



Analysis of Article 9-A General Business Corporation Franchise Tax Credits for 2005

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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. In addition, it does not include credit activity attributable to partnerships, LLCs, Subchapter S corporations or sole proprietorships. Credits are provided to the owners of businesses conducting their activities in these forms under Article 22, the personal income tax. 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 2005 calendar year (hereinafter referred to as the 2005 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 2005 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 2005

- Corporations generated nearly \$545 million in new credits in 2005.
- When combined with unused credits carried forward from prior periods, corporate taxpayers had over \$2.8 billion in tax credits available in 2005.
- Taxpayers used approximately \$195 million in credits to reduce their Article 9-A liability and requested refunds of almost \$108 million.

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- 2005 was the first year the fiscal impact of credits exceeded \$300 million (\$195 million and \$108 million in credits used and refunded, respectively). This is equal to about 13 percent of total Article 9-A liability in 2005.
 - Taxpayers reported over \$2.5 billion in unused credits in 2005 that can be used to reduce future tax liabilities.
 - Less than 1.5 percent of all Article 9-A taxpayers took advantage of one or more of the available business incentive tax credits.
 - The Empire Zone/Qualified Empire Zone Enterprise (EZ/QEZE) credits again comprised the majority of credits used and refunded at 53 percent of the total.
 - Corporations used and/or requested refunds of over \$160 million in EZ/QEZE credits in 2005.
 - The investment tax credit (ITC), including the ITC for financial services, accounted for nearly \$114 million in 2005 in credits used and refunded.
 - The Empire State film production credit rose from an insignificant amount in 2004 to \$14.2 million used and refunded in 2005.
 - The qualified emerging technology company facilities, operations, and training credit first became effective in 2005 and accounted for \$5.1 million in credits used and refunded.
 - The other 18 credits tax credits available in 2005 accounted for less than \$10 million, or 3.2 percent, of all credits used and refunded.

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 that 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 that taxpayers actually apply to their tax liability. ²
Credit Refunded	Unused credit amounts requested as a refund or applied against the next period's liability. 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 that is allowed to offset tax liability in future years. The amount of credit carried forward is determined by subtracting the amount of credit used and/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. Similarly, not all credit component distributions are provided. Secrecy considerations generally require the omission of credit refund tables.

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 paying either the fixed dollar minimum tax or the AMT. These bases could also include taxpayers who used credits strictly to 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 For credits where a limited number of claims triggers disclosure provisions, only credit component totals are displayed. In some cases, even this level of aggregation is not sufficient. Therefore, for certain credits no profiles are available.

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 corporation franchise tax before any credits.

Taxpayers permitted to take the investment tax credit (ITC), the employment incentive credit (EIC), the rehabilitation credit for historic barns, the retail enterprises tax credit, 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 report combined amounts. For consistency, this study presents the combined amount of credit earned. Similarly, all 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.⁵ The EZ 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 Empire State film production credit allows 50 percent of excess credit to be refunded in the first year with the remainder refundable in the second year.⁶

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

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 of excess credit.

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

Summary of Credit Activity

Tables in this report summarize tax credit activity by credit and component. The totals in the summary 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 file. The available data for all tables do not reflect changes made on audit or amended filings.

Overview of Credits Available During the 2005 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 a two-year credit determined by the original ITC base. The EIC rate equals:

- 1.5 percent of the ITC base if employment is at least 101 percent, but less than 102 percent of base year employment;
- 2 percent if employment is at least 102 percent, but less than 103 percent of base year employment;
- 2.5 percent if employment is 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.

Rehabilitation Credit for Retail Enterprises

Retail enterprises that qualify for a federal credit under IRC 47(c) (2) may claim a credit for rehabilitation expenditures. The credit rates are the same as the regular ITC and apply to property employed in retail sales.

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 five credits on the credit form, separate data for each does not appear in this report.)

ITC for the Financial Services Industry

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 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) ⁷ .
Qualified Empire Zone Enterprise (QEZE) Credits	Qualified Empire Zone Enterprises can receive a credit based on property taxes paid and a tax reduction credit. 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 an AMT 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 ⁸ 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 of 35 percent of the first \$6,000 in wages, up to \$2,100 per employee.
Alternative Fuels Credit ⁹	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	Credits are available to taxpayers that qualify as QETCs or to investors in such businesses. 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. The facilities, operations, and training credit consists of three components covering various costs, expenses, and fees associated with emerging technology activities.
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	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. The Department of Environmental Conservation (DEC) determines eligibility for the credit and the maximum credit amount allowable to the taxpayer.
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 to low income buildings for which an eligibility statement has been issued by the Commissioner of DHCR.
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 ¹⁰ 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.
Empire State Film Production 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 the following year ⁶ . The credit is administered by the Governor's Office for Motion Picture and Television Development.
Fuel Cell Electric Generating Equipment Credit	Taxpayers can claim a credit equal to the lesser of the cost of fuel cell electric generating equipment expenditures or \$1,500 per unit.
Brownfields Tax Credits	Three credits are available pertaining to remediated brownfields. The redevelopment credit rewards site preparation, groundwater cleanup, and on-site tangible property investment. A real property tax credit is available to developers who increase employment on the site. Finally, a credit is available to cover up to \$30,000 of the cost of environmental remediation insurance. These credits are administered jointly with DEC.
Security Officer Training Credit	Owners of certain buildings employing security personnel certified by the New York State Office of Homeland Security can receive a credit equal to \$3,000 per security officer.

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 credits to be applied against those bases. Where applicable, this is noted in the description of the particular credit.
3. The computation for credit carried forward does not apply to some credits. The QETC employment credit, QETC facilities, operations, and training credit, IMB credit, the QEZE credit for real property taxes, the security officer training credit, and the brownfields tax credits 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.

Amounts carried forward from one year may not match amounts reported as carried in for the following year for several reasons. Audit adjustments in one year will change the utilization of credit in future years. Changes in the filing composition of a taxpayer due to mergers, acquisitions, or divestitures may impact the amount of credit reported. Some taxpayers may go out of business altogether. Finally, on the study file, credit carry forwards are not perpetuated in the absence of a credit form. If a taxpayer fails to file a credit form, the amount of credit carried forward is eliminated from the file.

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 or current year credit claim forms may also result in discrepancies.
5. Legislation enacted as part of the 2005-2006 State budget allowed the QETC employment credit to be refundable to all businesses starting in 2005.
6. Legislation enacted as part of the 2008-2009 State budget amended the refund provisions to allow a full refund of the credit in the year it is claimed instead of a 50 percent refund across two years. The change was effective for taxable years beginning on or after January 1, 2008.
7. ZEAs expired effective June 13, 2004. Only carryforwards of unused credits are allowed.
8. 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.

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9. The credit for vehicles expired after 2004. Starting in 2005, the credit is available for alternative fuel vehicle refueling property only.
 10. 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 - 2004 and 2005

	2004 (\$ in millions)							
	Total	Unused	Total	Recaptured	Credit	Credit	Refundable	Credit
	Earned	Credit from the Prior Year	Credit Available	Credit	Claimed	Used	Credit ¹	Carried Forward
Investment Tax Credit	\$112.0	\$1,275.4	\$1,377.6	\$8.3	\$1,369.3	\$90.7	\$1.6	\$1,277.0
Investment Tax Credit for the Financial Services Industry	49.7	245.6	295.3	1.3	293.9	9.4	d/	284.4
Special Additional Mortgage Recording Tax Credit	4.6	1.0	5.6	0.0	5.6	1.4	1.7	2.4
Empire Zone Credits	327.5	691.6	1,019.1	0.9	1,017.9	78.5	107.1	817.6
Alternative Minimum Tax Credit	1.4	11.8	11.8	0.0	11.8	1.6	0.0	10.2
Mortgage Servicing Tax Credit	d/	d/	d/	d/	d/	d/	d/	d/
Farmers' School Tax Credit	1.0	0.1	1.1	0.0	1.1	0.0	0.9	0.2
Credit for Employment of Persons with Disabilities	0.1	0.1	0.2	0.0	0.2	0.1	0.0	0.1
Alternative Fuels Credit ²	0.3	1.0	1.4	0.0	1.4	0.7	0.0	0.6
QETC Employment Credit	0.1	0.9	1.0	0.0	1.0	0.0	0.1	0.8
QETC Capital Tax Credit	d/	d/	d/	d/	d/	d/	d/	d/
IMB Credit	3.4	0.0	3.4	0.0	3.4	0.5	2.9	0.0
Credit for Purchase of an Automated External Defibrillator	0.1	0.0	0.1	0.0	0.1	0.1	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	0.1	0.0	0.2	0.0	0.2	0.1	0.0	0.1
Empire State Film Production Credit	d/	d/	d/	d/	d/	d/	d/	d/
Total⁴	\$500.7	\$2,227.7	\$2,717.2	\$10.5	\$2,706.4	\$183.5	\$114.4	\$2,393.7

	2005 (\$ in millions)							
	Total	Unused	Total	Recaptured	Credit	Credit	Refundable	Credit
	Earned	Credit from the Prior Year	Credit Available	Credit	Claimed	Used	Credit ¹	Carried Forward
Investment Tax Credit	\$203.2	\$1,311.8	\$1,509.1	\$12.5	\$1,496.6	\$97.5	\$2.9	\$1,396.2
Investment Tax Credit for the Financial Services Industry	32.1	225.6	257.7	0.7	257.0	13.2	0.0	243.8
Special Additional Mortgage Recording Tax Credit	7.6	3.1	10.8	0.0	10.8	2.8	2.6	5.3
Empire Zone Credits	265.8	759.6	1,019.7	12.7	1,005.8	78.6	82.1	843.9
Alternative Minimum Tax Credit	2.9	12.1	14.4	0.0	14.4	0.4	0.0	14.0
Mortgage Servicing Tax Credit	d/	d/	d/	d/	d/	d/	d/	d/
Farmers' School Tax Credit	1.0	0.1	1.1	0.0	1.1	0.0	0.9	0.1
Credit for Employment of Persons with Disabilities	0.1	0.1	0.2	0.0	0.2	0.1	0.0	0.1
Alternative Fuels Credit ²	d/	d/	1.6	0.0	1.6	d/	0.0	d/
QETC Employment Credit	0.2	1.0	1.2	0.0	1.2	0.0	1.2	0.0
QETC Capital Tax Credit	d/	d/	d/	d/	d/	d/	d/	d/
QETC Facilities, Operations, and Training Credit	5.1	0.0	5.1	0.0	5.1	0.2	4.9	0.0
IMB Credit	0.5	0.0	0.5	0.0	0.5	0.1	0.4	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 ⁵	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long-Term Care Insurance Credit	0.2	0.1	0.2	0.0	0.2	0.1	0.0	0.1
Empire State Film Production Credit	25.1	d/	26.1	0.0	26.1	1.4	12.9	11.9
Fuel Cell Electric Generating Equipment Credit	d/	d/	d/	d/	d/	d/	d/	d/
Brownfield Tax Credits ⁵	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Security Officer Training Tax Credit ⁵	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total⁴	\$544.9	\$2,315.2	\$2,847.8	\$25.9	\$2,820.8	\$195.4	\$107.8	\$2,516.4

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 2004 and 2005, no corporations transferred credit to affiliates.

³ No credit was claimed in 2004 or 2005.

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.

⁵ No credit was claimed in 2005.

d/ Tax Law provisions prohibit disclosure of data.

Table 2: Profile of Total New York State Tax Credits – Credits Earned by Type - 2004 and 2005

Credit	2004		2005	
	Number of Taxpayers	Amount of Credit Earned	Number of Taxpayers	Amount of Credit Earned
Investment Tax Credit	1,593	\$111,970,721	1,459	\$203,211,871
Investment Tax Credit for the Financial Services Industry	42	49,709,599	35	32,117,730
Special Additional Mortgage Recording Credit	78	4,567,127	95	7,638,993
EZ Wage Tax Credit	550	45,289,594	540	36,138,978
EZ Capital Tax Credit	52	295,973	42	221,057
EZ Investment Tax Credit	410	142,207,879	404	110,247,136
EZ Investment Tax Credit for the Financial Services Industry	8	63,039	4	30,442
ZEA Wage Credit	77	17,969,579	na	na
QEZE Credit for Real Property Taxes	310	88,254,519	362	89,536,104
QEZE Tax Reduction Credit	328	33,463,908	314	29,671,858
Alternative Minimum Tax Credit	1,539	1,439,944	2,128	2,903,519
Mortgage Servicing Tax Credit	d/	d/	d/	d/
Farmers' School Tax Credit	134	1,041,554	129	1,008,720
Credit for Employment of Persons with Disabilities	32	114,287	25	82,283
Alternative Fuels Credit	6	333,445	d/	d/
OETC Employment Credit	10	109,000	20	237,670
OETC Capital Tax Credit	d/	d/	d/	d/
OETC Facilities, Operations, and Training Credit	na	na	47	5,111,080
IMB Credit	963	3,364,397	80	483,462
Credit for Purchase of an Automated External Defibrillator	23	62,500	21	21,943
Green Building Credit	0	0	0	0
Low-Income Housing Credit	d/	d/	0	0
Long-Term Care Insurance Credit	48	68,734	59	155,257
Empire State Film Production Credit	d/	d/	9	25,096,531
Fuel Cell Electric Generating Equipment Credit	na	na	d/	d/
Brownfield Tax Credits	na	na	0	0
Security Officer Training Tax Credit	na	na	0	0

d/ Tax Law provisions prohibit disclosure of data.

Table 3: Profile of Total New York State Tax Credits – Credits Claimed by Type - 2004 and 2005

Credit	2004		2005	
	Number of Taxpayers	Amount of Credit Claimed	Number of Taxpayers	Amount of Credit Claimed
Investment Tax Credit	2,655	\$1,369,253,843	2,391	\$1,496,637,937
Investment Tax Credit for the Financial Services Industry	53	293,925,278	48	256,989,853
Special Additional Mortgage Recording Credit	103	5,598,911	133	10,750,038
EZ Wage Tax Credit	789	130,970,895	773	120,383,427
EZ Capital Tax Credit	68	592,307	65	696,253
EZ Investment Tax Credit	520	704,506,986	509	715,696,684
EZ Investment Tax Credit for the Financial Services Industry	11	504,378	10	496,650
ZEA Wage Credit	124	59,998,671	73	56,330,309
QEZE Credit for Real Property Taxes	310	87,897,894	352	82,545,591
QEZE Tax Reduction Credit	328	33,463,908	314	29,671,858
Alternative Minimum Tax Credit	1,933	11,831,638	2,967	14,400,690
Mortgage Servicing Tax Credit	d/	d/	d/	d/
Farmers' School Tax Credit	135	1,095,800	131	1,072,903
Credit for Employment of Persons with Disabilities	53	217,637	41	176,945
Alternative Fuels Credit	7	1,366,457	3	1,550,965
QETC Employment Credit	21	971,433	29	1,190,278
QETC Capital Tax Credit	d/	d/	d/	d/
QETC Facilities, Operations, and Training Credit	na	na	47	5,111,080
IMB Credit	963	3,364,397	80	483,462
Credit for Purchase of an Automated External Defibrillator	23	62,500	21	21,943
Green Building Credit	0	0	0	0
Low-Income Housing Credit	d/	d/	0	0
Long-Term Care Insurance Credit	50	166,377	62	238,697
Empire State Film Production Credit	d/	d/	9	26,080,258
Fuel Cell Electric Generating Equipment Credit	na	na	d/	d/
Brownfield Tax Credits	na	na	0	0
Security Officer Training Tax Credit	na	na	0	0

d/ Tax Law provisions prohibit disclosure of data.

Table 4: Profile of Total New York State Tax Credits – Credits Used by Type - 2004 and 2005

Credit	2004		2005	
	Number of Taxpayers	Amount of Credit Used	Number of Taxpayers	Amount of Credit Used
Investment Tax Credit	1,891	\$90,653,213	1,680	\$97,549,078
Investment Tax Credit for the Financial Services Industry	43	9,439,963	42	13,235,877
Special Additional Mortgage Recording Credit	93	1,354,146	105	2,811,318
EZ Wage Tax Credit	485	17,279,119	492	17,964,603
EZ Capital Tax Credit	36	81,036	33	117,287
EZ Investment Tax Credit	264	20,760,493	258	18,217,721
EZ Investment Tax Credit for the Financial Services Industry	7	9,071	7	11,357
ZEA Wage Credit	87	16,993,825	44	4,493,651
QEZE Credit for Real Property Taxes	95	4,631,164	103	9,390,062
QEZE Tax Reduction Credit	287	18,739,623	304	28,448,262
Alternative Minimum Tax Credit	155	1,641,166	102	389,562
Mortgage Servicing Tax Credit	d/	d/	d/	d/
Farmers' School Tax Credit	20	24,225	26	34,780
Credit for Employment of Persons with Disabilities	33	95,041	27	65,947
Alternative Fuels Credit	4	725,340	d/	d/
OETC Employment Credit	12	47,471	9	28,180
OETC Capital Tax Credit	d/	d/	d/	d/
OETC Facilities, Operations, and Training Credit	na	na	20	230,097
IMB Credit	309	509,734	27	75,782
Credit for Purchase of an Automated External Defibrillator	22	61,215	14	18,055
Green Building Credit	0	0	0	0
Low-Income Housing Credit	d/	d/	0	0
Long-Term Care Insurance Credit	39	86,687	47	96,136
Empire State Film Production Credit	d/	d/	3	1,355,976
Fuel Cell Electric Generating Equipment Credit	na	na	d/	d/
Brownfield Tax Credits	na	na	0	0
Security Officer Training Tax Credit	na	na	0	0

d/ Tax Law provisions prohibit disclosure of data.

Table 5: Profile of Total New York State Tax Credits – Credits Refunded by Type - 2004 and 2005

Credit	2004		2005	
	Number of Taxpayers	Amount of Credit Refunded	Number of Taxpayers	Amount of Credit Refunded
Investment Tax Credit	50	\$1,625,174	34	\$2,886,803
Investment Tax Credit for the Financial Services Industry	d/	d/	0	0
Special Additional Mortgage Recording Credit	18	1,743,995	22	2,588,816
EZ Wage Tax Credit	208	8,332,483	144	4,914,269
EZ Capital Tax Credit	-	-	-	-
EZ Investment Tax Credit	59	14,193,800	58	4,011,974
EZ Investment Tax Credit for the Financial Services Industry	5	17,531	d/	d/
ZEA Wage Credit	14	1,257,797	-	-
QEZE Credit for Real Property Taxes	273	83,266,741	316	73,155,547
QEZE Tax Reduction Credit	-	-	-	-
Alternative Minimum Tax Credit	-	-	-	-
Mortgage Servicing Tax Credit	-	-	-	-
Farmers' School Tax Credit	118	898,784	115	907,342
Credit for Employment of Persons with Disabilities	-	-	-	-
Alternative Fuels Credit	0	0	0	0
QETC Employment Credit	8	87,609	28	1,162,098
QETC Capital Tax Credit	-	-	-	-
QETC Facilities, Operations, and Training Credit	na	na	46	4880984
IMB Credit	681	2,854,671	54	407,680
Credit for Purchase of an Automated External Defibrillator	-	-	-	-
Green Building Credit	-	-	-	-
Low-Income Housing Credit	-	-	-	-
Long-Term Care Insurance Credit	-	-	-	-
Empire State Film Production Credit	d/	d/	9	12,854,002
Fuel Cell Electric Generating Equipment Credit	na	na	-	-
Brownfield Tax Credits	na	na	0	0
Security Officer Training Tax Credit	na	na	0	0

d/ Tax Law provisions prohibit disclosure of data.

Table 6: Profile of Total New York State Tax Credits – Credits Carried Forward by Type - 2004 and 2005

Credit	2004		2005	
	Number of Taxpayers	Amount of Credit Carried Forward	Number of Taxpayers	Amount of Credit Carried Forward
Investment Tax Credit	2,244	\$1,276,975,445	2,008	\$1,396,202,055
Investment Tax Credit for the Financial Services Industry	35	284,397,722	26	243,753,972
Special Additional Mortgage Recording Credit	39	2,425,460	71	5,349,904
EZ Wage Tax Credit	702	105,359,274	686	97,504,555
EZ Capital Tax Credit	44	511,269	41	578,965
EZ Investment Tax Credit	481	669,552,702	474	693,466,989
EZ Investment Tax Credit for the Financial Services Industry	8	477,776	4	475,627
ZEA Wage Credit	87	41,747,046	63	51,836,659
QEZE Credit for Real Property Taxes	-	-	-	-
QEZE Tax Reduction Credit	-	-	-	-
Alternative Minimum Tax Credit	1,850	10,190,484	2,911	14,011,128
Mortgage Servicing Tax Credit	d/	d/	d/	d/
Farmers' School Tax Credit	20	172,791	22	130,781
Credit for Employment of Persons with Disabilities	35	122,596	28	110,998
Alternative Fuels Credit	3	641,117	d/	d/
QETC Employment Credit	11	836,353	-	-
QETC Capital Tax Credit	d/	d/	d/	d/
QETC Facilities, Operations, and Training Credit	na	na	-	-
IMB Credit	-	-	-	-
Credit for Purchase of an Automated External Defibrillator	-	-	-	-
Green Building Credit	0	0	0	0
Low-Income Housing Credit	d/	d/	0	0
Long-Term Care Insurance Credit	30	79,681	38	142,561
Empire State Film Production Credit	d/	d/	9	11,870,278
Fuel Cell Electric Generating Equipment Credit	na	na	d/	d/
Brownfield Tax Credits	na	na	-	-
Security Officer Training Tax Credit	na	na	-	-

d/ Tax Law provisions prohibit disclosure of data.

Table 7: New York State Investment Tax Credit by Basis of Taxation - 2005 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	267	\$18,795,998	9.25	\$7,570	\$70,397
Fixed Dollar Minimum Tax	695	140,687,272	69.23	5,099	202,428	
Capital Base	78	1,034,414	0.51	2,110	13,262	
Alternative Minimum Tax	419	42,694,187	21.01	10,014	101,895	
Total	1,459	\$203,211,871	100.00	\$6,436	\$139,282	

Credit Claimed	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Entire Net Income	340	\$52,464,148	3.51	\$9,877	\$154,306
Fixed Dollar Minimum Tax	1,287	882,184,778	58.94	29,040	685,458	
Capital Base	129	7,290,485	0.49	4,586	56,515	
Alternative Minimum Tax	635	554,698,526	37.06	43,596	873,541	
Total	2,391	\$1,496,637,937	100.00	\$25,918	\$625,946	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	299	\$21,271,828	21.81	\$7,320	\$71,143
Fixed Dollar Minimum Tax	741	13,081,919	13.41	924	17,654	
Capital Base	89	856,209	0.88	1,865	9,620	
Alternative Minimum Tax	551	62,339,122	63.91	3,278	113,138	
Total	1,680	\$97,549,078	100.00	\$2,225	\$58,065	

Credit Refunded	Basis of Taxation	Number of Taxpayers	Amount of Credit Refunded	% of Credit Refunded	Median Credit Refunded	Mean Credit Refunded
	Entire Net Income	d/	d/	d/	d/	d/
Fixed Dollar Minimum Tax	27	\$2,074,030	71.85	\$11,232	\$76,816	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	5	710,401	24.61	11,875	142,080	
Total	34	\$2,886,803	100.00	\$11,791	\$84,906	

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	66	\$31,090,568	2.23	\$58,583	\$471,069
Fixed Dollar Minimum Tax	1,254	867,028,828	62.10	28,102	691,411	
Capital Base	57	6,433,656	0.46	17,875	112,871	
Alternative Minimum Tax	631	491,649,003	35.21	34,549	779,158	
Total	2,008	\$1,396,202,055	100.00	\$30,617	\$695,320	

Table 8: New York State Investment Tax Credit by Major Industry Group - 2005 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	155	\$1,790,140	0.88	\$2,481	\$11,549
	Mining	21	942,878	0.46	10,591	44,899
	Utilities	4	4,665,885	2.30	867,860	1,166,471
	Construction	22	184,973	0.09	3,029	8,408
	Manufacturing	958	155,412,733	76.48	27,589	380,794
	Wholesale Trade	66	1,326,932	0.65	3,711	20,105
	Retail Trade	23	2,055,978	1.01	11,924	137,410
	Transportation & Warehousing	d/	d/	d/	d/	d/
	Information	57	5,477,841	2.70	5,837	96,102
	Finance and Insurance	4	13,199,799	6.50	29,383	3,299,950
	Real Estate, Rental, & Leasing	3	29,107	0.01	d/	9,702
	Professional, Scientific, & Technical Services	66	11,973,102	5.89	7,509	181,411
	Management of Companies & Enterprises	43	4,223,566	2.08	8,891	98,222
	Administrative & Support & Waste Management & Remediation Services	8	186,609	0.09	4,461	23,326
	Educational Services	d/	d/	d/	d/	d/
	Health Care & Social Assistance	17	674,071	0.33	11,471	39,651
	Arts, Entertainment, & Recreation	4	105,672	0.05	1,337	26,418
	Accommodation & Food Services	d/	d/	d/	d/	d/
	Other Services (except Public Administration)	4	7,791	0.00	1,999	1,948
	Public Administration	0	0	0.00	0	0
	Total	1,459	\$203,211,871	100.00	\$6,436	\$139,282

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	222	\$15,911,179	1.06	\$20,670	\$71,672
	Mining	25	4,097,294	0.27	60,112	163,892
	Utilities	6	35,009,315	2.34	1,467,903	5,834,886
	Construction	45	1,992,066	0.13	14,520	44,268
	Manufacturing	1,588	1,034,774,692	69.14	112,029	1,748,350
	Wholesale Trade	118	15,261,304	1.02	11,849	129,333
	Retail Trade	37	10,973,165	0.73	39,271	476,664
	Transportation & Warehousing	5	1,235,441	0.08	33,998	247,088
	Information	82	15,802,663	1.06	20,405	192,715
	Finance and Insurance	6	107,397,195	7.18	719,284	17,899,533
	Real Estate, Rental, & Leasing	11	835,267	0.06	5,000	75,933
	Professional, Scientific, & Technical Services	108	213,804,088	14.29	17,938	1,979,667
	Management of Companies & Enterprises	62	32,996,718	2.20	72,649	532,205
	Administrative & Support & Waste Management & Remediation Services	9	3,375,862	0.23	44,154	375,096
	Educational Services	d/	d/	d/	d/	d/
	Health Care & Social Assistance	50	2,758,550	0.18	10,043	55,171
	Arts, Entertainment, & Recreation	4	125,785	0.01	11,112	31,446
	Accommodation & Food Services	d/	d/	d/	d/	d/
	Other Services (except Public Administration)	8	172,399	0.01	15,847	21,550
	Public Administration	0	0	0.00	0	0
	Total	2,391	\$1,496,637,937	100.00	\$25,918	\$625,946

d/ Tax Law provisions prohibit disclosure of data.

Table 8: New York State Investment Tax Credit by Major Industry Group - 2005 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	154	\$581,484	0.60	\$806	\$3,776
Mining	21	644,919	0.66	2,070	30,710	
Utilities	6	3,710,950	3.80	162,295	618,492	
Construction	32	140,502	0.14	1,710	4,391	
Manufacturing	1,145	42,678,309	43.75	7,326	129,998	
Wholesale Trade	85	1,345,247	1.38	2,432	15,826	
Retail Trade	28	1,914,681	1.96	3,789	120,563	
Transportation & Warehousing	3	943,620	0.97	d/	314,540	
Information	61	5,795,228	5.94	3,933	95,004	
Finance and Insurance	4	145,4995	1.49	107,995	363,749	
Real Estate, Rental, & Leasing	4	5,240	0.01	1364	1310	
Professional, Scientific, & Technical Services	64	30,778,450	31.55	2,201	480,913	
Management of Companies & Enterprises	44	6,449,645	6.61	8,010	146,583	
Administrative & Support & Waste Management & Remediation Services	6	888,893	0.91	665	148,149	
Educational Services	d/	d/	d/	d/	d/	
Health Care & Social Assistance	14	100,053	0.10	498	7,147	
Arts, Entertainment, & Recreation	4	108,226	0.11	2,416	27,057	
Accommodation & Food Services	d/	d/	d/	d/	d/	
Other Services (except Public Administration)	3	1,414	0.00	d/	471	
Public Administration	0	0	0.00	0	0	
Total	1,680	\$97,549,078	100.00	\$2,225	\$58,065	

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	215	\$15,329,074	1.10	\$21,279	\$71,298
Mining	20	3,452,375	0.25	76,794	172,619	
Utilities	3	31,298,365	2.24	d/	10,432,788	
Construction	40	1,851,564	0.13	15,368	46,289	
Manufacturing	1,331	990,732,390	70.96	127,265	1,966,588	
Wholesale Trade	96	13,916,000	1.00	11,481	144,958	
Retail Trade	27	9,058,484	0.65	33,481	541,935	
Transportation & Warehousing	4	291,821	0	21,930	72,955	
Information	52	10,007,435	0.72	17,742	192,451	
Finance and Insurance	4	105,942,200	7.59	1,695,650	26,485,550	
Real Estate, Rental, & Leasing	10	830,027	0.06	5036	83,003	
Professional, Scientific, & Technical Services	88	181,527,772	13.00	19,946	2,062,816	
Management of Companies & Enterprises	48	26,547,073	1.90	164,507	553,064	
Administrative & Support & Waste Management & Remediation Services	8	2,482,116	0.18	46,515	310,265	
Educational Services	0	0	0	0	0	
Health Care & Social Assistance	48	2,639,083	0.19	10,043	54,981	
Arts, Entertainment, & Recreation	d/	d/	d/	d/	d/	
Accommodation & Food Services	d/	d/	d/	d/	d/	
Other Services (except Public Administration)	8	170,985	0.01	15,847	21,373	
Public Administration	0	0	0.00	0	0	
Total	2,008	\$1,396,202,055	100.00	\$30,617	\$695,320	

d/ Tax Law provisions prohibit disclosure of data.

Table 9: New York State Investment Tax Credit by Size of Entire Net Income - 2005 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		605	\$139,331,233	68.56	\$5,296	\$230,300
	\$ 1	- \$ 99,999	343	2,558,904	1.26	2,250	7,460
	100,000	- 499,999	130	1,992,706	0.98	6,196	15,329
	500,000	- 999,999	58	1,407,028	0.69	7,900	24,259
	1,000,000	- 24,999,999	221	16,275,048	8.01	15,610	73,643
	25,000,000	- 49,999,999	30	5,285,221	2.60	73,680	176,174
	50,000,000	- 99,999,999	21	5,010,207	2.47	100,577	238,581
	100,000,000	- 499,999,999	39	18,004,770	8.86	97,656	461,661
	500,000,000	- and over	12	13,346,754	6.57	583,986	1,112,230
	Total		1,459	\$203,211,871	100.00	\$6,436	\$139,282

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		1,076	\$903,500,346	60.37	\$29,316	\$839,684
	\$ 1	- \$ 99,999	667	29,050,559	1.94	13,697	43,554
	100,000	- 499,999	183	22,499,379	1.50	31,957	122,947
	500,000	- 999,999	80	15,529,433	1.04	24,991	194,118
	1,000,000	- 24,999,999	270	124,964,125	8.35	58,550	462,830
	25,000,000	- 49,999,999	37	82,523,568	5.51	450,230	2,230,367
	50,000,000	- 99,999,999	21	37,102,515	2.48	239,858	1,766,786
	100,000,000	- 499,999,999	44	69,510,256	4.64	192,141	1,579,779
	500,000,000	- and over	13	211,957,756	14.16	290,155	16,304,443
	Total		2,391	\$1,496,637,937	100.00	\$25,918	\$625,946

Table 9: New York State Investment Tax Credit by Size of Entire Net Income - 2005 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		591	\$10,703,707	10.97	\$1,202	\$18,111
	\$ 1	- \$ 99,999	509	740,192	0.76	983	1,454
	100,000	- 499,999	162	1,291,043	1.32	5,648	7,969
	500,000	- 999,999	72	1,355,142	1.39	14,922	18,821
	1,000,000	- 24,999,999	233	12,618,553	12.94	26,767	54,157
	25,000,000	- 49,999,999	36	8,056,154	8.26	134,671	223,782
	50,000,000	- 99,999,999	21	4,122,271	4.23	118,998	196,299
	100,000,000	- 499,999,999	43	18,369,931	18.83	176,964	427,208
	500,000,000	- and over	13	40,292,085	41.30	290,155	3,099,391
	Total		1,680	\$97,549,078	100.00	\$2,225	\$58,065

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		999	\$890,428,878	63.78	\$31,682	\$891,320
	\$ 1	- \$ 99,999	614	28,151,577	2.02	16,088	45,849
	100,000	- 499,999	147	20,848,083	1.49	47,370	141,824
	500,000	- 999,999	51	14,174,291	1.02	100,213	277,927
	1,000,000	- 24,999,999	146	112,345,572	8.05	170,835	769,490
	25,000,000	- 49,999,999	23	74,467,414	5.33	1,098,365	3,237,714
	50,000,000	- 99,999,999	9	32,980,244	2.36	673,822	3,664,472
	100,000,000	- 499,999,999	16	51,140,325	3.66	2,133,485	3,196,270
	500,000,000	- and over	3	171,665,671	12.30	d/	57,221,890
	Total		2,008	\$1,396,202,055	100.00	\$30,617	\$695,320

Table 10: New York State Investment Tax Credit by Size of Credit Used - 2005 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/	d/
	Zero				311	\$16,914,148	8.32	\$4,083	\$54,386
	\$	1	-	\$ 499	185	801,858	0.39	1,061	4,334
		500	-	999	d/	d/	d/	d/	d/
		1,000	-	4,999	337	6,271,072	3.09	3,725	18,609
		5,000	-	9,999	118	2,016,319	0.99	8,558	17,087
		10,000	-	24,999	126	91,293,320	44.93	17,182	724,550
		25,000	-	49,999	76	3,739,818	1.84	36,460	49,208
		50,000	-	99,999	64	7,516,262	3.70	63,172	117,442
		100,000	-	499,999	88	31,224,607	15.37	158,758	354,825
		500,000	-	and over	23	42,796,662	21.06	837,068	1,860,724
	Total				1,459	\$203,211,871	100.00	\$6,436	\$139,282
Credit Claimed	Size of Credit Used				Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Negative*				5	-\$78,036	-0.01	-\$10,461	-\$15,607
	Zero				711	225,902,064	15.09	19,771	317,724
	\$	1	-	\$ 499	353	12,785,036	0.85	10,753	36,218
		500	-	999	227	14,144,293	0.95	11,613	62,310
		1,000	-	4,999	507	45,101,511	3.01	23,779	88,958
		5,000	-	9,999	144	29,219,031	1.95	33,988	202,910
		10,000	-	24,999	154	211,546,563	14.13	42,111	1,373,679
		25,000	-	49,999	95	35,095,325	2.34	92,354	369,424
		50,000	-	99,999	70	96,878,070	6.47	217,633	1,383,972
		100,000	-	499,999	98	419,393,160	28.02	591,622	4,279,522
		500,000	-	and over	27	406,650,920	27.17	2,700,749	15,061,145
	Total				2,391	\$1,496,637,937	100.00	\$25,918	\$625,946

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

Table 10: New York State Investment Tax Credit by Size of Credit Used - 2005 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
	\$		\$					
				5	-\$78,036	-0.08	-\$10,461	-\$15,607
				0	0	0.00	0	0
	\$	1 -	\$ 499	353	74,804	0.08	203	212
		500 -	999	227	165,936	0.17	719	731
		1,000 -	4,999	507	1,234,149	1.27	2,210	2,434
		5,000 -	9,999	144	1,031,524	1.06	6,962	7,163
		10,000 -	24,999	154	2,466,048	2.53	15,182	16,013
		25,000 -	49,999	95	3,280,329	3.36	32,792	34,530
		50,000 -	99,999	70	5,000,842	5.13	71,799	71,441
		100,000 -	499,999	98	21,984,291	22.54	197,654	224,330
		500,000 -	and over	27	62,389,191	63.96	939,020	2,310,711
			Total	1,680	\$97,549,078	100.00	\$2,225	\$58,065

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
	\$		\$					
				0	\$0	0.00	\$0	\$0
				693	225,448,612	16.15	20,583	325,323
	\$	1 -	\$ 499	301	12,701,804	0.91	14,269	42,199
		500 -	999	189	13,955,506	1.00	17,682	73,839
		1,000 -	4,999	415	42,280,001	3.03	32,894	101,880
		5,000 -	9,999	103	27,860,004	2.00	89,919	270,485
		10,000 -	24,999	99	209,019,706	14.97	155,541	2,111,310
		25,000 -	49,999	67	31,814,996	2.28	202,484	474,851
		50,000 -	99,999	52	91,450,828	6.55	314,484	1,758,670
		100,000 -	499,999	71	397,408,869	28.46	1,228,411	5,597,308
		500,000 -	and over	18	344,261,729	24.66	3,375,380	19,125,652
			Total	2,008	\$1,396,202,055	100.00	\$30,617	\$695,320

* "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 - 2005 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	17	\$3,045,381	9.48	\$33,560	\$179,140
Fixed Dollar Minimum Tax	6	6,703,083	20.87	36,184	1,117,181	
Capital Base	5	164,150	0.51	47,585	32,830	
Alternative Minimum Tax	7	22,205,116	69.14	3,019,676	3,172,159	
Total	35	\$32,117,730	100.00	\$47,585	\$917,649	

Credit Claimed	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Entire Net Income	20	\$11,457,018	4.46	\$63,509	\$572,851
Fixed Dollar Minimum Tax	9	36,402,416	14.16	36,873	4,044,713	
Capital Base	8	310,772	0.12	39,407	38,847	
Alternative Minimum Tax	11	208,819,647	81.26	34,928	18,983,604	
Total	48	\$256,989,853	100.00	\$50,073	\$5,353,955	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	18	\$3,751,303	28.34	\$38,868	\$208,406
Fixed Dollar Minimum Tax	7	2,032,237	15.35	10,123	290,320	
Capital Base	7	255,238	1.93	31,228	36,463	
Alternative Minimum Tax	10	7,197,099	54.38	14,979	719,710	
Total	42	\$13,235,877	100.00	\$19,728	\$315,140	

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	9	\$34,370,179	14.10	\$21,845	\$3,818,909	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	11	201,622,547	82.72	9,699	18,329,322	
Total	26	\$243,753,972	100.00	\$26,257	\$9,375,153	

d/ Tax Law provisions prohibit disclosure of data.

Table 12: New York State Special Additional Mortgage Recording Tax Credit by Basis of Taxation - 2005 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	\$909,415	11.90	\$5,277
	Fixed Dollar Minimum Tax	46	2,915,628	38.17	6,842	63,383
	Capital Base	19	47,276	0.62	1,250	2,488
	Alternative Minimum Tax	19	3,766,674	49.31	55,059	198,246
	Total	95	\$7,638,993	100.00	\$5,492	\$80,410

Credit Claimed	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
		Entire Net Income	12	\$969,494	9.02	\$5,868
	Fixed Dollar Minimum Tax	62	3,496,188	32.52	4,922	56,390
	Capital Base	37	62,498	0.58	901	1,689
	Alternative Minimum Tax	22	6,221,858	57.88	42,530	282,812
	Total	133	\$10,750,038	100.00	\$3,295	\$80,827

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	\$966,199	34.37	\$6,851
	Fixed Dollar Minimum Tax	43	194,828	6.93	776	4,531
	Capital Base	31	41,772	1.49	901	1,347
	Alternative Minimum Tax	20	1,608,519	57.22	12,524	80,426
	Total	105	\$2,811,318	100.00	\$1,250	\$26,774

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/
	Fixed Dollar Minimum Tax	46	\$2,309,763	43.17	\$2,124	\$50,212
	Capital Base	d/	d/	d/	d/	d/
	Alternative Minimum Tax	16	3,016,120	56.38	15,991	188,508
	Total	71	\$5,349,904	100.00	\$2,830	\$75,351

d/ Tax Law provisions prohibit disclosure of data.

Table 13: New York State EZ Wage Tax Credit by Basis of Taxation - 2005 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	173	\$16,467,475	45.57	\$21,500	\$95,188
Fixed Dollar Minimum Tax	229	13,462,479	37.25	17,250	58,788	
Capital Base	46	2,225,517	6.16	15,750	48,381	
Alternative Minimum Tax	92	3,983,507	11.02	14,625	43,299	
Total	540	\$36,138,978	100.00	\$18,003	\$66,924	

Credit Claimed	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Entire Net Income	229	\$35,682,370	29.64	\$39,375	\$155,818
Fixed Dollar Minimum Tax	336	63,372,643	52.64	36,563	188,609	
Capital Base	87	9,111,569	7.57	26,322	104,731	
Alternative Minimum Tax	121	12,216,845	10.15	26,533	100,966	
Total	773	\$120,383,427	100.00	\$34,125	\$155,735	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	168	\$10,913,386	60.75	\$5,225	\$64,961
Fixed Dollar Minimum Tax	145	4,216,128	23.47	1,211	29,077	
Capital Base	82	985,654	5.49	867	12,020	
Alternative Minimum Tax	97	1,849,435	10.29	2,507	19,066	
Total	492	\$17,964,603	100.00	\$2,035	\$36,513	

Credit Refunded	Basis of Taxation	Number of Taxpayers	Amount of Credit Refunded	% of Credit Refunded	Median Credit Refunded	Mean Credit Refunded
	Entire Net Income	32	\$1,788,442	36.39	\$16,828	\$55,889
Fixed Dollar Minimum Tax	91	2,729,133	55.53	8,813	29,990	
Capital Base	7	129,004	2.63	14,625	18,429	
Alternative Minimum Tax	14	267,690	5.45	23,532	19,121	
Total	144	\$4,914,269	100.00	\$11,063	\$34,127	

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	172	\$22,980,541	23.57	\$36,456	\$133,608
Fixed Dollar Minimum Tax	329	56,427,371	57.87	31,268	171,512	
Capital Base	82	7,996,923	8.20	27,967	97,523	
Alternative Minimum Tax	103	10,099,720	10.36	25,740	98,056	
Total	686	\$97,504,555	100.00	\$30,673	\$142,135	

Table 14: New York State EZ Wage Tax Credit by Major Industry Group - 2005 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/
	Mining	d/	d/	d/	d/	d/
	Utilities	6	\$395,875	1.10	\$36,875	\$65,979
	Construction	29	587,914	1.63	12,375	20,273
	Manufacturing	175	15,351,918	42.48	86,125	265,877
	Wholesale Trade	65	4,579,375	12.67	18,005	70,452
	Retail Trade	58	4,781,085	13.23	31,125	228,360
	Transportation & Warehousing	23	2,218,250	6.14	71,438	132,944
	Information	5	339,250	0.94	57,000	67,850
	Finance and Insurance	11	253,891	0.70	3,000	23,081
	Real Estate, Rental, & Leasing	49	456,529	1.26	1,500	9,317
	Professional, Scientific, & Technical Services	32	1,171,504	3.24	13,563	36,610
	Management of Companies & Enterprises	19	1,647,251	4.56	31,185	86,697
	Administrative & Support & Waste Management & Remediation Services	12	1,056,125	2.92	55,563	88,010
	Educational Services	d/	d/	d/	d/	d/
	Health Care & Social Assistance	14	1,286,975	3.56	7,125	91,927
	Arts, Entertainment, & Recreation	10	1,330,161	3.68	34,344	133,016
	Accommodation & Food Services	17	245,250	0.68	10,500	14,426
	Other Services (except Public Administration)	10	314,250	0.87	14,438	31,425
	Public Administration	0	0	0.00	0	0
	Total	540	\$36,138,978	100.00	\$18,003	\$66,924
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	d/	d/	d/	d/	d/
	Mining	d/	d/	d/	d/	d/
	Utilities	6	\$826,778	0.69	\$85,564	\$137,796
	Construction	38	1,207,212	1.00	12,938	31,769
	Manufacturing	285	64,931,201	53.94	176,333	604,645
	Wholesale Trade	85	12,297,772	10.22	34,602	144,680
	Retail Trade	81	8,795,778	7.31	49,259	272,256
	Transportation & Warehousing	35	7,362,346	6.12	94,510	262,602
	Information	12	1,238,827	1.03	73,313	103,236
	Finance and Insurance	14	651,619	0.54	11,715	46,544
	Real Estate, Rental, & Leasing	54	901,177	0.75	3,578	16,688
	Professional, Scientific, & Technical Services	52	4,797,632	3.99	35,313	92,262
	Management of Companies & Enterprises	23	7,287,470	6.05	54,902	316,847
	Administrative & Support & Waste Management & Remediation Services	16	2,883,092	2.39	79,313	180,193
	Educational Services	d/	d/	d/	d/	d/
	Health Care & Social Assistance	18	2,463,816	2.05	17,040	136,879
	Arts, Entertainment, & Recreation	10	2,256,907	1.87	68,150	225,691
	Accommodation & Food Services	20	518,372	0.43	20,063	25,919
	Other Services (except Public Administration)	18	1,671,720	1.39	30,311	92,873
	Public Administration	0	0	0.00	0	0
	Total	773	\$120,383,427	100.00	\$34,125	\$155,735

d/ Tax Law provisions prohibit disclosure of data.

Table 14: New York State EZ Wage Tax Credit by Major Industry Group - 2005 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	d/	d/	d/	d/	d/
	Mining	d/	d/	d/	d/	d/
	Utilities	4	\$531,745	2.96	\$85,364	\$132,936
	Construction	26	94,822	0.53	1,198	3,647
	Manufacturing	169	6,673,581	37.15	8,000	100,736
	Wholesale Trade	68	1,713,928	9.54	2,641	25,205
	Retail Trade	64	5,425,839	30.20	7,302	246,962
	Transportation & Warehousing	27	1,158,286	6.45	2,815	46,779
	Information	8	163,566	0.91	13695	20,446
	Finance and Insurance	8	52,698	0.29	1,790	6,587
	Real Estate, Rental, & Leasing	27	72566	0.40	1500	2688
	Professional, Scientific, & Technical Services	36	542,250	3.02	1,302	15,063
	Management of Companies & Enterprises	13	996,422	5.55	17,614	76,648
	Administrative & Support & Waste Management & Remediation Services	7	96,713	0.54	1,986	13,816
	Educational Services	0	0	0.00	0	0
	Health Care & Social Assistance	8	122,989	0.68	3,423	15,374
	Arts, Entertainment, & Recreation	7	258031	1.44	5272	36862
	Accommodation & Food Services	5	18,222	0.10	4702	3,644
	Other Services (except Public Administration)	13	42,539	0.24	1,517	3,272
	Public Administration	0	0	0.00	0	0
	Total	492	\$17,964,603	100.00	\$2,035	\$36,513
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	d/	d/	d/	d/	d/
	Mining	d/	d/	d/	d/	d/
	Utilities	4	\$275,970	0.28	\$76,033	\$68,993
	Construction	32	1,083,653	1.11	18,085	33,864
	Manufacturing	259	54,903,506	56.31	149,876	555,606
	Wholesale Trade	73	10,205,404	10.47	25,761	139,800
	Retail Trade	64	3,327,449	3.41	32,072	95,582
	Transportation & Warehousing	30	6,097,184	6.25	93,850	252,308
	Information	12	978,886	1.00	56,533	81,574
	Finance and Insurance	12	530,792	0.54	6,374	44,233
	Real Estate, Rental, & Leasing	46	824,752	0.85	3,000	17,929
	Professional, Scientific, & Technical Services	50	3,940,298	4.04	28,355	78,806
	Management of Companies & Enterprises	22	6,165,047	6.32	52,591	280,229
	Administrative & Support & Waste Management & Remediation Services	14	2,585,003	2.65	89,755	184,643
	Educational Services	d/	d/	d/	d/	d/
	Health Care & Social Assistance	17	2,317,577	2.38	18,256	136,328
	Arts, Entertainment, & Recreation	9	1,932,782	1.98	55957	214,754
	Accommodation & Food Services	18	435,462	0.45	19,319	24,192
	Other Services (except Public Administration)	18	1,626,931	1.67	26,925	90,385
	Public Administration	0	0	0.00	0	0
	Total	686	\$97,504,555	100.00	\$30,673	\$142,135

d/ Tax Law provisions prohibit disclosure of data.

Table 15: New York State EZ Wage Tax Credit by Size of Entire Net Income - 2005 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				216	\$13,045,873	36.10	\$16,500
\$ 1 - \$ 99,999				126	2,166,586	6.00	8,125	17,195
100,000 - 499,999				71	2,681,969	7.42	18,375	37,774
500,000 - 999,999				21	699,262	1.93	18,875	33,298
1,000,000 - 24,999,999				64	6,730,838	18.62	45,825	105,169
25,000,000 - 49,999,999				7	925,750	2.56	154,125	132,250
50,000,000 - 99,999,999				6	778,510	2.15	69,688	129,752
100,000,000 - 499,999,999				20	4,929,300	13.64	97,438	246,465
500,000,000 - and over				9	4,180,890	11.57	322,875	464,543
Total				540	\$36,138,978	100.00	\$18,003	\$66,924

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				324	\$47,862,283	39.76	\$31,384
\$ 1 - \$ 99,999				195	10,273,068	8.53	18,750	52,682
100,000 - 499,999				98	8,232,127	6.84	31,000	84,001
500,000 - 999,999				30	2,820,264	2.34	39,524	94,009
1,000,000 - 24,999,999				79	17,425,221	14.47	94,096	220,572
25,000,000 - 49,999,999				9	2,126,363	1.77	154,125	236,263
50,000,000 - 99,999,999				8	6,695,487	5.56	136,688	836,936
100,000,000 - 499,999,999				20	9,352,222	7.77	231,800	467,611
500,000,000 - and over				10	15,596,392	12.96	633,758	1,559,639
Total				773	\$120,383,427	100.00	\$34,125	\$155,735

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				154	\$1,544,448	8.60	\$1,041
\$ 1 - \$ 99,999				148	186,283	1.04	794	1,259
100,000 - 499,999				71	365,094	2.03	4,500	5,142
500,000 - 999,999				22	263,553	1.47	11,250	11,980
1,000,000 - 24,999,999				57	2,521,127	14.03	26,287	44,230
25,000,000 - 49,999,999				7	960,874	5.35	29,625	137,268
50,000,000 - 99,999,999				7	554,900	3.09	68,500	79,271
100,000,000 - 499,999,999				16	4,125,967	22.97	194,056	257,873
500,000,000 - and over				10	7,442,357	41.43	633,758	744,236
Total				492	\$17,964,603	100.00	\$2,035	\$36,513

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				317	\$43,661,494	44.78	\$28,488
\$ 1 - \$ 99,999				186	9,749,277	10.00	19,509	52,415
100,000 - 499,999				80	7,432,747	7.62	38,780	92,909
500,000 - 999,999				24	2,480,241	2.54	73,652	103,343
1,000,000 - 24,999,999				60	13,814,493	14.17	109,945	230,242
25,000,000 - 49,999,999				d/	d/	d/	d/	d/
50,000,000 - 99,999,999				5	5,937,524	6.09	859,920	1,187,505
100,000,000 - 499,999,999				9	5,109,255	5.24	229,600	567,695
500,000,000 - and over				d/	d/	d/	d/	d/
Total				686	\$97,504,555	100.00	\$30,673	\$142,135

d/ Tax Law provisions prohibit disclosure of data.

Table 16: New York State EZ Wage Tax Credit by Size of Credit Used - 2005 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				209	\$15,007,681	41.53	\$19,500
\$	1	-	\$ 499	61	849,888	2.35	8,250	13,933
	500	-	999	38	483,319	1.34	6,750	12,719
	1,000	-	4,999	99	2,494,536	6.90	10,875	25,197
	5,000	-	9,999	44	1,467,850	4.06	17,628	33,360
	10,000	-	24,999	32	1,905,721	5.27	26,813	59,554
	25,000	-	49,999	15	936,775	2.59	43,650	62,452
	50,000	-	99,999	16	2,385,875	6.60	88,500	149,117
	100,000	-	499,999	16	5,719,568	15.83	273,125	357,473
	500,000	-	and over	10	4,887,765	13.52	471,188	488,777
	Total			540	\$36,138,978	100.00	\$18,003	\$66,924

Credit Claimed	Size of Credit Used			Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Zero				281	\$40,748,241	33.85	\$38,000
\$	1	-	\$ 499	101	3,510,551	2.92	16,567	34,758
	500	-	999	64	3,147,263	2.61	13,125	49,176
	1,000	-	4,999	147	8,943,265	7.43	26,191	60,839
	5,000	-	9,999	56	5,036,499	4.18	36,380	89,937
	10,000	-	24,999	48	7,322,372	6.08	31,238	152,549
	25,000	-	49,999	25	4,387,365	3.64	92,116	175,495
	50,000	-	99,999	20	12,143,079	10.09	140,977	607,154
	100,000	-	499,999	20	16,483,479	13.69	329,813	824,174
	500,000	-	and over	11	18,661,313	15.50	850,959	1,696,483
	Total			773	\$120,383,427	100.00	\$34,125	\$155,735

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
\$	1	-	\$ 499	101	24,335	0.14	232	241
	500	-	999	64	44,601	0.25	683	697
	1,000	-	4,999	147	328,849	1.83	1,851	2,237
	5,000	-	9,999	56	397,928	2.22	6,996	7,106
	10,000	-	24,999	48	794,546	4.42	16,162	16,553
	25,000	-	49,999	25	884,383	4.92	34,369	35,375
	50,000	-	99,999	20	1,439,858	8.02	70,400	71,993
	100,000	-	499,999	20	4,406,274	24.53	192,908	220,314
	500,000	-	and over	11	9,643,829	53.68	744,054	876,712
	Total			492	\$17,964,603	100.00	\$2,035	\$36,513

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				281	\$36,463,745	37.40	\$35,250
\$	1	-	\$ 499	95	3,355,263	3.44	16,697	35,319
	500	-	999	60	3,066,843	3.15	14,365	51,114
	1,000	-	4,999	127	8,341,366	8.55	29,814	65,680
	5,000	-	9,999	39	4,500,976	4.62	51,194	115,410
	10,000	-	24,999	34	6,503,826	6.67	74,065	191,289
	25,000	-	49,999	19	3,474,626	3.56	121,611	182,875
	50,000	-	99,999	15	10,703,221	10.98	95,585	713,548
	100,000	-	499,999	12	12,077,205	12.39	294,573	1,006,434
	500,000	-	and over	4	9,017,484	9.25	307,598	2,254,371
	Total			686	\$97,504,555	100.00	\$30,673	\$142,135

Table 17: New York State ZEA Wage Tax Credit by Basis of Taxation - 2005 Liability Year*

Credit Claimed	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Entire Net Income	26	\$9,411,492	16.71	\$130,791	\$361,980
Fixed Dollar Minimum Tax	20	6,916,971	12.28	128,660	345,849	
Capital Base	16	12,141,309	21.55	305,875	758,832	
Alternative Minimum Tax	11	27,860,537	49.46	422,696	2,532,776	
Total	73	\$56,330,309	100.00	\$158,320	\$771,648	

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	\$1,939,957	43.17	\$15,185	\$92,379
Fixed Dollar Minimum Tax	5	38,461	0.86	1,298	7,692	
Capital Base	12	2,147,304	47.79	101,644	178,942	
Alternative Minimum Tax	6	367,929	8.19	28,885	61,322	
Total	44	\$4,493,651	100.00	\$35,190	\$102,128	

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	19	\$7,471,536	14.41	\$176,250	\$393,239
Fixed Dollar Minimum Tax	20	6,878,510	13.27	128,320	343,926	
Capital Base	14	9,994,005	19.28	197,750	713,858	
Alternative Minimum Tax	10	27,492,608	53.04	491,426	2,749,261	
Total	63	\$51,836,659	100.00	\$149,500	\$822,804	

d/ Tax Law provisions prohibit disclosure of data.

* The ZEA wage tax credit expired on June 13, 2004. Taxpayers can no longer earn any new credit but may carry unused credit forward until completely used.

Table 18: New York State EZ Wage Tax Credit by Empire Zone* - 2005 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)	\$678,250	\$1,454,025	\$92,210	\$105,125	\$1,256,690
Albany County	298,875	821,963	29,559	112,125	680,279
Amsterdam	d/	d/	d/	d/	d/
Auburn	654,375	2,905,160	69,597	237,626	2,597,938
Brookhaven	d/	d/	d/	d/	d/
Broome County	154,125	7,742,775	117,086	0	7,625,689
Buffalo	3,184,015	5,835,326	442,084	1,041,014	4,352,228
Cattaraugus County	129,875	275,301	49,609	8,625	217,067
Clinton County	d/	d/	d/	d/	d/
Columbia County	d/	d/	d/	d/	d/
Cortland County	103,500	189,826	3,302	16,875	169,650
Dunkirk/Sheridan	998,060	2,060,938	86,093	440,533	1,534,312
Dutchess County	199,875	2,429,632	179,173	54,750	2,195,709
East Harlem	d/	d/	d/	d/	d/
East New York	531,375	3,356,770	43,678	37,938	3,275,154
Elmira	341,500	1,266,471	20,544	14,250	1,231,677
Essex County/Moriah-Port Henry	82,500	584,514	8,596	12,750	563,167
Franklin County	d/	d/	d/	d/	d/
Friendship	d/	d/	d/	d/	d/
Fulton	d/	d/	d/	d/	d/
Genesee County	517,125	688,911	87,692	35,125	566,094
Geneva	d/	d/	d/	d/	d/
Gloversville	d/	d/	d/	d/	d/
Greater Jamestown	688,950	2,587,657	422,275	50,286	2,115,096
Hornell	d/	d/	d/	d/	d/
Hunts Point	111,000	542,316	6,628	0	535,688
Islip	d/	d/	d/	d/	d/
Kingston	787,740	1,720,187	563,951	105,375	1,050,861
Lackawanna	d/	d/	d/	d/	d/
Lewis County	d/	d/	d/	d/	d/
Madison County	d/	d/	d/	d/	d/
Monroe County	553,166	754,540	177,821	1,500	575,219
Mount Vernon	250,875	1,452,009	213,610	64,357	1,174,043
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* - 2005 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	294,250	1,970,175	209,901	0	1,760,274
Norwich	d/	d/	d/	d/	d/
Ogdensburg	d/	d/	d/	d/	d/
Oneida/Herkimer Counties	899,020	2,186,551	62,730	310,437	1,813,386
Onondaga County	3,268,463	9,062,507	255,626	659	8,806,222
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	155,635	1,084,529	28,179	41,812	1,014,537
Port Morris	103,250	5,769,156	350,913	24,750	5,393,493
Potsdam	141,026	490,187	14,974	22,125	453,088
Rensselaer County	d/	d/	d/	d/	d/
Rochester	529,957	2,489,486	81,402	172,418	2,235,664
Rome	d/	d/	d/	d/	d/
Saratoga County	305,625	504,547	77,792	70,256	356,498
Schenectady	1,242,230	2,246,456	687,030	32,619	1,526,807
Schuyler County	d/	d/	d/	d/	d/
Seneca County	d/	d/	d/	d/	d/
South Jamaica	d/	d/	d/	d/	d/
Southwest Brooklyn	789,125	2,344,164	541,002	3,375	1,799,787
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	820,436	2,440,438	526,513	36,984	1,876,942
Tioga County	263,250	386,438	183,040	4,313	199,085
Tonawanda	423,375	1,049,309	77,647	71,688	899,975
Triple Cities	d/	d/	d/	d/	d/
Troy	400,625	1,262,902	133,195	17,937	1,111,779
Utica	504,875	2,420,270	322,694	98,313	1,999,262
Warren County	803,250	1,784,569	209,227	72,000	1,503,337
Washington County	211,500	504,710	32,518	66,701	405,491
Watertown	390,750	873,390	12,592	187,714	673,082
Wayne County	d/	d/	d/	d/	d/
Yonkers	472,937	1,953,737	651,840	71,532	1,230,365
Multiple Zones	4,123,468	18,332,798	6,813,618	0	11,519,180
Unidentified	1,460,656	4,917,121	319,548	72,001	4,525,573
Total	\$36,138,978	\$120,383,427	\$17,964,603	\$4,914,269	\$97,504,555

* Due to disclosure requirements, data is displayed only for zones with more than seven taxpayers as of the 2005 studyfile

d/ Tax Law provisions prohibit disclosure of data.

Table 19: New York State EZ Capital Tax Credit by Basis of Taxation - 2005 Liability Year

	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
Credit Earned	Entire Net Income	19	\$121,875	55.13	\$1,250	\$6,414
	Fixed Dollar Minimum Tax	8	47,369	21.43	1,875	5,921
	Capital Base	7	14,375	6.50	1,250	2,054
	Alternative Minimum Tax	8	37,438	16.94	2,500	4,680
	Total	42	\$221,057	100.00	\$1,250	\$5,263
	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
Credit Claimed	Entire Net Income	25	\$238,600	34.27	\$2,500	\$9,544
	Fixed Dollar Minimum Tax	16	191,578	27.52	4,750	11,974
	Capital Base	10	112,035	16.09	1,250	11,204
	Alternative Minimum Tax	14	154,040	22.12	4,375	11,003
	Total	65	\$696,253	100.00	\$2,500	\$10,712
	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
Credit Used	Entire Net Income	19	\$84,739	72.25	\$1,500	\$4,460
	Fixed Dollar Minimum Tax	d/	d/	d/	d/	d/
	Capital Base	d/	d/	d/	d/	d/
	Alternative Minimum Tax	5	19,509	16.63	3,968	3,902
	Total	33	\$117,287	100.00	\$1,500	\$3,554
	Basis of Taxation	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
Credit Carried Forward	Entire Net Income	10	\$153,860	26.58	\$3,213	\$15,386
	Fixed Dollar Minimum Tax	15	187,485	32.38	6,901	12,499
	Capital Base	5	103,089	17.81	3,917	20,618
	Alternative Minimum Tax	11	134,531	23.24	4,959	12,230
	Total	41	\$578,965	100.00	\$3,917	\$14,121

d/ Tax Law provisions prohibit disclosure of data.

Table 20: New York State EZ Investment Tax Credit by Basis of Taxation - 2005 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	86	\$16,355,435	14.84	\$30,155	\$190,179
Fixed Dollar Minimum Tax	244	61,090,834	55.41	27,250	250,372	
Capital Base	11	217,961	0.20	3,785	19,815	
Alternative Minimum Tax	63	32,582,906	29.55	30,332	517,189	
Total	404	\$110,247,136	100.00	\$28,569	\$272,889	

Credit Claimed	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Entire Net Income	98	\$69,874,789	9.76	\$82,529	\$713,008
Fixed Dollar Minimum Tax	303	238,203,696	33.28	106,485	786,151	
Capital Base	20	1,284,078	0.18	25,490	64,204	
Alternative Minimum Tax	88	406,334,121	56.77	43,795	4,617,433	
Total	509	\$715,696,684	100.00	\$84,285	\$1,406,084	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	60	\$9,094,777	49.92	\$22,611	\$151,580
Fixed Dollar Minimum Tax	143	6,859,431	37.65	3,881	47,968	
Capital Base	5	89,913	0.49	12,455	17,983	
Alternative Minimum Tax	50	2,173,600	11.93	3,650	43,472	
Total	258	\$18,217,721	100.00	\$4,792	\$70,611	

Credit Refunded	Basis of Taxation	Number of Taxpayers	Amount of Credit Refunded	% of Credit Refunded	Median Credit Refunded	Mean Credit Refunded
	Entire Net Income	12	\$1,414,221	35.25	\$47,575	\$117,852
Fixed Dollar Minimum Tax	39	2,419,349	60.30	10,975	62,035	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	d/	d/	d/	d/	d/	
Total	58	\$4,011,974	100.00	\$15,936	\$69,172	

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	71	\$59,365,790	8.56	\$130,570	\$836,138
Fixed Dollar Minimum Tax	299	228,924,916	33.01	102,997	765,635	
Capital Base	17	1,192,250	0.17	24,001	70,132	
Alternative Minimum Tax	87	403,984,033	58.26	41,161	4,643,495	
Total	474	\$693,466,989	100.00	\$86,925	\$1,463,011	

Table 21: New York State EZ Investment Tax Credit by Size of Entire Net Income - 2005 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		167	\$22,700,152	20.59	\$32,789	\$135,929
	\$ 1	- \$ 99,999	64	1,326,428	1.20	5,458	20,725
	100,000	- 499,999	44	1,222,298	1.11	11,758	27,780
	500,000	- 999,999	21	1,415,473	1.28	19,116	67,403
	1,000,000	- 24,999,999	74	11,437,533	10.37	81,045	154,561
	25,000,000	- 49,999,999	8	1,166,018	1.06	39,375	145,752
	50,000,000	- 99,999,999	7	29,445,840	26.71	499,893	4,206,549
	100,000,000	- 499,999,999	13	5,030,020	4.56	264,951	386,925
	500,000,000	- and over	6	36,503,374	33.11	1,858,591	6,083,896
	Total		404	\$110,247,136	100.00	\$28,569	\$272,889

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		223	\$157,314,599	21.98	\$91,655	\$705,447
	\$ 1	- \$ 99,999	91	8,402,709	1.17	24,120	92,337
	100,000	- 499,999	55	3,861,958	0.54	35,659	70,217
	500,000	- 999,999	24	7,456,063	1.04	130,902	310,669
	1,000,000	- 24,999,999	79	40,649,592	5.68	214,694	514,552
	25,000,000	- 49,999,999	10	20,671,499	2.89	550,649	2,067,150
	50,000,000	- 99,999,999	7	92,701,873	12.95	1,471,133	13,243,125
	100,000,000	- 499,999,999	14	24,089,478	3.37	432,387	1,720,677
	500,000,000	- and over	6	360,548,913	50.38	1,993,757	60,091,486
	Total		509	\$715,696,684	100.00	\$84,285	\$1,406,084

d/ Tax Law provisions prohibit disclosure of data.

Table 21: New York State EZ Investment Tax Credit by Size of Entire Net Income - 2005 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			72	\$1,781,258	9.78	\$2,506	\$24,740
	\$ 1	-	\$ 99,999	57	102,359	0.56	1,050	1,796
	100,000	-	499,999	33	163,449	0.90	3,937	4,953
	500,000	-	999,999	19	224,567	1.23	11,264	11,819
	1,000,000	-	24,999,999	48	2,324,170	12.76	36,561	48,420
	25,000,000	-	49,999,999	8	1,478,973	8.12	57,071	184,872
	50,000,000	-	99,999,999	5	1,582,064	8.68	236,884	316,413
	100,000,000	-	499,999,999	11	4,621,212	25.37	202,194	420,110
	500,000,000	-	and over	5	5,939,669	32.60	236,093	1,187,934
	Total			258	\$18,217,721	100.00	\$4,792	\$70,611

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			218	\$153,010,042	22.06	\$86,046	\$701,881
	\$ 1	-	\$ 99,999	90	8,300,352	1.20	20,540	92,226
	100,000	-	499,999	47	3,450,091	0.50	41,161	73,406
	500,000	-	999,999	22	7,179,084	1.04	135,462	326,322
	1,000,000	-	24,999,999	69	37,975,703	5.48	246,368	550,373
	25,000,000	-	49,999,999	9	19,192,526	2.77	629,777	2,132,503
	50,000,000	-	99,999,999	6	90,281,681	13.02	6,427,198	15,046,947
	100,000,000	-	499,999,999	10	19,468,266	2.81	557,344	1,946,827
	500,000,000	-	and over	3	354,609,244	51.14	d/	118,203,081
	Total			474	\$693,466,989	100.00	\$86,925	\$1,463,011

d/ Tax Law provisions prohibit disclosure of data.

Table 22: New York State EZ Investment Tax Credit by Size of Credit Used - 2005 Liability Year

Credit Earned	Size of Credit Used			Number of	Amount of	% of Credit	Median Credit	Mean Credit
				Taxpayers	Credit Earned	Earned	Earned	Earned
	Negative*			0	\$0	0.00	\$0	\$0
	Zero			191	50,313,259	45.64	28,191	263,420
	\$ 1	-	\$ 499	21	470,015	0.43	11,676	22,382
	500	-	999	16	450,278	0.41	6,014	28,142
	1,000	-	4,999	60	2,732,620	2.48	10,366	45,544
	5,000	-	9,999	20	2,140,286	1.94	22,016	107,014
	10,000	-	24,999	31	2,724,021	2.47	25,625	87,872
	25,000	-	49,999	22	2,401,948	2.18	43,528	109,179
	50,000	-	99,999	15	5,556,042	5.04	132,639	370,403
	100,000	-	499,999	22	6,472,016	5.87	144,365	294,183
	500,000	-	and over	6	36,986,651	33.55	2,744,433	6,164,442
	Total			404	\$110,247,136	100.00	\$28,569	\$272,889

Credit Claimed	Size of Credit Used			Number of	Amount of	% of Credit	Median Credit	Mean Credit
				Taxpayers	Credit Claimed	Claimed	Claimed	Claimed
	Negative*			0	\$0	0.00	\$0	\$0
	Zero			251	484,894,274	67.75	76,878	1,931,850
	\$ 1	-	\$ 499	34	1,902,536	0.27	14,348	55,957
	500	-	999	24	1,999,379	0.28	20,967	83,307
	1,000	-	4,999	72	12,615,860	1.76	62,466	175,220
	5,000	-	9,999	24	10,123,902	1.41	96,216	421,829
	10,000	-	24,999	33	16,901,634	2.36	146,745	512,171
	25,000	-	49,999	24	6,755,486	0.94	163,569	281,479
	50,000	-	99,999	16	23,004,488	3.21	649,990	1,437,781
	100,000	-	499,999	24	57,574,088	8.04	961,489	2,398,920
	500,000	-	and over	7	99,925,037	13.96	3,878,918	14,275,005
	Total			509	\$715,696,684	100.00	\$84,285	\$1,406,084

* "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 - 2005 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	34	7793	0.04	262	229
	500	-	999	24	17,511	0.10	757	730
	1,000	-	4,999	72	183,310	1.01	2,404	2,546
	5,000	-	9,999	24	186,702	1.02	7,681	7,779
	10,000	-	24,999	33	507,191	2.78	12,545	15,369
	25,000	-	49,999	24	857,181	4.71	33,919	35,716
	50,000	-	99,999	16	1,060,906	5.82	61,763	66,307
	100,000	-	499,999	24	4,748,926	26.07	174,701	197,872
	500,000	-	and over	7	10,648,201	58.45	1,015,068	1,521,172
	Total			258	\$18,217,721	100.00	\$4,792	\$70,611

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			251	481,121,470	69.38	72,414	1,916,819
	\$ 1	-	\$ 499	33	1,830,586	0.26	13,861	55,472
	500	-	999	23	197,4845	0.28	20846	85863
	1,000	-	4,999	64	12,423,865	1.79	89,201	194,123
	5,000	-	9,999	22	9,778,669	1.41	122,516	444,485
	10,000	-	24,999	28	16,394,443	2.36	161,641	585,516
	25,000	-	49,999	16	5,897,531	0.85	327,832	368,596
	50,000	-	99,999	12	21,943,582	3.16	1,490,273	1,828,632
	100,000	-	499,999	19	52,825,161	7.62	1,188,817	2,780,272
	500,000	-	and over	6	89,276,837	12.87	7,860,139	14,879,473
	Total			474	\$693,466,989	100.00	\$86,925	\$1,463,011

* "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* - 2005 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)	d/	d/	d/	d/	d/
Albany County	d/	d/	d/	d/	d/
Amsterdam	d/	d/	d/	d/	d/
Auburn	\$1,990,624	\$14,926,397	\$61,251	\$928,138	\$13,936,234
Brookhaven	d/	d/	d/	d/	d/
Broome County	570,664	7,915,792	584,215	132	7,331,444
Buffalo	3,443,152	11,834,150	1,256,754	1,447,624	9,129,772
Cattaraugus County	d/	d/	d/	d/	d/
Clinton County	d/	d/	d/	d/	d/
Cortland County	d/	d/	d/	d/	d/
Dunkirk/Sheridan	3,006,651	8,440,497	900,618	235,366	7,304,513
Dutchess County	d/	d/	d/	d/	d/
East Harlem	d/	d/	d/	d/	d/
East New York	d/	d/	d/	d/	d/
Elmira	2,534,876	19,737,927	206,207	16,063	19,515,657
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	551,758	1,198,687	14,934	3,774	1,179,978
Geneva	d/	d/	d/	d/	d/
Gloversville	d/	d/	d/	d/	d/
Greater Jamestown	1,015,299	10,660,546	443,457	67,860	10,143,456
Hornell	d/	d/	d/	d/	d/
Hunts Point	d/	d/	d/	d/	d/
Islip	d/	d/	d/	d/	d/
Kingston	369,172	1,555,812	48,310	0	1,507,502
Lackawanna	d/	d/	d/	d/	d/
Lewis County	d/	d/	d/	d/	d/
Madison County	d/	d/	d/	d/	d/
Monroe County	762,589	828,842	70,496	0	758,346
Mount Vernon	d/	d/	d/	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 23: New York State Investment Tax Credit by Empire Zone* - 2005 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	\$963,230	\$4,437,018	\$162,548	\$0	\$4,274,470
Onondaga County	1,817,390	5,460,789	1,762,345	57	3,698,387
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	838,653	11,962,270	150,159	36,039	11,776,073
Port Morris	d/	d/	d/	d/	d/
Potsdam	d/	d/	d/	d/	d/
Rensselaer County	d/	d/	d/	d/	d/
Rochester	1,702,473	6,887,017	254,377	52,125	6,556,501
Rome	d/	d/	d/	d/	d/
Saratoga County	d/	d/	d/	d/	d/
Schenectady	918,335	2,679,283	335,898	18284	2,325,101
Schuyler County	d/	d/	d/	d/	d/
Seneca County	d/	d/	d/	d/	d/
South Jamaica	d/	d/	d/	d/	d/
Southwest Brooklyn	480,564	2,466,960	124,459	0	2,342,501
Staten Island - North Shore	d/	d/	d/	d/	d/
Suffolk County	d/	d/	d/	d/	d/
Syracuse	153,732	3,550,031	279,408	0	3,270,623
Tioga County	d/	d/	d/	d/	d/
Tonawanda	1,252,729	2,150,075	82,792	9,685	2,057,598
Triple Cities	d/	d/	d/	d/	d/
Troy	d/	d/	d/	d/	d/
Utica	1,052,184	5,231,008	68,635	21217	5,141,156
Warren County	d/	d/	d/	d/	d/
Washington County	1,476,395	3,741,588	8,770	0	3,732,818
Watertown	d/	d/	d/	d/	d/
Wayne County	d/	d/	d/	d/	d/
Yonkers	d/	d/	d/	d/	d/
Multiple Zones	7,070,927	29,067,360	2,426,032	0	26,641,328
Unidentified	7,484,652	70,141,686	5,176,936	13,377	64,951,373
Total	\$110,247,136	\$715,696,684	\$18,217,721	\$4,011,974	\$693,466,989

* Due to disclosure requirements, data is displayed only for zones with more than seven taxpayers as of the 2005 studyfile

d/ Tax Law provisions prohibit disclosure of data.

Table 24: New York State QEZE Credit for Real Property Taxes* by Basis of Taxation - 2005 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	81	\$18,813,253	31.54	\$44,782	\$232,262
Fixed Dollar Minimum Tax	159	15,428,654	25.87	24,411	97,036	
Capital Base	11	18,100,439	30.35	56,680	1,645,494	
Alternative Minimum Tax	62	7,301,008	12.24	12,941	117,758	
Total	313	\$59,643,354	100.00	\$26,467	\$190,554	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	31	\$7,163,820	90.11	\$24,163	\$231,091
Fixed Dollar Minimum Tax	22	363,662	4.57	894	16,530	
Capital Base	4	239,863	3.02	14,018	59,966	
Alternative Minimum Tax	27	182,911	2.30	2,796	6,774	
Total	84	\$7,950,256	100.00	\$3,433	\$94,646	

Credit Refunded	Basis of Taxation	Number of Taxpayers	Amount of Credit Refunded	% of Credit Refunded	Median Credit Refunded	Mean Credit Refunded
	Entire Net Income	50	\$7,048,227	15.77	\$44,797	\$140,965
Fixed Dollar Minimum Tax	151	13,107,896	29.32	23,040	86,807	
Capital Base	10	17,475,558	39.09	37,744	1,747,556	
Alternative Minimum Tax	59	7,070,922	15.82	12,382	119,846	
Total	270	\$44,702,603	100.00	\$24,259	\$165,565	

* 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 - 2005 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	\$10,070,454	33.69	\$9,470
	Fixed Dollar Minimum Tax	19	2,338,384	7.82	23,713	123,073
	Capital Base	7	14,101,449	47.17	130,319	2,014,493
	Alternative Minimum Tax	13	3,382,463	11.32	24,658	260,189
	Total	49	\$29,892,750	100.00	\$24,658	\$610,056

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
		Entire Net Income	3	\$1,358,180	94.33	d/
	Fixed Dollar Minimum Tax	5	14,081	0.98	3,757	2,816
	Capital Base	3	19,981	1.39	d/	6,660
	Alternative Minimum Tax	8	47,564	3.30	3,808	5,946
	Total	19	\$1,439,806	100.00	\$3,757	\$75,779

Credit Refunded	Basis of Taxation	Number of Taxpayers	Amount of Credit Refunded	% of Credit Refunded	Median Credit Refunded	Mean Credit Refunded
		Entire Net Income	8	\$8,712,274	30.62	\$34,805
	Fixed Dollar Minimum Tax	19	2,324,303	8.17	23,713	122,332
	Capital Base	6	14,081,468	49.49	207,221	2,346,911
	Alternative Minimum Tax	13	3,334,899	11.72	21,396	256,531
	Total	46	\$28,452,944	100.00	\$24,554	\$618,542

* 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 - 2005 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	120	\$22,230,290	85.00	\$21,226	\$185,252
	Fixed Dollar Minimum Tax	84	2,503,892	9.57	2,655	29,808
	Capital Base	18	34,822	0.13	382	1,935
	Alternative Minimum Tax	73	1,383,064	5.29	1,993	18,946
	Total	295	\$26,152,068	100.00	\$5,387	\$88,651

Credit Used						
	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	120	\$21,411,925	85.86	\$19,543	\$178,433
	Fixed Dollar Minimum Tax	77	2,239,152	8.98	2,407	29,080
	Capital Base	17	15,661	0.06	338	921
	Alternative Minimum Tax	73	1,272,191	5.10	1,885	17,427
	Total	287	\$24,938,929	100.00	\$5,000	\$86,895

* 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 - 2005 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	9	\$3,420,628	97.18	\$17,443	\$380,070
Fixed Dollar Minimum Tax	d/	d/	d/	d/	d/	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	5	59,738	1.70	718	11,948	
Total	19	\$3,519,790	100.00	\$5,453	\$185,252	

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	\$3,413,294	97.26	\$18,920	\$426,662
Fixed Dollar Minimum Tax	d/	d/	d/	d/	d/	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	5	59,738	1.70	718	11,948	
Total	17	\$3,509,333	100.00	\$3,642	\$206,431	

* 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 - 2005 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	\$417,567	\$4,047	\$413,521	d/	d/
Amsterdam	d/	d/	d/	d/	d/
Auburn	1,106,221	0	1,106,231	d/	d/
Brookhaven	d/	d/	d/	d/	d/
Broome County	d/	d/	d/	d/	d/
Buffalo ⁵	2,728,874	125,522	2,603,353	\$200,750	\$189,687
Cattaraugus County	d/	d/	d/	d/	d/
Clinton County	d/	d/	d/	d/	d/
Cortland County	424,307	2,756	421,551	d/	d/
Dunkirk/Sheridan	18,157,290	242,241	17,915,049	d/	d/
Dutchess County	d/	d/	d/	d/	d/
East New York	d/	d/	d/	d/	d/
Elmira	774,690	3,260	771,430	d/	d/
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	307,438	7,823	299,615	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	d/	d/	d/	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 - 2005 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	\$395,005	\$0	\$395,005	d/	d/
Onondaga County	2,120,087	51,653	2,068,434	\$1,611,442	\$1,598,903
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	d/	d/	d/	d/	d/
Port Morris	d/	d/	d/	d/	d/
Potsdam	d/	d/	d/	d/	d/
Rensselaer County	d/	d/	d/	d/	d/
Rochester	886,774	499	886,275	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/	d/	d/
Staten Island - North Shore	d/	d/	d/	d/	d/
Suffolk County	d/	d/	d/	d/	d/
Sullivan County	d/	d/	d/	d/	d/
Syracuse	2,303,751	34,908	2,268,843	268,444	268,152
Tioga County	d/	d/	d/	d/	d/
Tonawanda	183,959	7,641	176,318	d/	d/
Triple Cities	d/	d/	d/	d/	d/
Troy	d/	d/	d/	d/	d/
Utica	232,800	31,957	200,851	207,517	52,073
Warren County	d/	d/	d/	d/	d/
Washington County	d/	d/	d/	d/	d/
Watertown	783,776	13,929	769,847	d/	d/
Wayne County	245,771	3,216	242,555	d/	d/
Yonkers	d/	d/	d/	d/	d/
Multiple Zones	18,323,609	2,972,465	15,351,144	6,158,770	6,117,331
Unidentified	3,715,826	9,485	3,706,341	d/	d/
Total	\$82,545,591	\$9,390,062	\$73,155,547	\$29,671,858	\$28,448,262

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 2005 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. Values of both zones are aggregated.

d/ Tax Law provisions prohibit disclosure of data.

Table 29: New York State Alternative Minimum Tax Credit by Major Industry Group - 2005 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	17	\$3,179	0.11	\$156	\$187
Mining	4	2,167	0.07	584	542	
Utilities	5	8,396	0.29	66	1,679	
Construction	210	149,148	5.14	232	710	
Manufacturing	160	457,531	15.76	718	9,284	
Wholesale Trade	233	270,434	9.31	198	1,161	
Retail Trade	218	253,289	8.72	349	2,792	
Transportation & Warehousing	94	66,101	2.28	367	824	
Information	99	139,004	4.79	312	1,404	
Finance and Insurance	112	453,788	15.63	458	4,052	
Real Estate, Rental, & Leasing	272	445,020	15.33	216	1,636	
Professional, Scientific, & Technical Services	280	270,951	9.33	178	968	
Management of Companies & Enterprises	52	90,660	3.12	392	1,743	
Administrative & Support & Waste Management & Remediation Services	51	20,946	0.72	143	411	
Educational Services	6	2,029	0.07	249	338	
Health Care & Social Assistance	91	49,121	1.69	183	540	
Arts, Entertainment, & Recreation	60	65,445	2.25	239	1,091	
Accommodation & Food Services	72	126,333	4.35	148	1,755	
Other Services (except Public Administration)	92	29,977	1.03	122	326	
Public Administration	0	0	0.00	0	0	
Total	2,128	\$2,903,519	100.00	\$208	\$1,364	

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	31	\$31,847	0.22	\$342	\$1,027
Mining	6	137,377	0.95	1,522	22,896	
Utilities	8	61,241	0.43	99	7,655	
Construction	299	348,183	2.42	302	1,164	
Manufacturing	259	3,801,725	26.40	1,757	40,932	
Wholesale Trade	292	353,411	2.45	259	1,210	
Retail Trade	322	384,027	2.67	387	2,696	
Transportation & Warehousing	125	180,251	1.25	481	1,893	
Information	118	2,737,562	19.01	431	23,200	
Finance and Insurance	138	4,286,207	29.76	564	31,059	
Real Estate, Rental, & Leasing	413	862,554	5.99	286	2089	
Professional, Scientific, & Technical Services	324	282,182	1.96	255	871	
Management of Companies & Enterprises	61	154,771	1.07	659	2,537	
Administrative & Support & Waste Management & Remediation Services	74	38,247	0.27	226	517	
Educational Services	13	13,789	0.10	296	1,061	
Health Care & Social Assistance	161	111,644	0.78	213	693	
Arts, Entertainment, & Recreation	79	90,151	0.63	310	1,141	
Accommodation & Food Services	102	467,398	3.25	209	4,582	
Other Services (except Public Administration)	142	58,123	0.40	149	409	
Public Administration	0	0	0.00	0	0	
Total	2,967	\$14,400,690	100.00	\$288	\$4,854	

d/ Tax Law provisions prohibit disclosure of data.

Table 29: New York State Alternative Minimum Tax Credit by Major Industry Group - 2005 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	d/	d/	d/	d/	d/
	Mining	0	\$0	0.00	\$0	\$0
	Utilities	0	0	0.00	0	0
	Construction	18	47,335	12.15	691	2,630
	Manufacturing	11	79,921	20.52	4,624	13,905
	Wholesale Trade	5	1,737	0.45	488	347
	Retail Trade	13	8,137	2.09	2,218	2,132
	Transportation & Warehousing	5	3,599	0.92	596	1,272
	Information	3	833	0.21	d/	278
	Finance and Insurance	7	4,764	1.22	551	681
	Real Estate, Rental, & Leasing	8	225,920	57.99	570	28,240
	Professional, Scientific, & Technical Services	6	9,573	2.46	827	15,960
	Management of Companies & Enterprises	d/	d/	d/	d/	d/
	Administrative & Support & Waste Management & Remediation Services	0	0	0.00	0	0
	Educational Services	0	0	0.00	0	0
	Health Care & Social Assistance	10	1,554	0.40	139	155
	Arts, Entertainment, & Recreation	5	3,291	0.84	434	658
	Accommodation & Food Services	3	559	0.14	d/	186
	Other Services (except Public Administration)	5	243	0.06	25	49
	Public Administration	0	0	0.00	0	0
	Total	102	\$389,562	100.00	\$328	\$3,819

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	31	\$31,273	0.22	\$324	\$1,009
	Mining	6	137,377	0.98	1,522	22,896
	Utilities	8	61,241	0.44	99	7,655
	Construction	285	300,848	2.15	290	1,056
	Manufacturing	251	3,721,804	26.56	1,762	41,161
	Wholesale Trade	288	351,674	2.51	254	1,221
	Retail Trade	315	375,890	2.68	372	2,697
	Transportation & Warehousing	125	176,652	1.26	460	1,829
	Information	120	273,672	19.53	426	22,806
	Finance and Insurance	134	4,281,443	30.56	564	31,951
	Real Estate, Rental, & Leasing	408	636,634	4.54	286	15,600
	Professional, Scientific, & Technical Services	320	272,609	1.95	247	8,520
	Management of Companies & Enterprises	60	153,249	1.09	649	25,540
	Administrative & Support & Waste Management & Remediation Services	74	38,247	0.27	226	517
	Educational Services	13	13,789	0.10	296	10,610
	Health Care & Social Assistance	156	110,090	0.79	210	706
	Arts, Entertainment, & Recreation	76	86,860	0.62	300	11,143
	Accommodation & Food Services	101	466,839	3.33	206	4,622
	Other Services (except Public Administration)	140	57,880	0.41	149	413
	Public Administration	0	0	0.00	0	0
	Total	2,911	\$14,011,128	100.00	\$282	\$4,813

d/ Tax Law provisions prohibit disclosure of data.

Table 30: New York State Alternative Minimum Tax Credit by Size of Entire Net Income - 2005 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			797	\$1,475,494	50.82	\$225	\$1,851
	\$	1	\$ 99,999	1,282	976,201	33.62	181	761
		100,000	499,999	32	167,645	5.77	2,169	5,239
		500,000	999,999	4	32,123	1.11	8,373	8,031
		1,000,000	24,999,999	13	252,056	8.68	3,256	19,389
		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			2,128	\$2,903,519	100.00	\$208	\$1,364

Credit Claimed	Size of Entire Net Income			Number of	Amount of	% of Credit	Median Credit	Mean Credit
				Taxpayers	Credit Claimed	Claimed	Claimed	Claimed
	Zero or Net Loss			1,335	\$9,699,616	67.36	\$268	\$7,266
	\$	1	\$ 99,999	1,515	3,108,766	21.59	266	2,052
		100,000	499,999	78	376,199	2.61	1,413	4,823
		500,000	999,999	10	337,161	2.34	8,292	33,716
		1,000,000	24,999,999	25	509,970	3.54	3,403	20,399
		25,000,000	49,999,999	0	0	0.00	0	0
		50,000,000	99,999,999	d/	d/	d/	d/	d/
		100,000,000	499,999,999	d/	d/	d/	d/	d/
		500,000,000	and over	d/	d/	d/	d/	d/
	Total			2,967	\$14,400,690	100.00	\$288	\$4,854

d/ Tax Law provisions prohibit disclosure of data.

Table 30: New York State Alternative Minimum Tax Credit by Size of Entire Net Income - 2005 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	74	31,294	8.03	248	423
		100,000	-	499,999	13	41,021	10.53	608	3,155
		500,000	-	999,999	3	16,615	4.27	7,971	5,538
		1,000,000	-	24,999,999	9	77,431	19.88	1,908	8,603
		25,000,000	-	49,999,999	0	0	0.00	0	0
		50,000,000	-	99,999,999	d/	d/	d/	d/	d/
		100,000,000	-	499,999,999	d/	d/	d/	d/	d/
		500,000,000	-	and over	d/	d/	d/	d/	d/
	Total			102	\$389,562	100.00	\$328	\$3,819	

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			1,335	\$9,699,616	69.23	\$268	\$7,266	
	\$	1	-	\$ 99,999	1,478	3,077,472	21.96	265	2,082
		100,000	-	499,999	70	335,178	2.39	1,538	4,788
		500,000	-	999,999	d/	d/	d/	d/	
		1,000,000	-	24,999,999	20	432,539	3.09	2,344	21,627
		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	d/	d/	d/	d/	
	Total			2,911	\$14,011,128	100.00	\$282	\$4,813	

d/ Tax Law provisions prohibit disclosure of data.

Table 31: New York State Alternative Minimum Tax Credit by Size of Credit Used - 2005 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				2,128	\$2,903,519	100.00	\$208	\$1,364
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				2,868	13,974,624	97.04	280	4,873
\$	1	-	\$ 499	60	30,053	0.21	270	501
	500	-	999	16	17,240	0.12	866	1,078
	1,000	-	4,999	12	28,767	0.20	1,977	2,397
	5,000	-	9,999	8	60,631	0.42	7,036	7,579
	10,000	-	24,999	d/	d/	d/	d/	d/
	25,000	-	49,999	0	0	0.00	0	0
	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				2,967	\$14,400,690	100.00	\$288	\$4,854

d/ Tax Law provisions prohibit disclosure of data.

Table 31: New York State Alternative Minimum Tax Credit by Size of Credit Used - 2005 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			0	\$0	0.00	\$0	\$0	
	Zero			0	0	0.00	0	0	
	\$	1	-	\$ 499	63	10,957	2.81	165	174
		500	-	999	16	10,639	2.73	613	665
		1,000	-	4,999	12	25,498	6.55	1,843	2,125
		5,000	-	9,999	8	55,121	14.15	6,528	6,890
		10,000	-	24,999	d/	d/	d/	d/	d/
		25,000	-	49,999	0	0	0.00	0	0
		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	102	\$389,562	100.00	\$328	\$3,819

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			2,868	13,974,624	99.74	280	4,873	
	\$	1	-	\$ 499	31	19,096	0.14	307	616
		500	-	999	6	6,601	0.05	573	1,100
		1,000	-	4,999	d/	d/	d/	d/	d/
		5,000	-	9,999	3	5,510	0	d/	1,837
		10,000	-	24,999	d/	d/	d/	d/	d/
		25,000	-	49,999	0	0	0	0	0
		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	2,911	\$14,011,128	100.00	\$282	\$4,813

d/ Tax Law provisions prohibit disclosure of data.

Table 32: New York State Farmers' School Tax Credit by Basis of Taxation - 2005 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	3	\$15,941	1.58	d/	\$5,314
Fixed Dollar Minimum Tax	87	\$704,163	69.81	\$5,385	\$8,094	
Capital Base	4	25,078	2.49	4,391	6,270	
Alternative Minimum Tax	35	263,538	26.13	5,023	7,530	
Total	129	\$1,008,720	100.00	\$5,350	\$7,820	

Credit Claimed	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Entire Net Income	3	\$15,941	1.49	d/	\$5,314
Fixed Dollar Minimum Tax	88	731,588	68.19	5,520	8,314	
Capital Base	4	25,078	2.34	4,391	6,270	
Alternative Minimum Tax	36	300,296	27.99	5,665	8,342	
Total	131	\$1,072,903	100.00	\$5,594	\$8,190	

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	13	\$19,710	56.67	\$599	\$1,516	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	8	11,203	32.21	1,404	1,400	
Total	26	\$34,780	100.00	\$600	\$1,338	

Credit Refunded	Basis of Taxation	Number of Taxpayers	Amount of Credit Refunded	% of Credit Refunded	Median Credit Refunded	Mean Credit Refunded
	Entire Net Income	d/	d/	d/	d/	d/
Fixed Dollar Minimum Tax	83	\$637,604	70.27	\$5,040	\$7,682	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	29	239,848	26.43	4,887	8,271	
Total	115	\$907,342	100.00	\$5,024	\$7,890	

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	12	\$74,274	56.79	\$3,021	\$6,190	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	9	49,245	37.65	5,376	5,472	
Total	22	\$130,781	100.00	\$4,980	\$5,945	

d/ Tax Law provisions prohibit disclosure of data.

Table 33: New York State Credit for Employment of Persons with Disabilities by Basis of Taxation - 2005 Liability Year

	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
Credit Earned	Entire Net Income	12	\$48,602	59.07	\$2,100	\$4,050
	Fixed Dollar Minimum Tax	13	33,681	40.93	2,100	2,591
	Capital Base	0	0	0.00	0	0
	Alternative Minimum Tax	0	0	0.00	0	0
	Total	25	\$82,283	100.00	\$2,100	\$3,291
	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
Credit Claimed	Entire Net Income	13	\$54,384	30.74	\$2,100	\$4,183
	Fixed Dollar Minimum Tax	25	119,858	67.74	2,100	4,794
	Capital Base	d/	d/	d/	d/	d/
	Alternative Minimum Tax	d/	d/	d/	d/	d/
	Total	41	\$176,945	100.00	\$2,100	\$4,316
	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
Credit Used	Entire Net Income	11	\$43,078	65.32	\$2,100	\$3,916
	Fixed Dollar Minimum Tax	15	22,561	34.21	930	1,504
	Capital Base	d/	d/	d/	d/	d/
	Alternative Minimum Tax	d/	d/	d/	d/	d/
	Total	27	\$65,947	100.00	\$1,325	\$2,442
	Basis of Taxation	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
Credit Carried Forward	Entire Net Income	d/	d/	d/	d/	d/
	Fixed Dollar Minimum Tax	24	\$97,297	87.66	\$1,828	\$4,054
	Capital Base	0	0	0.00	0	0
	Alternative Minimum Tax	d/	d/	d/	d/	d/
	Total	28	\$110,998	100.00	\$1,828	\$3,964

d/ Tax Law provisions prohibit disclosure of data.

Table 34: New York State Alternative Fuels Credit by Credit Component - 2005 Liability Year

Alternative Fuels Credit	Credit Component	Number of Taxpayers	Amount of Credit	Median Credit Amount	Mean Credit Amount
	Credit Earned	d/	d/	d/	d/
	Credit Claimed	3	\$1,550,965	d/	\$516,988
	Credit Used	d/	d/	d/	d/
	Credit Carried Forward	d/	d/	d/	d/

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 - 2005 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	12	\$168,170	70.76	\$13,000	\$14,014
	Capital Base	d/	d/	d/	d/	d/
	Alternative Minimum Tax	7	61,500	25.88	3,000	8,786
	Total	20	\$237,670	100.00	\$10,125	\$11,884

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/
	Fixed Dollar Minimum Tax	17	\$918,411	77.16	\$15,170	\$54,024
	Capital Base	d/	d/	d/	d/	d/
	Alternative Minimum Tax	9	210,830	17.71	10,250	23,426
	Total	29	\$1,190,278	100.00	\$15,170	\$41,044

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/
	Fixed Dollar Minimum Tax	5	\$18,636	66.13	\$1,122	\$3,727
	Capital Base	d/	d/	d/	d/	d/
	Alternative Minimum Tax	3	6,526	23.16	d/	2,175
	Total	9	\$28,180	100.00	\$2,723	\$3,131

Credit Refunded	Basis of Taxation	Number of Taxpayers	Amount of Credit Refunded	% of Credit Refunded	Median Credit Refunded	Mean Credit Refunded
		Entire Net Income	d/	d/	d/	d/
	Fixed Dollar Minimum Tax	16	\$899,775	77.43	\$16,145	\$56,236
	Capital Base	d/	d/	d/	d/	d/
	Alternative Minimum Tax	9	204,304	17.58	10,250	22,700
	Total	28	\$1,162,098	100.00	\$13,931	\$41,504

d/ Tax Law provisions prohibit disclosure of data.

* The 2005-06 Executive Budget made the credit fully refundable to all businesses, starting with the 2005 tax year. Because unused amounts from prior years could be carried into 2005, the earned and claimed amounts differ. Starting with the 2006 tax year, amounts earned will equal amounts claimed.

**Table 36: New York State Qualified Emerging Technology Company Facilities, Operations, and Training Credit*
by Basis of Taxation - 2005 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	29	\$3,837,957	75.09	\$128,095	\$132,343	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	15	1,029,491	20.14	42,946	68,633	
Total	47	\$5,111,080	100.00	\$63,001	\$108,746	

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	9	\$8,630	3.75	\$633	\$959	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	10	24,564	10.68	2,974	2,456	
Total	20	\$230,097	100.00	\$1,392	\$11,505	

Credit Refunded	Basis of Taxation	Number of Taxpayers	Amount of Credit Refunded	% of Credit Refunded	Median Credit Refunded	Mean Credit Refunded
	Entire Net Income	d/	d/	d/	d/	d/
Fixed Dollar Minimum Tax	29	\$3,829,328	78.45	\$128,095	\$132,046	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	15	1,004,927	20.59	39,498	66,995	
Total	46	\$4,880,984	100.00	\$60,969	\$106,108	

d/ Tax Law provisions prohibit disclosure of data.

* 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 Basis of Taxation - 2005 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	19	\$74,946	15.50	\$1,111	\$3,945
Fixed Dollar Minimum Tax	34	61,770	12.78	82	1,817	
Capital Base	7	27,055	5.60	310	3,865	
Alternative Minimum Tax	20	319,691	66.13	646	15,985	
Total	80	\$483,462	100.00	\$394	\$6,043	

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	\$70,806	93.43	\$1,111	\$4,165
Fixed Dollar Minimum Tax	5	1,099	1.45	21	220	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	d/	d/	d/	d/	d/	
Total	27	\$75,782	100.00	\$568	\$2,807	

Credit Refunded	Basis of Taxation	Number of Taxpayers	Amount of Credit Refunded	% of Credit Refunded	Median Credit Refunded	Mean Credit Refunded
	Entire Net Income	d/	d/	d/	d/	d/
Fixed Dollar Minimum Tax	30	\$60,671	14.88	\$92	\$2,022	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	18	318,551	78.14	646	17,697	
Total	54	\$407,680	100.00	\$250	\$7,550	

d/ Tax Law provisions prohibit disclosure of data.

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

Table 38: New York State Industrial or Manufacturing Business Tax Credit* by Size of Entire Net Income - 2005 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		35	\$151,027	31.24	\$215	\$4,315
	\$ 1	- \$ 99,999	18	6,528	1.35	73	363
	100,000	- 499,999	9	6,260	1.29	640	696
	500,000	- 999,999	d/	d/	d/	d/	d/
	1,000,000	- 24,999,999	10	31,825	6.58	1,844	3,183
	25,000,000	- 49,999,999	0	0	0.00	0	0
	50,000,000	- 99,999,999	d/	d/	d/	d/	d/
	100,000,000	- 499,999,999	4	77,070	15.94	19,243	19,268
	500,000,000	- and over	d/	d/	d/	d/	d/
	Total		80	\$483,462	100.00	\$394	\$6,043
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		5	\$2,891	3.81	\$196	\$578
	\$ 1	- \$ 99,999	8	2,991	3.95	75	374
	100,000	- 499,999	3	2,985	3.94	d/	995
	500,000	- 999,999	d/	d/	d/	d/	d/
	1,000,000	- 24,999,999	8	27,861	36.76	1,844	3,483
	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	d/	d/	d/	d/	d/
	500,000,000	- and over	0	0	0.00	0	0
	Total		27	\$75,782	100.00	\$568	\$2,807

d/ Tax Law provisions prohibit disclosure of data.

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

Table 39: New York State Credit for Purchase of an Automated External Defibrillator* by Basis of Taxation - 2004 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	13	\$53,500	85.60	\$500	\$4,115
	Fixed Dollar Minimum Tax	5	6,500	10.40	1,000	1,300
	Capital Base	d/	d/	d/	d/	d/
	Alternative Minimum Tax	d/	d/	d/	d/	d/
	Total	23	\$62,500	100.00	\$500	\$2,717

Credit Used						
	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	13	\$53,500	87.40	\$500	\$4,115
	Fixed Dollar Minimum Tax	4	5,215	8.52	858	1,304
	Capital Base	d/	d/	d/	d/	d/
	Alternative Minimum Tax	d/	d/	d/	d/	d/
	Total	22	\$61,215	100.00	\$500	\$2,783

* 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 Credit for Purchase of an Automated External Defibrillator* by Basis of Taxation - 2005 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	\$9,038	41.19	\$1,000
	Fixed Dollar Minimum Tax	d/	d/	d/	d/	d/
	Capital Base	4	7,405	33.75	500	1,851
	Alternative Minimum Tax	d/	d/	d/	d/	d/
	Total	21	\$21,943	100.00	\$500	\$1,045

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	\$8,500	47.08	\$1,750
	Fixed Dollar Minimum Tax	d/	d/	d/	d/	d/
	Capital Base	3	7,336	40.63	d/	2,445
	Alternative Minimum Tax	d/	d/	d/	d/	d/
	Total	14	\$18,055	100.00	\$750	\$1,290

d/ Tax Law provisions prohibit disclosure of data.

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

Table 41: New York State Long-Term Care Insurance Credit by Basis of Taxation - 2005 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	16	\$35,893	23.12	\$1,825	\$2,243
Fixed Dollar Minimum Tax	18	51,307	33.05	1,177	2,850	
Capital Base	7	25,672	16.54	1,317	3,667	
Alternative Minimum Tax	18	42,385	27.30	1,729	2,355	
Total	59	\$155,257	100.00	\$1,538	\$2,631	

Credit Claimed	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Entire Net Income	17	\$38,844	16.27	\$1,998	\$2,285
Fixed Dollar Minimum Tax	20	101,427	42.49	1,987	5,071	
Capital Base	7	25,753	10.79	1,397	3,679	
Alternative Minimum Tax	18	72,673	30.45	2,969	4,037	
Total	62	\$238,697	100.00	\$2,307	\$3,850	

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	\$37,639	39.15	\$1,998	\$2,214
Fixed Dollar Minimum Tax	9	13,463	14.00	110	1,496	
Capital Base	7	25,753	26.79	1,397	3,679	
Alternative Minimum Tax	14	19,281	20.06	1,147	1,377	
Total	47	\$96,136	100.00	\$1,209	\$2,045	

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	19	\$87,964	61.70	\$1,687	\$4,630	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	18	53,392	37.45	1,618	2,966	
Total	38	\$142,561	100.00	\$1,554	\$3,752	

d/ Tax Law provisions prohibit disclosure of data.

Table 42: Empire State Film Production Credit by Credit Component - 2005 Liability Year

Empire State Film Production Credit	Credit Component	Number of Taxpayers	Amount of Credit	Median Credit Amount	Mean Credit Amount
	Credit Earned	9	\$25,096,531	\$2,410,127	\$2,788,503
	Credit Claimed	9	26,080,258	2,410,127	2,897,806
	Credit Used	3	1,355,976	d/	451,992
	Credit Refunded	9	12,854,002	1,205,063	1,428,222
	Credit Carried Forward	9	11,870,278	1,205,064	1,318,920

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. For each component, the only basis of taxation was the fixed dollar minimum base.

Appendix A: Credit Provisions Effective for Tax Years Beginning Prior to January 1, 2006

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. Since 1982, the rate has dropped gradually and presently stands at 5 percent of the first \$350 million in investment and 4 percent for investment over that amount.

Unused ITC can be carried forward for fifteen years. If a taxpayer qualifies as a new business, it 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).

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.

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. SFY08-09 budget extended financial services ITC sunset to October 1, 2011. 2008 law codified employment tests and allowed certain property usage to be aggregated for purposes of the principal use test of the financial services ITC.

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.

Rehabilitation Credit for Retail Enterprises

Taxpayers registered as vendors under Tax Law Article 28 and at least 50 percent engaged in retail sales can claim a credit for expenditures for retail enterprises that also qualify for the federal rehabilitation credit. The credit rate is the same as the traditional ITC. The credit is limited to expenditures attributable to property used in retail sales and located in New York.

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 ITC 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 ITC.

To be eligible, the property must be principally 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 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. Property must be placed in service prior to October 1, 2011.

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 its enactment. Generally, the changes consisted of adjustments to the credit calculation formulas, increases in the credit amounts, and expansions in the number of EZs. For complete details on changes made since the program's inception, 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 credit equaled the product of the average number of newly hired targeted employees multiplied by \$1,500 and nontargeted employees 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. Starting with the 2005 tax year, taxpayers certified in Investment Zones¹ could claim an additional \$500 for each employee receiving wages in excess of \$40,000.

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

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 EZ wage tax credit refunded.

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 (QEZEs) 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 QEZE real property tax credit (RPTC) is fully refundable and is calculated differently, depending upon the date the taxpayer was certified by Empire State Development.

Certifications prior to April 1, 2005

For taxpayers certified prior to April 1, 2005, 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.

For taxpayers certified on or after August 1, 2002, the amount of credit claimed is limited to the greater of the employment increase limitation or the capital investment limitation. The employment increase limitation is the product of \$10,000 and taxable year employment minus test year employment. The capital investment limitation is 10 percent of the cost or other basis of the real property multiplied by the greater of the percentage of the property which is physically occupied and used by the QEZE, or the percentage of the cost or other basis attributable to the construction, expansion, or rehabilitation of the real property (as opposed to the acquisition). If 50 percent or more of the cost is attributable to the aforementioned activities, then the percentage is deemed to be 100 percent.

Certifications on or after
April 1, 2005

For businesses certified on or after April 1, 2005, there are two separate credit calculations and the credit contains different restrictions depending upon whether the QEZE is located in an Investment Zone (IZ) or a Development Zone (DZ). Manufacturers calculate their credit as if they were located in an IZ. The credit equals the product of 25 percent of the wages, health benefits, and retirement benefits of net new employees. Net new employees are calculated by subtracting the base period employment from taxable year employment. Wages and benefits in excess of \$40,000 are excluded and the credit cannot exceed \$10,000 per employee.

QEZEs located in a DZ must reduce their credit by an employment increase factor:

Net New Employees	Employment Increase Factor
1 to 10	0.25
11 to 49	0.5
50 to 75	0.75
76+	Amount divided by 100, up to 1.0

Taxpayers claim the greater of the amount of credit or the capital investment limitation, but neither may exceed the amount of the taxpayer's eligible real property taxes for the taxable year.

QEZEs located in an IZ and all manufacturers calculate their capital investment limitation in the same manner as taxpayers certified on or after August 1, 2002, but taxpayers located in a DZ are subject to a more restrictive limitation.

The DZ investment limitation equals the product of the percentage of the property which is physically occupied and used by the QEZE, and 10 percent of the amount of the cost or other basis attributable to the construction, expansion, or rehabilitation of the real property (as opposed to the acquisition). If 50 percent or more of the cost is attributable to the aforementioned activities, then the percentage is deemed to be 100 percent.

QEZE Tax Reduction Credit The tax reduction credit is the product of four factors:

1. a benefit period factor, based on the number of years the taxpayer has been certified as a QEZE;
2. an employment increase factor that varies depending upon the number of jobs created by the QEZE;
3. a zone allocation factor that measures the economic presence of the QEZE in the EZ and in New York State; and
4. a tax factor that 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%), it 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 its 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 were allowed to claim an AMT credit against ENI-base tax liability for part of the net operating loss deduction not used in computing the AMT. Taxpayers calculated the AMT credit retroactively for taxable years after 1989 and could carry forward the credit indefinitely.

The pre-1994 net operating loss component was subject to a five-year transition rule, beginning in taxable years after 1993 and ending before 1999. Under the transition rule, a taxpayer was able to use up to 20 percent of the credit in each of the five years beginning with the 1994 tax year. Taxpayers have the remainder of any unused credit available 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

Prior to 2005, a tax credit was allowed for electric vehicles, clean fuel vehicles using natural gas, methanol and other alternative fuels, qualified hybrid vehicles, and clean fuel refueling facility property.

Starting on January 1, 2005, only credit for clean-fuel vehicle refueling property is allowed. The credit equals 50 percent of the cost of property used more than 50 percent of the time in a trade or business located in New York State. The property is defined in the Internal Revenue Code³.

Carryforwards of credit from qualified vehicles and vehicle property is still allowed.

Qualified Emerging Technology Company (QETC) Tax Credits

There are three tax credits related to businesses that qualify as qualified emerging technology companies: an employment credit, a capital credit, and a facilities, operations, and training (FOT) credit.

For the employment and capital credits, a QETC is a businesses 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 (R & D) funds to net sales that equals or exceeds an average ratio for typical research and development companies; or has products or services classified as emerging technologies. The ratio is updated annually and is included in the instructions for the credit forms. Likewise, the definition of *emerging technologies* is included in the instructions.

To claim the employment credit, a QETC must also have an average number of individuals employed full-time in New York State equal to at least 101 percent of its base-year employment.

For the FOT credit, businesses must meet the base QETC criteria, but with additional restrictions and certain modifications. First, a businesses must have 100 employees or less, with at least 75 percent employed in New York State. Also, the R & D funds to net sales ratio must equal or exceed 6 percent. Finally, gross revenues may not exceed \$20 million for the immediately preceding tax year.

QETC Employment Credit	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 refunded.
QETC Capital Credit	<p>The capital tax credit is available to taxpayers making qualified investments in certified QETCs. The 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.</p> <p>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.</p>
QETC FOT Credit	<p>The credit consists of three components:</p> <ol style="list-style-type: none"> 1. 18 percent of R & D property, costs, and fees incurred in connection with emerging technology activities; 2. 9 percent of qualified research expenses; and 3. 100 percent of qualified high-technology training expenses, limited to \$4,000 per employee per year. <p>The total amount of credit is limited to \$250,000 per year and is fully refundable.</p> <p>The credit may be claimed for four consecutive years. However, taxpayers relocating from an academic incubator facility may claim credit for an additional year and elect to defer the start of the five year period until after they leave the facility.</p> <p>No credit may be earned in taxable years beginning on or after January 1, 2012.</p>

Industrial or
Manufacturing
Business Credit

Industrial or manufacturing businesses (IMBs) were allowed a credit to be taken against taxes due under Article 9-A. The credit was 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 provided taxpayers, on request, information on the amounts due and paid for these taxes during the taxpayer's liability year.

The IMB credit was a temporary measure to reduce the cost of energy to vital businesses immediately upon enactment in 2000 of the energy tax reduction and restructuring legislation. After a phase-out through 2005, and thereafter, no business or not-for-profit energy consumption revenues were included in the energy provider's tax base. Thus, the IMB credit amounts also were also reduced to zero.

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.

Green Building Credit

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 may be allowed a credit. Each credit component has its own requirements, formula for calculating the amount of the credit, and cap. A taxpayer may 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 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 percent⁴ 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.

Empire State Film Production Credit

A taxpayer that is a qualified film production company subject to tax under Articles 9-A or 22 can apply to the Governor's Office for Motion Picture and Television Development (MP/TV) to receive a refundable, 10 percent⁵ Empire State film production credit.

To become a qualified production company, 75 percent of film production facility expenditures must be spent at a *qualified film production facility*, defined as a facility in New York in which television shows and films are or are intended to be regularly produced, and which contains at least one sound stage of at least 7,000 square feet. Productions that qualify for the credit are feature length films or television films, pilots, or series. Generally, documentaries, news or current affairs programs, interview or talk shows, instructional videos, sport shows or events, daytime soap operas, reality programs, commercials, and music videos do not qualify for the credit.

Taxpayers meeting the test above can qualify for a credit of 10 percent on qualified costs incurred at the facility. *Qualified costs* are costs for tangible property or services used or performed within New York directly and predominantly in the production (including post production) of a qualified film. Qualified production costs generally include most below the line items such as costs of technical and crew production, expenditures for facilities, props, makeup, wardrobe, set construction, and background talent, and generally exclude costs of stories and scripts, and wages for writers, directors, producers, and performers (other than extras without spoken lines).

Generally, *above the line* and *below the line* are terms of art in the film and television industry referring to divisions of categories or types of spending on the budget form. *Above the line* typically means fees and salaries for the creative team (director, producers,

actors, writers) and the cost of purchase of the story and/or script, while *below the line* refers to all the other the “hard” costs of production (crew salaries, equipment and facilities rental, film and lab costs, construction, materials, props, makeup, wardrobe, locations, editing, and catering -- essentially everything else involved in production of the film).

If a production has met the 75 percent test for production facility expenditures as described above, it may also qualify for the tax credit based upon qualified expenditures outside the qualified facility that are related to pre-production, location production, and post production in New York in one of two possible ways:

- a) if the qualified New York expenditures related to the qualified production facility total \$3 million or more, then all qualified expenditures related to pre-production, location, and post production in New York State qualify for the credit;
- b) if expenditures on the qualified production facility days are less than \$3 million, then the production must shoot at least 75 percent of all its location days in New York State in order to include expenditures incurred in New York State outside the qualified production facility on pre-production, production, and post production. The 75 percent threshold applies to a percent of the total location days only, not to the total shoot days. Shooting days spent at facilities are not used to calculate this threshold; only the ratio of shooting days spent on locations anywhere in New York State compared to shooting days on locations outside of New York State are used.

As enacted, the credit was refundable in equal amounts over a two-year period. For tax years beginning on or after January 1, 2008, the credit is entirely refundable in the year in which it is claimed.

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.

Brownfields Tax Credits⁶

Three refundable tax credits are available to taxpayers that remediate a site under the Brownfield Cleanup Program. The credits are effective for tax years beginning on or after April 1, 2005.

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.

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 costs incurred on or after July 1, 2005.

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.

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.

For tax years beginning on or after January 1, 2008, the base of fixed dollar minimum tax is changed from gross payroll to New York receipts. The tax will range from \$25 to 5,000.

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 amendments made in and after 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. To be eligible for the alternative fuels credit, property initially must have been qualified for the federal clean-fuel deduction under Internal Revenue Code (IRC) section 179A. Federal legislation converting the deduction to a credit necessitated an amendment to the New York credit. For tax years beginning on or after January 1, 2006, qualified property must be eligible for the federal credit under IRC section 30C.
4. For tax years beginning after 2003, the credit doubles from 10 percent to 20 percent.
5. For tax years beginning on or after January 1, 2008, the credit rate increases from 10 percent to 30 percent.
6. This description of the brownfield credits refers to the law as it existed during the time period covered by the data in this report. A description of the credits following amendments made in 2008 is included in Appendix D.

Appendix B: Credit Provisions Effective for Tax Years Beginning After the 2005 Tax Liability Year

Appendix B describes the tax credits that were available to taxpayers for periods following the 2005 tax year. Although these tax credits are generally 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 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, 2011.

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, up to 20 cents per gallon.

The credit applies to purchases made on or after July 1, 2006, and before July 1, 2007, and on or after January 1, 2008, and before January 1, 2012.

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 administers a three part credit designed to encourage the production of commercials in New York State. \$7 million in aggregate credit is 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 2005 Tax Year¹	
Form Number	Form Name
CT-38	<i>Minimum Tax Credit</i>
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-601/601.1	<i>Claim for EZ Wage Tax Credit/Claim for ZEA Wage Tax Credit²</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 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>
CT-606	<i>Claim for QEZE Credit for Real Property Taxes^{3,4}</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>

Forms for Credits Available to Taxpayers During the 2005 Tax Year (continued)	
Form Number	Form Name
DTF-624	<i>Claim for Low-Income Housing Credit</i>
DTF-630	<i>Claim for Green Building Credit</i>
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>
Forms for Credits Available to Taxpayers After 2005 Tax Year	
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>
CT-238	<i>Claim for Rehabilitation of Historic Properties Credit</i>
CT-246	<i>Claim for Empire State Commercial Production Credit</i>

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 2005 tax liability year, and therefore not covered by this report, are shaded.

Noncarryover 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
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 capital tax credit
Low-income housing credit
Green building credit
Fuel cell electricity generating equipment credit
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)
Refundable Credits
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 ⁸
Empire State film production credit

Refundable Credits (continued)
QETC facilities, operations, and training credit
Security training tax credit
Brownfields tax credits
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 and before 7/1/07 and on/after 1/1/08 and before 1/1/12.)
Empire State commercial production credit (available for tax years beginning on/after 1/1/07)

Endnotes

1. 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.
2. Because taxpayers can no longer earn ZEA wage tax credit, the CT-601.1 form is only used to report amounts of credit claimed from prior periods, amounts used in the current period, and amounts carried forward for use in future periods.
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 wage tax credit is refundable to new businesses, the Tax Law requires the credit 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 522 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.

Changes in 2007-08 State Budget Year

- *Low-income Housing Credit*

The budget increased the statewide, aggregate credit limit for the low-income housing credit from \$12 million to \$16 million. 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.

Changes in 2008-09
State Budget Year

- *Empire State Film Production Credit*

The budget amended the Empire State film production credit to increase the credit rate, accelerate the credit refund, and increase the statutory credit allotment.

The credit rate was increased from 10 percent to 30 percent of qualified production costs. The credit refund language was amended to allow the entire amount of excess credit to be refunded in one year, instead of across two tax years. Finally, the total amount of credit that can be awarded by the Governor's Office for Motion Picture and Television Development was increased from \$60 million annually in 2008 through 2011 to \$65 million in 2008, \$75 million in 2009, \$85 million in 2010, \$90 million in 2011 and 2012, and \$110 million in 2013.

- *Empire Zones*

The budget made two amendments to the Empire Zones (EZ) Program pertaining to qualified investment projects (QUIPs) and significant capital investment projects (SCIPs).

EZ Wage Tax Credit - QUIPs and SCIPs will be able to delay the start of the five-year period in which to claim the EZ wage tax credit. The five-year period will begin in the first year of the QUIP's or SCIP's QEZE tax benefit period. Generally, the five-year period begins in the first year a taxpayer pays EZ wages. *EZ wages* are defined as wages paid by a certified taxpayer for fulltime employment (excluding general executive officers) during the tax year in an area designated or previously designated as an EZ, if the employment is in a job created in the EZ during the period of its designation as an EZ, or within four years of the expiration of the EZ designation.

QUIP/SCIP Designation Deadlines - The deadline to submit applications to Empire State Development to become certified as the owner of a QUIP was extended from December 31, 2007 to December 31, 2009. Applications to become certified as the owner of a SCIP submitted by an entity previously qualified as a QUIP, or a related person, must be submitted by June 30, 2011.

- *Low-Income Housing Credit*

The budget increased the statewide aggregate credit limit for the low-income housing credit from \$16 million to \$20 million.

- *Financial Services ITC*

The budget extended the sunset date for the financial services investment tax credit (ITC) from October 1, 2008 to October 1, 2011.

Chapter 637 of the Laws of 2008 made further changes to the credit. Property purchased by a taxpayer affiliated with a registered investment advisor, or property leased to an affiliated registered investment advisor will be eligible for the credit if the property is principally used in qualifying activities.

Also, to determine if the property is principally used in qualifying uses, the uses by a taxpayer and its affiliated brokers, dealers, and registered investment advisors may be aggregated.

Finally, Chapter 637 addressed the employment eligibility test that is a prerequisite to claiming the credit. The 80 percent current-year formula and the 95 percent three-year back-office formula that were established by Tax Department guidance memoranda were codified. Additionally, a new formula - the 90 percent end-of-year test was created. This test requires the number of New York State employees in the current year to be equal to or greater than 90 percent of the employees on:

- a) December 31, 1998, for calendar year filers subject to tax in 1998 or;
- b) the last day of the first tax year ending after December 31, 1998.

- *Credit for Taxicabs and Livery Service Vehicles Accessible to Persons with Disabilities*

The budget extended the credit for two years. The credit is now available through December 31, 2010.

- *Bioheat Tax Credit*

The budget reinstated the tax credit for the purchase of bioheat for residential customers. The credit expired June 30, 2007, and was reinstated for period January 1, 2008 through December 31, 2011.

- *Brownfield Tax Credits*

Chapter 390 of the Laws of 2008 made several changes to the brownfield redevelopment tax credit, effective for taxpayers accepted by the Department of Environmental Conservation into the Brownfield Cleanup Program (BCP) after June 23, 2008.

First, the tangible property credit component was limited to the lesser of \$35 million or three times the costs included in the site preparation and on-site groundwater remediation components. For sites that will be used primarily for manufacturing or the activities of a qualified emerging technology company, the limit is the lesser of \$45 million or six times the costs included in the calculation of the other two credit components.

Also, the basis of property eligible for the tangible property component must be adjusted to exclude any cost of acquisition when a Certificate of Completion is transferred or sold if the previous taxpayer already claimed credit on such property.

Finally, an additional 2 percent bonus credit rate was created for sites located in a Brownfield Opportunity Area and developed accordingly.

Chapter 390 also amended the credit rates under the site preparation and on-site groundwater remediation credit components for sites accepted into the BCP after June 23, 2008. The new rates range from 22 percent to 50 percent of qualified costs.

Finally, two new reports were mandated. The Tax Department must publish an annual report listing taxpayers claiming any of the brownfield tax credits, the credit amounts, and the respective brownfield sites. Developers of brownfield sites must file an annual report with the Tax Department containing actual or estimated amounts of state and local taxes generated by the activities of businesses and employees operating on the site.

Table of Tax Credit Changes: 1996-2008

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
	2008-09	TPP component capped, BOA rate, basis adjustment, site prep & groundwater remediation rates increased, 2 report mandates
Clean Heating Fuel Credit	2006-07	credit enacted with June 30, 2007 sunset
	2008-09	credit reinstated for period of 1/1/08 through 12/31/11.
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
	2008-09	cap increased and additional years added, rate tripled, refund change
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

Credit	Budget Year	Object of Change
Empire Zones Credits (continued)	2002-03	creation of additional zones authorized
	2004-05	sunset date extended
		full term of benefits language adopted
		program reform and extension
	2005-06	new designations: QUIP, SCIP, CERDE, CEE
		EZ-ITC, EZ-WTC, EZ-EIC refundable to QUIPs/SCIPs
		technical changes for EZ-WTC and QEZE credits
	2006-07	zone designations accelerated
		QUIP/SCIP designation deadline extended wage tax credit start delay
		2008-09
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
	2008-09	credit extended to 12/31/10
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
	2008-09	investment advisors, aggregation allowed, codified 3 employment tests

Credit	Budget Year	Object of Change
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
	2005-06	aggregate statewide credit amount increased
	2006-07	aggregate statewide credit amount increased
	2007-08	aggregate statewide credit amount increased
Qualified Emerging Technology Company Credits	2008-09	aggregate statewide credit amount increased
	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
Security Training Tax Credit	2005-06	facilities, operations, and training credit enacted
	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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