- Current beneficiaries that cannot be included in the redrawn boundaries will continue to be eligible for their benefits until they are decertified.
- Certain projects can be located outside of the designated areas within IZs and DZs. These include: manufacturers who create 50 or more jobs; agri-businesses; hi-tech or biotech companies making a \$10 million capital investment and creating 20 or more jobs; and financial or insurance services firms or distribution centers creating 300 or more jobs.
- Twelve new zones will be created. Each of the 11 counties that do not currently have a zone will be eligible to apply for one, as will Chinatown.

Taxpayer Eligibility

- For purposes of the QEZE employment test, taxpayers will include their employees within EZs in their statewide employment number.
- The number of employees in the current tax year must exceed the number in the base period.
- If a corporation has zero base period employment or a base period of zero, they must qualify as a new business.
- The base period is shortened from five to four years.
- The QEZE employment number can include employees from a related person only if they were not employed within New York State within the preceding 60 months.
- Corporations identical in ownership and operation can qualify as a new business if they are expanding operations in a different county. The benefit period is the same for both QEZEs however.

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- Businesses certified prior to August 1, 2002 with zero base years or zero base period employment will not be deemed new businesses unless they were formed for a valid business purpose and not solely to gain Empire Zone benefits.

Taxpayer Benefits

- The benefit period is shortened from 15 years to 10 years.
- The QEZE real property tax credit calculation is amended to be 25 percent of the product of the wages and health and retirement benefits of net new employees, up to \$10,000 per employee. Wages in excess of \$40,000 will not be counted.
- If a taxpayer is located in a DZ, they are subject to an additional employment increase factor which will reduce the credit. The factor is scaled to reward greater employment increases. Manufacturers will not be subject to this factor, regardless of location.
- The credit limitation is amended to be the greater of the credit calculation or the capital investment amount.
- For QEZEs in an IZ and QEZE manufacturers, the limitation is the existing credit limitation. For QEZEs in a DZ, the limitation is the product of 10 percent of the cost of construction, expansion, or rehabilitation, as opposed to acquisition, of real property owned by the QEZE and located in the EZ, and the percent of property occupied and used by the QEZE or a related person.
- The credit is further limited to the amount of real property taxes paid.
- Real property taxes will include property taxes paid by a lessee under certain circumstances.
- The language regarding PILOTs is amended to restrict the amount of the PILOT for purposes of the credit to the product of the taxpayer's basis in the property and the county full value tax rate.

Agricultural Co-operatives

- The bill adds a fixed dollar minimum limitation for agricultural co-ops for the QEZE real property tax credit.
- The EZ investment tax credit, employment incentive credit, and wage tax credit are extended to agricultural co-ops.
- These changes are retroactive to 2004.

EZ Wage Tax Credit

- Honorably discharged veterans are added to the list of targeted employees.
- If a taxpayer is located in an IZ, the credit is increased by \$500 per each employee paid over \$40,000 in wages.

EZ Capital Tax Credit

- The credit for investments in or contributions to EZ capital corporations is eliminated.
- *QETC Facilities, Operations, and Training Credit*

A new qualified emerging technology company credit was created for certain QETCs. To qualify, a QETC must have fewer than 101 employees, 75 percent of which are employed in New York State. They must also have a ratio of research and development funds to net sales which equals or exceeds six percent. Finally, gross revenues may not exceed \$20 million for the tax year immediately preceding the year in which the taxpayer is claiming the credit. A taxpayer may claim the credit for four consecutive years. However, if relocating from an academic incubator facility, a taxpayer is entitled to one additional year. The credit is capped at \$250,000 per taxpayer per year and is refundable. No credit is allowed for taxable years beginning on or after January 1, 2012.

The credit consists of three components:

Research and Development Property

Research and development property is eligible for an 18 percent credit rate. Qualified property is the same as that eligible for the investment tax credit, although the base is expanded to specifically include property used for testing or inspection, or costs associated with quality control, research, development, fees for use of facilities or processes for such activities, or production or distribution of materials and products resulting from the research.

Research Expenses

Qualified research expenses are eligible for a 9 percent credit rate. Qualified expenses include expenses associated with in-house research and processes, and costs associated with the dissemination of research and development results and the patent process.

High-technology Training Expenditures

A taxpayer may take a credit equal to qualified training expenses, up to \$4,000 per employee per year. Training includes courses related to the activities of the QETC completed at a post-secondary college or university located in New York State. Training expenses include items such as costs of tuition and fees, software, and textbooks.

- *Green Buildings Tax Credit Period Two*

A second allocation of green buildings tax credits was authorized.

An aggregate of \$25 million in credit component certificates may be issued by the Department of Environmental Conservation (DEC) in tax years beginning in 2005 through 2009. The amount on any one certificate is limited to \$2 million, but a taxpayer may obtain multiple certificates if they are an owner or tenant of more than one qualified building. The aggregate credit components of \$25 million are applicable for years beginning in 2006 and ending in 2014. The budget also addressed circumstances where a taxpayer is unable to claim the credit they have been allocated. DEC may reallocate such credit either to an existing qualified recipient or to a new qualified applicant, provided the reallocation does not exceed the \$2 million limit for period two.

- *Low-Income Housing Credit Increased*

The Statewide aggregate credit limit for the low-income housing tax credit was increased from \$6 million to \$8 million.

- *Alternative Fuels Credit*

Chapter 310 of the Laws of 2005 extended the alternative fuels credit to cover only clean-fuel vehicle refueling property placed in service during the taxable year. The term "clean-fuel" means natural gas, liquefied petroleum gas, hydrogen, electricity, and any other fuel which is at least 85 percent, singly or in combination, methanol, ethanol, any other alcohol, or ether.

- *Investment Tax Credit Extended to Film Production Facilities*

Chapter 393 of the Laws of 2005 extended the ITC to property owned by a qualified film production facility and used by another for film production activity. For the taxpayer to qualify, they must provide three or more services to a qualified film production company using the facility, such as studio lighting grids, lighting and grip equipment, multi-line phone service, broadband information technology access, industrial scale electrical capacity, food services, security services, and heating, ventilation and air conditioning.

- *Security Training Tax Credit Enacted*

Chapter 537 of the Laws of 2005 created a tax credit for owners of buildings over 500,000 square feet who employ qualified security guards. The credit is \$3,000 for each guard who has undergone training certified by the New York State Office of Homeland Security (OHS) and is paid a certain minimum wage. The credit is administered by OHS and is refundable.

- *Fuel Cell Electricity Generating Equipment Credit*

The tax credit for fuel cell electricity generating equipment available under the personal income tax is extended to the corporate franchise tax. Effective for costs incurred on or after July 1, 2005, a taxpayer may claim a credit equal to qualified fuel cell electric generating equipment expenditures. Qualified expenditures are associated with the purchase of on-site electricity generation systems utilizing proton exchange membrane fuel cells up to 100 kilowatts of rated capacity. The maximum credit is \$1,500 per generating unit and the taxpayer may carryforward unused credit indefinitely.

Changes in 2006-07 State Budget Year

- *Enhanced Farmers' School Tax Credit*

The budget increased the base acreage from 250 to 350 acres, raised the income phase-out range from \$100,000-\$150,000 to \$200,000-\$300,000, included Christmas tree farms as eligible for the credit, and allowed the flow through of income of corporate farms to shareholders.

- *Land Conservation Easement Credit*

The budget created a refundable tax credit equal to 25 percent of the taxpayer's school district, county and city/town real property taxes paid on land that is under a conservation easement held by a public or private conservation agency. The maximum allowable tax credit is \$5,000.

- *Empire Zone (EZ)/Qualified Empire Zone Enterprise (QEZE) Program Amendments*

The budget created several new taxpayer designations for purposes of the EZ/QEZE benefits and made additional technical changes to the program. The designations require certification by Empire State Development.

New Designations

- Qualified Investment Projects (QUIPs)
Owners of a qualified investment project may choose between the date of certification of the business enterprise at the location of the QUIP or the date when property constituting the QUIP is first placed in service as the starting date of their benefit period. A QUIP is a project located in an EZ at which 500 or more new jobs will be created and which will consist of tangible personal property and other tangible property, including buildings and structural components of buildings, with a basis of \$750 million or more. Also, the owner of the QUIP may not employ more than 200 persons in New York State at the time the project commences.
- Significant Capital Investment Projects (SCIPs)
Owners of a significant capital investment project can receive a ten year benefit period extension, starting with the tax year in which the property comprising the SCIP investment is placed in service. The original ten year benefit period and the extension are considered one continuous benefit period for purposes of the QEZE credits. A SCIP is a project located in an EZ which will be either a newly constructed facility or an addition or expansion of a QUIP consisting of tangible personal property and other tangible property, including buildings and structural components of buildings, with a basis of \$750 million or more. In addition, the SCIP must be constructed after the basis of the QUIP equals or exceeds \$750 million and will create 500 or more new jobs.
- New Business Designation
Taxpayers are deemed new if they meet four criteria. They must be approved as a QUIP or SCIP, have a base period of zero years, place property, or a project which includes such property, in service which comprises a QUIP or SCIP, and be certified by December 31, 2007.

In addition, owners of QUIPs and SCIPs may receive a refund of 50 percent of excess EZ-ITC, EZ wage tax credit, and EZ-EIC. Generally, the first two credits are only refundable to new businesses and the EZ-EIC is non-refundable. Taxpayers claiming the EZ-ITC and EZ-EIC will be allowed the refunds for a maximum of ten taxable years with respect to the QUIP and SCIP, starting with the first taxable year in which property

comprising such project is placed in service.

- Clean Energy Research and Development Enterprises (CERDEs)

This new designation classifies a CERDE as a regionally significant project which allows it to be located outside of the EZ's investment or development zone boundaries. A CERDE is defined as "any electric generating facility that used pulverized coal technology, circulating fluidized bed technology or integrated gasification combined cycle technology and that is capable of capturing carbon dioxide for sequestration or capable of being retrofitted to capture carbon dioxide for sequestration."

- Clean Energy Enterprises (CEEs)

A business designated as a CEE may be located anywhere in the state and will compute its benefits as if located in an investment zone. A CEE is defined as "any business primarily engaged in research, development or manufacturing of renewable energy or energy efficiency technologies or products; provided, however, that an initial clean coal electric generating facility capable of capturing carbon dioxide for sequestration or capable of being retrofitted to capture carbon dioxide for sequestration." A business is primarily engaged in research, development or manufacturing of renewable energy or energy efficiency technologies or products if eighty percent or more of its property in New York is utilized for such purposes.

Technical Changes

- QEZE Employment Number Definition

For taxpayers meeting certain criteria in their first taxable year, the employment number will not require employment full-time for at least one-half of the taxable year. Instead, the employment number will be computed using full-time employment on the last day of the taxable year. The criteria are:

1. the taxpayer acquired real or tangible personal property during its first taxable year from an unrelated entity;
2. the first taxable year is a short taxable year of not more than seven months; and
3. the number of individuals employed full-time on the last day of the first taxable year shall be at least 190 and substantially all of the individuals must have been

previously employed by the entity from whom such enterprise purchased its assets.

- EZ Wage Tax Credit Wages Paid Requirement

The credit requirement that an employee must receive EZ wages for more than half the taxable year will not apply in the first taxable year under certain criteria. In these instances, the credit will be computed by using the number of individuals employed full time on the last day of the first taxable year. The criteria are:

1. the taxpayer acquired real or tangible personal property during its first taxable year from an unrelated entity;
2. the first taxable year is a short taxable year of not more than seven months; and
3. the number of individuals employed full-time on the last day of the first taxable year shall be at least 190 and substantially all of the individuals must have been previously employed by the entity from whom such enterprise purchased its assets.

- QEZE Employment Test and Real Property Tax Credit Calculations

The employment test and real property tax credit calculations for QEZEs certified on or after April 1, 2005 were extended to QEZEs certified between August 1, 2002 and March 31, 2005 that conduct operations on real property that they own or lease that is both located within an EZ and is subject to a brownfield site cleanup agreement executed prior to January 1, 2006.

EZ Designation Acceleration

Finally, the schedule for the designations of Empire Zones was accelerated. Originally, 12 new zones were to be phased in equally over a four-year period. Now, the 4th year's allotment is moved to year two, so that three EZs will be designated in year one, six in year two, and three in year three.

- *Biofuel Production Credit*

The budget created a refundable credit for the production of biofuel. The credit is equal to 15 cents per gallon after the production of the first 40,000 gallons per year presented to market. The credit is capped at \$2.5 million per taxpayer per year for up to four consecutive years per plant. The credit sunsets after December 31, 2012.

- *Empire State Film Production Credit Amendments*

The film credit was amended to increase the annual credit cap and extend the sunset date of the credit. The cap was raised from \$25 million annually to \$60 million annually in 2006 through 2011. The original sunset date was extended from four years after enactment of the original bill (2008) to December 31, 2011.

- *Empire State Commercial Production Credit*

A new credit was created to encourage production of commercials in New York State. The Governor's Office for Motion Picture and Television Development will administer the credit, determining credit eligibility and allocating the \$7 million aggregate credit amount allowed annually. The credit consists of three components:

1. *Incremental cost component* - \$3 million: 20 percent of qualified production costs in excess of the average of the three prior years' costs. The credit is distributed on a pro-rata basis among all credit applicants, although no individual company shall receive an annual allocation greater than \$300,000.
2. *MCTD component* - \$3 million: 5 percent of qualified production costs in excess of \$500,000 during the calendar year for work within the Metropolitan Commuter Transportation District (MCTD). This component is also awarded on a pro-rata basis, but with no per-company limitation.
3. *Outside MCTD component* - \$1 million: 5 percent of qualified production costs in excess of \$200,000 during the calendar year for work outside the MCTD. This component is allocated in the same manner as the MCTD component.

Fifty percent of the credit is refundable, with the remainder fully refundable in the following year. The credit sunsets on

December 31, 2011.

- *Extension of Environmental Zones (EN-Zones) for the Brownfield Redevelopment Tax Credit and the Tax Credit for Remediated Brownfields*

Taxpayers claiming brownfields credits on sites located in EN-Zones can receive enhanced credit rates. For an area to be designated as an EN-Zone, it must meet one of two tests. It must have a poverty rate of at least 20 percent and an unemployment rate of at least 1.25 times the statewide rate, or have a poverty rate of at least two times the poverty rate for the county in which the area is located. Under the latter provision, the site also had to be the subject of a brownfield site cleanup agreement pursuant to section 27-1409 of the Environmental Conservation Law entered into prior to a certain date. The budget extended that date from September 1, 2006 to September 1, 2010.

- *Low-income Housing Credit*

The budget increased the statewide, aggregate credit limit for the low-income housing credit from \$8 million to \$12 million. The New York State low income housing tax credit program is based on the existing Federal program and requires an agreement between the taxpayer and the Commissioner of the New York State Division of Housing and Community Renewal for a long-term commitment to low-income housing. The amount of the credit depends on the applicable percentage of the qualified basis of each low-income building. The credit amount allocated is allowed as a credit against tax for ten tax years. Unused credits may be carried forward indefinitely. The total amount of credit available is \$12 million each year.

- *Alternative Fuel Vehicle Refueling Property Technical Fix*

The budget updated Internal Revenue Code references in the alternative fuel vehicle refueling property credit statute to conform to federal changes. Previously, the credit was tied to a federal deduction, but the deduction was changed to a federal tax credit this past year. The budget also extended the sunset date of the credit from July 26, 2008 to December 31, 2010.

- *Handicapped Accessible Taxicabs and Livery Service Vehicles Credit*

Chapter XX of the Laws of 2006 created a credit for corporations who provide a taxicab or livery service. The credit is equal to the incremental cost associated with the purchase of a handicapped accessible vehicle or the conversion of a conventional vehicle to a handicapped accessible vehicle, up \$10,000 per vehicle.

- *Clean Heating Fuel Credit*

Chapter 35 of the Laws of 2006 created a refundable tax credit for the purchase of bioheat used for space heating or hot water production for residential purposes within New York State. The credit is equal to one cent for each percent of biodiesel per gallon of bioheat purchased on or after July 1, 2006, and before July 1, 2007. The credit is only available in tax years beginning in 2006 and 2007. The amount of the credit may not exceed 20 cents per gallon.

- *Credit for Rehabilitation of Historic Properties*

Chapter 547 of the Laws of 2006 created a tax credit for the rehabilitation of historic properties located in New York State. The amount of the credit is equal to 30 percent of the credit amount allowed under subsection (c)(3) of section 47 of the Federal Internal Revenue Code (IRC) for the same taxable year. The credit is capped at \$100,000.

- *Brownfield Redevelopment Tax Credit Expansion*

Chapter 420 of the Laws of 2006 expanded the tangible property credit component of the brownfield redevelopment tax credit. The chapter amended the definition of “qualified tangible property” to allow the credit to apply to co-operative and condominium units.

| Credit | Budget Year | Object of Change |
|--|-------------|--|
| Alternative Fuels Credit | 1997-98 | credit enacted |
| | 1999-00 | credit expanded to cover sales/leases to governmental entities |
| | 2000-01 | sunset date extended |
| | 2004-05 | sunset date extended |
| | 2005-06 | sunset date extended only for refueling property |
| | 2006-07 | IRC references updated and sunset date extended |
| Automated External Defibrillator Tax Credit | 1999-00 | credit enacted |
| Biofuel Production Credit | 2006-07 | credit enacted |
| Brownfields Tax Credit Program | 2003-04 | credit enacted |
| | 2006-07 | site cleanup agreement cutoff date for EN-Zones extended credit extended to co-operatives and condominiums |
| Clean Heating Fuel Credit | 2006-07 | credit enacted |
| Credit for Employment of Persons with Disabilities | 1997-98 | credit enacted |
| Credit for Rehabilitation of Historic Properties | 2006-07 | credit enacted |
| Empire State Commercial Production Credit | 2006-07 | credit enacted |
| Empire State Film Production Credit | 2004-05 | credit enacted |
| | 2006-07 | aggregate credit cap increased and sunset extended |
| Empire Zone Credits | 1999-00 | EZ/ZEA wage tax credit amounts doubled, period lengthened |
| | 2000-01 | QEZE tax reduction credit and real property tax credit enacted EZ employment incentive credit allowed against alternative minimum tax |
| | 2001-02 | creation of additional zones authorized |
| | 2002-03 | EZ technical corrections enacted creation of additional zones authorized |
| | 2004-05 | sunset date extended full term of benefits language adopted |
| | 2005-06 | program reform and extension |

| Credit | Budget Year | Object of Change |
|---|---|---|
| Empire Zones Credits (continued) | 2006-07 | new designations: QUIP, SCIP, CERDE, CEE |
| | | EZ-ITC, EZ-WTC, EZ-EIC refundable to QUIPs/SCIPs |
| | | technical changes for EZ-WTC and QEZE credits |
| | | zone designations accelerated |
| Farmers' School Tax Credit | 1996-97 | credit enacted |
| | 2006-07 | base acreage and income phase-out range increased |
| | | Christmas tree farms made eligible |
| | | flow-thru of corporate farm income to shareholders election enacted |
| Fuel Cell Electricity Generating Equipment Credit | 2005-06 | credit enacted |
| Green Building Credit | 2000-01 | credit enacted |
| | 2005-06 | Period two and technical fixes enacted |
| Handicapped Accessible Taxicab and Livery Service Vehicles Credit | 2006-07 | credit enacted |
| Industrial or Manufacturing Business Credit | 2000-01 | credit enacted |
| Investment Tax Credit | 1996-97 | allowed for historic barns |
| | 1997-98 | carryover period extended |
| | 1998-99 | allowed for broker/dealer activity |
| | 1999-00 | merger and acquisition technical fix |
| | 2000-01 | merger and acquisition retroactive technical fix |
| | | allowed transfer of ITC in limited cases |
| | 2002-03 | recapture rules amended regarding property damaged on 9/11/01 |
| | | broker/dealer activity sunset date extended |
| 2005-06 | credit extended to qualified film production facilities | |
| Land Conservation Easement Credit | 2006-07 | credit enacted |
| Long-Term Care Insurance Credit | 2000-01 | credit enacted |
| | 2004-05 | credit percentage doubled |
| Low-Income Housing Credit | 2000-01 | credit enacted |
| | 2002-03 | aggregate statewide credit amount doubled |
| | 2004-05 | aggregate statewide credit amount increased |

| Credit | Budget Year | Object of Change |
|---|-------------|---|
| Low-Income Housing Credit (continued) | 2005-06 | aggregate statewide credit amount increased |
| | 2006-07 | aggregate statewide credit amount increased |
| Qualified Emerging Technology Company Credits | 1998-99 | employment and capital credits enacted |
| | 1999-00 | credits expanded to cover re-manufacturers of certain commodities |
| | 2004-05 | credits expanded to cover biotechnology companies |
| | 2005-06 | facilities, operations, and training credit enacted |
| Security Training Tax Credit | 2005-06 | credit enacted |

Appendix E: Legislative Mandate

Section 109(a) of the Business Tax Reform and Rate Reduction Act of 1987 (Chapter 817 of the Laws of 1987) requires the Commissioner of Taxation and Finance to conduct a study regarding corporate tax credits. The legislative mandate follows.

On or before December first, nineteen hundred eighty-eight and on or before December first of each year thereafter, the commissioner of taxation and finance shall submit a written report and such data and supporting documentation as are available and meaningful regarding the number of taxpayers claiming, using, and carrying forward tax credits and the total amount of such credits claimed, used and carried forward and the median, mean and distribution of such credits for taxable years beginning during nineteen hundred eighty-four, and each subsequent year, to the extent that such information is available. Such reports shall present the latest information available reflecting amended returns filed by taxpayers and adjustments upon audit by taxpayer liability period as well as the impact of such credits upon state fiscal year revenues.

Copies of these reports shall be submitted by the commissioner of taxation and finance to the governor, the temporary president of the senate, the speaker of the assembly, the chairman of the senate finance committee and the chairman of the assembly ways and means committee. Such reports shall contain, but need not be limited to, information by industrial classification, by basis of taxation, by size of credit and taxpayer income ranges. In preparing such reports, the commissioner of taxation and finance shall ensure that the statistics are classified in a manner consistent with the secrecy requirements of tax law.

For more information concerning the data provided in this publication, please contact:

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