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# 1996 New York State Corporate Tax Statistical Report

*Franchise Tax on Business Corporations  
Corporation and Utilities Tax  
Franchise Tax on Banking Corporations  
Franchise Tax on Insurance Corporations*

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# Overview

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This publication is the fifth in a series of corporate tax statistical reports to be published by the Department of Taxation and Finance's Office of Tax Policy Analysis (OTPA). The reports are intended to provide a summary of corporate tax data to aid interested parties in their analysis of New York's corporate tax structure.

The tables in this report present tax statistics for Article 9-A (the franchise tax on business corporations), Article 9 (the corporation and utilities tax), Article 32 (the franchise tax on banking corporations), and Article 33 (the franchise tax on insurance companies). The report focuses on the franchise taxes imposed under these articles. This enables data users to more easily understand the corporate franchise tax population and liability. By definition, it includes the excise taxes imposed under Article 9, Sections 186-a and 186-e.

The 1996 report incorporates a series of new tables. In addition to tables that present tax liability information, tables have been added which present data for income, modifications, and other components of the tax computation for Articles 9-A, 32 and 33. These tables provide statistics for a variety of categories under each tax, including tax base, type of firm, and tax return type. The historical statistical tables, beginning with the 1992 tax year, appear in an appendix.

Selected statistics presented in this publication may differ from data provided in last year's report and other published statistical documents. This is due to improvements in data collection and enhancements in data verification procedures.

The data include the business tax surcharge with one exception. Statistical tables on the Article 33 tax before the limitation (cap on gross premiums) and credits do not include the business tax surcharge. This is because the surcharge is applied after the limitation on gross premiums and credits. These tables are footnoted with this caveat. For Article 9-A, the business tax surcharge is the amount actually reported

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by taxpayers and verified by OTPA. Article 9 amounts for the tax surcharge are those reported by taxpayers, but unverified by OTPA. For Articles 32 and 33, the surcharge are OTPA-computed values. Terms and data used in tables and charts, as well as data sources used in this report, are explained in Appendix A: Description of Terms and Data and Data Sources; Appendix B contains a glossary of terms and Appendix C contains descriptive statistics of the calculation of tax liability for Articles 9A, 32 and 33.

Including the temporary business tax surcharge in calculating tax liability is important because aggregate liabilities more accurately depict the true tax burden imposed.

Recent tax law changes have had an impact on the business population. A number of major legislative initiatives, which allowed the formation of limited liability companies, changed the components of the alternative minimum tax base, and, more recently, enabled truckers to elect to be taxed under Article 9-A instead of Article 9, have had a profound impact on taxpayers. These law changes have changed the size of tax burdens, the distribution of the burden within industries and the share each article represents of total State tax revenues.

There have been a number of significant new tax laws. For highlights of tax actions, see OTPA's Summary of Tax Provisions, published each year. This report is available on the Department's Web site at: <http://www.tax.state.ny.us/Statistics>. The New York State Tax Sourcebook, also published by OTPA, contains both historical and current information on tax law changes.

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## Tax Articles: Data Summary

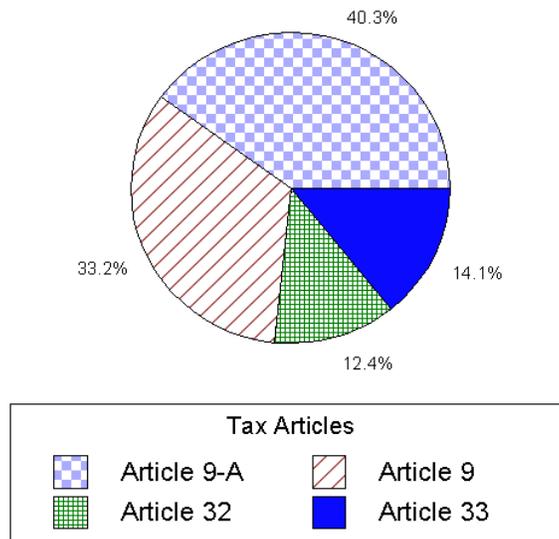
Table 1 provides a summary of the number of taxpayers and tax liability for the selected tax articles presented in this report. The data compares the 1995 and 1996 tax years. Appendix D provides selected historical tables and charts which were presented in this report previously. Consistent with previous years, Article 9-A represents the greatest number of taxpayers and the largest amount of tax liability. Article 33, the franchise tax on insurance corporations, represents the smallest in both categories for 1996.

**Table 1: Selected Tax Articles – Total Number of Taxpayers and Tax Liability 1995 and 1996**

| Tax Article               | Number of Taxpayers 1995 | Total Tax Liability 1995 | Number of Taxpayers 1996 | Total Tax Liability 1996 |
|---------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Article 9-A               | 501,424                  | \$1,544,158,900          | 513,521                  | \$1,672,598,405          |
| Article 9                 | 14,052                   | 1,535,993,587            | 13,402                   | 1,378,663,904            |
| Article 32                | 839                      | 617,159,009              | 865                      | 516,516,997              |
| Article 33                | 796                      | 583,014,693              | 809                      | 586,940,697              |
| <b>Total All Articles</b> | <b>517,111</b>           | <b>\$4,280,326,189</b>   | <b>528,597</b>           | <b>\$4,154,720,003</b>   |

Figure 1 shows the representative shares of tax liability for each article presented in this report.

**Figure 1: Selected Corporate Tax Articles – Percent of 1996 Tax Liability**



Tables 2 and 3 show detailed profiles of Articles 9-A and 9 for the 1996 tax year.

**Tables 2 and 3: Articles 9-A and 9 Detailed Profiles – 1996**

| Article 9-A    | Number of Taxpayers<br>1996 | Tax Liability<br>1996  |
|----------------|-----------------------------|------------------------|
| C Corporations | 259,285                     | \$1,527,128,853        |
| S Corporations | 254,236                     | 145,469,552            |
| <b>Total</b>   | <b>513,521</b>              | <b>\$1,672,598,405</b> |

| Article 9    | Number of Taxpayers<br>1996 | Tax Liability<br>1996  |
|--------------|-----------------------------|------------------------|
| Section 183  | 5,817                       | \$29,567,709           |
| Section 184  | 5,709                       | 101,224,413            |
| Section 186  | 278                         | 184,070,448            |
| Section 186a | 784                         | 631,959,171            |
| Section 186e | 814                         | 431,842,163            |
| <b>Total</b> | <b>13,402</b>               | <b>\$1,378,663,904</b> |

## Tax Articles: 1996 Highlights

### Article 9-A: Franchise Tax on Business Corporations

#### *Highlights*

- Although the number of Article 9-A taxpayers grew by only about 2 percent, total tax liability increased by more than 8 percent from 1995 to 1996.
- The number of Article 9-A filers were nearly equally split between S and C corporations.
- Although the number of C and S corporation filers were similar, C corporations represented over 91 percent of total liability.
- As in previous years, the entire net income (ENI) base continued to contribute the most to total C corporation tax liability. ENI base filers constituted about 19 percent of total C corporation returns. However, this tax base contributed more than 82 percent of total C corporation tax liability.

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Article 9: Corporation and  
Utilities Tax

*Highlights*

- The number of taxpayers declined by 650 from 1995 to 1996, and total tax liability declined by approximately 10 percent over this period.
- The greatest number of taxpayers paid under Sections 183 and 184. Section 183 is the franchise tax on transportation and transmission corporations and associations and Section 184 is an additional tax on transportation and transmission corporations and associations.
- Sections 183 and 184 represented the greatest number of taxpayers, but not the highest liabilities. Section 186-a (gross receipts tax on the furnishing of utility services) taxpayers continued to incur the highest tax liability, while Section 186-e (excise tax on telecommunications services) taxpayers ranked as the second highest in 1996.
- In 1996, businesses subject to Sections 186-a and 186-e paid over 77 percent of all Article 9 tax liability.

Article 32: Franchise Tax  
on Banking Corporations

*Highlights*

- Total tax liability declined by about 17 percent, from \$617.2 million to \$516.5 million between 1995 and 1996.
- The distribution of bank tax liability by type of bank remained relatively constant between 1995 and 1996.
- Between 1995 and 1996, the amount of positive allocated entire net income reported for all banks decreased from \$6.1 billion in 1995 to \$5.3 billion in 1996. In contrast, negative allocated entire net income increased from \$1.6 billion to \$1.7 billion during this period.

Article 33: Franchise Tax  
on Insurance Corporations

*Highlights*

- Total tax liability, before the 2.6 percent of gross premiums limitation and credits, increased from \$810 million to \$859 million between 1995 and 1996. This represented an increase of \$49 million or 6 percent during this period.

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- The value of the limitation on tax liability (2.6 percent of gross premiums) increased from \$201.3 million in 1995 to \$219 million in 1996. In 1996, property and casualty insurers received nearly 54 percent of the benefit of the limitation.
  - The amount of credits used by taxpayers equaled approximately \$66 million in the 1995 tax year and over \$67 million in the 1996 tax year.

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# Article 9-A: Franchise Tax on Business Corporations

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## Tax Structure: Tax Law as of 1996

Article 9-A imposes a tax on corporations for the privilege of exercising a corporate franchise in the State. All domestic corporations (organized in New York State), and all foreign corporations (organized in another state or country) doing business, or employing capital, or owning or leasing property in a corporate or organized capacity, or maintaining an office in the State, become subject to the corporate franchise tax. Article 9-A applies to any general business corporation except those specifically exempt or those subject to tax under other specified articles of the tax law.

Corporations compute tax under four bases: entire net income (ENI); business and investment capital; alternative minimum taxable income (AMTI); and fixed dollar minimum amounts. The corporation pays the tax computed on the base that yields the highest liability. An additional tax applies, based on the value of the corporation's subsidiary capital allocated to the State, which is taxed at the rate of 0.09 percent.

- A rate of 9 percent applies to the ENI base. A tax rate of 8 percent applies to qualified small business corporations with ENI of \$200,000 or less. A graduated rate of between 8 and 9 percent applies to qualified small business corporations with ENI of more than \$200,000, but not more than \$290,000.
- A rate of 0.178 percent applies to the capital base. Allocated business and investment capital form the capital base. The maximum annual tax equals \$350,000.
- A rate of 3.5 percent applies to the AMT base. The AMT base equals ENI adjusted to reflect certain federal tax preference items and adjustments and state specific net operating loss (NOL) modifications.

- Separate fixed dollar minimum amounts apply, based on a corporation's gross annual payroll, including general executive officers, during the applicable tax period. The amounts range from \$325 to \$1,500. A fixed amount of \$800 applies to corporations whose gross property, receipts and payroll are each less than \$1,000.

Corporations allocate ENI, business capital and AMT income using a three factor-formula to proxy their economic presence in the State. Representative factors include owned and rented real and tangible personal property, business receipts and payroll (exclusive of general executive officers). Corporations allocate investment capital and income to New York based on the New York presence of the issuer of the investment instrument.

Corporations that elect S corporation status for federal and New York tax purposes, compute an entity level tax imposed by Article 9-A. The S corporation first computes a franchise tax on its entire net income, determined as if it were a regular "C" corporation. The S corporation then applies a tax rate of 7.875 percent to that same entire net income base. The resulting difference in these two computations equals the differential tax.

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### Significant Tax Law Changes: 1995 and 1996

*1995*

- The AMT tax rate was reduced from 5 percent to 3.5 percent beginning January 1, 1995.
- The business tax surcharge rate drops from 12.5 percent to 7.5 percent.

*1996*

- The business tax surcharge rate drops from 7.5 percent to 2.5 percent.

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### Statistical Summary: Comparison of 1995 Versus 1996

The corporate franchise tax represented slightly more than 40 percent of total New York State corporate tax liability in 1996. Slightly more than 513,000 corporate taxpayers (both C corporations and S corporations) filed returns in this year. These taxpayers reported a total tax liability of more than \$1.6 billion.

Table 4 summarizes and compares information from taxable returns filed by Article 9-A corporations in 1995 and 1996. In 1996, total tax liability increased 8.3 percent from 1995.

**Table 4: Profile of C and S Corporations, Number of Taxpayers and Tax Liability – 1995 and 1996**

| Tax Year                                | 1995             | 1996             |
|---|------------------|------------------|
| <b>Number of Taxpayers</b>              |                  |                  |
| Number of C Corporations                | 257,448          | 259,285          |
| Number of S Corporations                | 243,976          | 254,236          |
| <b>Total Number of Corporations</b>     | <b>501,424</b>   | <b>513,521</b>   |
| <b>Millions of Dollars</b>              |                  |                  |
| Tax Liability C Corporations            | \$1,385.5        | \$1,527.1        |
| Tax Liability S Corporations            | 158.6            | 145.5            |
| <b>Total Tax Liability Corporations</b> | <b>\$1,544.1</b> | <b>\$1,672.6</b> |

Distribution of C Corporations and Tax Liability

Table 5 shows both 1995 and 1996 C and S corporations by basis for the number of taxpayers and tax liability. The most significant feature of the data was the decline in S corporation liability despite a continued increase in the total number of S corporations between 1995 and 1996. The decline in total liability may be partly attributed to the reduction in the business tax surcharge.

**Table 5: C and S Corporations by Bases, Number of Taxpayers and Tax Liability – 1995 and 1996**

| Type of Corporation        | Base of Primary Tax                             | Number of Taxpayers |                |                | Tax Liability          |                        |                |
|----------------------------|---|---------------------|----------------|----------------|------------------------|------------------------|----------------|
|                            |   | 1995                | 1996           | Percent Change | 1995                   | 1996                   | Percent Change |
| C Corporation              | Entire Net Income                               | 48,191              | 49,718         | 3.2            | \$1,133,815,548        | \$1,262,719,435        | 11.4           |
|                            | Fixed Dollar Minimum Tax                        | 180,924             | 181,459        | 0.3            | 73,759,689             | 70,369,817             | -4.6           |
|                            | Capital   | 19,017              | 19,162         | 0.8            | 81,344,718             | 81,545,139             | 0.2            |
|                            | Alternative Minimum Taxable Income              | 9,316               | 8,946          | -4.0           | 96,596,117             | 112,494,462            | 16.5           |
| <b>C Corporation Total</b> |   | <b>257,448</b>      | <b>259,285</b> | <b>0.7</b>     | <b>\$1,385,516,072</b> | <b>\$1,527,128,853</b> | <b>10.2</b>    |
| S Corporation              | Entire Net Income & Fixed Dollar Minimum Filers | 243,976             | 254,236        | 4.2            | 158,642,828            | 145,469,552            | -8.3           |
| <b>Article 9-A Total</b>   |   | <b>501,424</b>      | <b>513,521</b> | <b>2.4</b>     | <b>\$1,544,158,900</b> | <b>\$1,672,598,40</b>  | <b>8.3</b>     |

The data in Figure 2 illustrates that the greatest number of C corporations paid tax on the fixed dollar minimum base for both 1995 and 1996. This was followed by the entire net income base and the capital base.

**Figure 2: Distribution of C Corporations by Basis – 1995 and 1996**

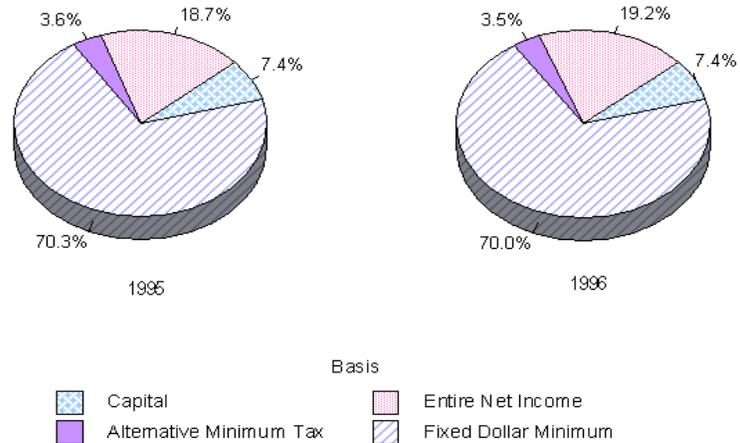
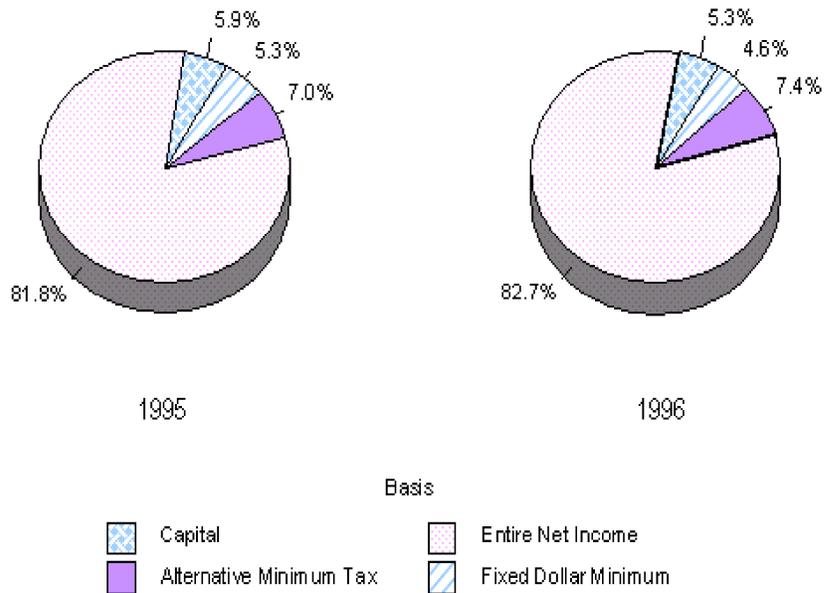


Figure 3 shows that the greatest share of tax paid was under the entire net income base for both 1995 and 1996. The fixed dollar minimum base and the capital base represented much smaller shares of tax liability in each year.

**Figure 3: C Corporation Tax Liability by Basis – 1995 and 1996**



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Tax liability for taxpayers subject to the fixed dollar minimum tax varied by size of gross payroll. As Figure 4 shows, the greatest number of taxpayers had payrolls of less than \$1 million and paid under the smallest fixed dollar minimum amount: \$325. This did not change from 1995 to 1996. The number of taxpayers paying under the \$325 fixed dollar minimum in 1996 declined slightly from 1995. From 1995 to 1996, the number of taxpayers paying other amounts under the fixed dollar minimum tax increased slightly with 3,553 corporations paying the \$1,500 minimum.

**Figure 4: Number of Fixed Dollar Minimum Taxpayers by Fixed Dollar Minimum Tax – 1995 and 1996**

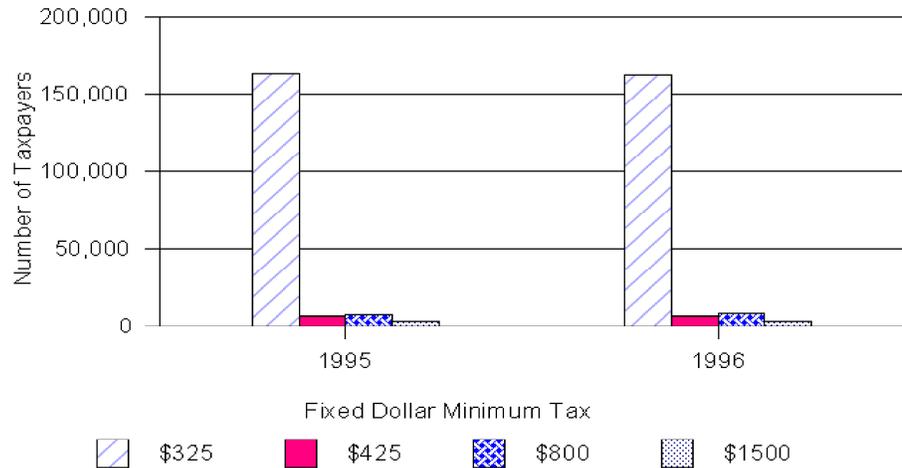
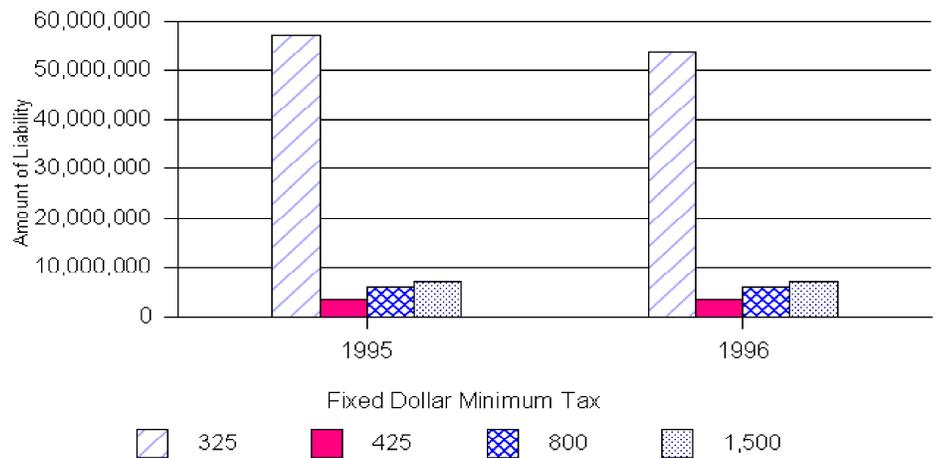


Figure 5 shows the distribution of tax liability within the fixed dollar filing population. The greatest amount of fixed dollar minimum tax liability was paid by those subject to the \$325 fixed amount. This amount declined by over \$3 million from 1995 to 1996. The distribution of tax liability did not change significantly for other amounts under the fixed dollar minimum tax.

**Figure 5: Liability of Fixed Dollar Minimum Taxpayers by Fixed Dollar Minimum Tax – 1995 and 1996**



Industry Profiles: 1995  
Versus 1996

Table 6 profiles the distribution of taxpayers and liability by major industries. It shows that the total number of taxpayers increased slightly from 1995 to 1996. The distribution of tax liability by industry remained fairly constant from 1995 to 1996. The finance, insurance and real estate (FIRE) sector experienced a 5.2 percentage point increase in its share of total liability in 1996.

**Table 6: Percent Change in Distribution of C Corporation Taxpayers and Tax Liability by Industry – 1995 and 1996**

| Industry                                       | Number of Taxpayers |                | Tax Liability          |                        | Share of Total Tax Liability (%) |              |
|--|---------------------|----------------|------------------------|------------------------|----------------------------------|--------------|
|  | 1995                | 1996           | 1995                   | 1996                   | 1995                             | 1996         |
| Agriculture                                    | 1,085               | 1,662          | \$1,607,530            | \$2,139,026            | 0.1                              | 0.1          |
| Mining   | 500                 | 591            | 4,981,569              | 4,678,486              | 0.4                              | 0.3          |
| Contract Construction                          | 15,570              | 16,897         | 29,541,701             | 30,063,202             | 2.1                              | 2.0          |
| Manufacturing                                  | 19,950              | 22,055         | 379,766,446            | 401,434,766            | 27.4                             | 26.3         |
| Transportation/Communications/Public Utilities | 6,729               | 7,811          | 69,045,054             | 49,532,454             | 5.0                              | 3.2          |
| Wholesale Trade (Durable)                      | 13,232              | 14,038         | 78,120,991             | 76,790,191             | 5.6                              | 5.0          |
| Wholesale Trade (Nondurable)                   | 11,989              | 12,729         | 62,029,735             | 59,303,114             | 4.5                              | 3.9          |
| Retail Trade                                   | 32,887              | 36,027         | 101,749,361            | 105,011,161            | 7.3                              | 6.9          |
| Finance Insurance and Real Estate              | 47,120              | 51,640         | 419,526,975            | 541,696,991            | 30.3                             | 35.5         |
| Services                                       | 64,927              | 74,247         | 213,924,379            | 248,381,578            | 15.4                             | 16.3         |
| Not Classified                                 | 43,459              | 21,588         | 25,222,331             | 8,097,884              | 1.8                              | 0.5          |
| <b>Total</b>                                   | <b>257,448</b>      | <b>259,285</b> | <b>\$1,385,516,072</b> | <b>\$1,527,128,853</b> | <b>100.0</b>                     | <b>100.0</b> |

C Corporations by Filing  
Period 1995 and 1996:  
Number of Taxpayers

Table 7 shows that the greatest number of taxpayers filed as calendar year taxpayers with a fiscal year ending December 31. The next largest number filed for the fiscal year ending June 30. The fewest number of taxpayers filed with a fiscal year ending January 31. This distribution was consistent from year to year.

**Table 7: Distribution of C Corporation Taxpayers by Fiscal Period – 1995 and 1996**

| Fiscal Year Ending | Number of Taxpayers |                |
|--------------------|---------------------|----------------|
|                    | 1995                | 1996           |
| December           | 130,685             | 133,622        |
| January            | 7,529               | 7,793          |
| February           | 9,572               | 9,486          |
| March              | 16,078              | 16,092         |
| April              | 9,398               | 9,597          |
| May                | 10,112              | 10,116         |
| June               | 20,076              | 19,572         |
| July               | 8,701               | 8,540          |
| August             | 9,496               | 9,384          |
| September          | 17,443              | 17,210         |
| October            | 10,478              | 9,990          |
| November           | 7,880               | 7,883          |
| <b>Total</b>       | <b>257,448</b>      | <b>259,285</b> |

C Corporations by Filing Period 1995 and 1996: Tax Liability

As Table 8 shows, December filers overwhelmingly reflected the greatest amount of tax liability for fiscal years ending in both 1995 and 1996. Following tax liability for December 1995 was June, and then March. June was also the second highest month for tax liability paid in 1996.

**Table 8: Distribution of C Corporation Tax Liability by Fiscal Period – 1995 and 1996**

| Fiscal Year Ending | Tax Liability          |                        |
|--------------------|------------------------|------------------------|
|                    | 1995                   | 1996                   |
| December           | \$870,980,239          | \$951,252,155          |
| January            | 41,612,222             | 57,287,757             |
| February           | 46,105,428             | 32,186,909             |
| March              | 88,640,461             | 78,119,122             |
| April              | 27,879,192             | 24,487,299             |
| May                | 27,001,315             | 58,152,729             |
| June               | 115,767,481            | 135,155,884            |
| July               | 25,300,487             | 21,832,336             |
| August             | 23,346,439             | 25,246,142             |
| September          | 66,999,329             | 83,656,986             |
| October            | 31,600,398             | 36,692,621             |
| November           | 20,283,081             | 23,058,913             |
| <b>Total</b>       | <b>\$1,385,516,072</b> | <b>\$1,527,128,853</b> |

Note: Tax liability for 1995 reflects tax years ending December 31, 1995 through November 30, 1996. Tax Liability for 1996 reflects tax years ending December 31, 1996 through November 30, 1997.

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# Detailed Article 9-A Summary Tables

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This section contains detailed Article 9-A summary tables for the 1996 tax year. Consistent with the data presented in the main text of this report, the data includes the temporary business tax surcharge and the tax on subsidiary capital. In addition, liability includes the fixed dollar minimum tax on subsidiaries. The total amount for this was \$4.7 million in 1996. Tax liability excludes the MTA surcharge.

The following tables present data on C corporations only. Tables 13 through 20 do not include data for certain fixed dollar minimum tax filers because most of the items presented in these tables are not verified for these filers. Therefore, the number of taxpayers and amount of tax liability presented in these tables will differ from that presented in the other tables included in this report. In certain tables tax law provisions prohibit the disclosure of data. The data are included in the appropriate totals, and are designated by "d."



**Table 9: Corporation Tax by Size of Liability**  
**Corporate Tax Years Ending Between December 1, 1996 and November 30, 1997**

| Liability 1/         | Alternative Taxes |                        |               |                     |   |                      |               |                        |
|----------------------|-------------------|------------------------|---------------|---------------------|---|----------------------|---------------|------------------------|
|                      | Entire Net Income |                        | Capital Base  |                     | Alternative Minimum Taxable Income Base |                      | Total         |                        |
|                      | Number            | Amount                 | Number        | Amount              | Number                                  | Amount               | Number        | Amount                 |
| \$325 - \$499        | 6,446             | \$2,683,305            | 4,557         | \$1,881,980         | 2,301                                   | \$944,789            | 13,304        | \$5,510,074            |
| 500 - 999            | 10,207            | 7,555,774              | 5,963         | 4,335,254           | 2,679                                   | 1,937,921            | 18,849        | 13,828,949             |
| 1,000 - 1,999        | 9,304             | 13,717,864             | 3,644         | 5,291,824           | 1,741                                   | 2,510,030            | 14,689        | 21,519,718             |
| 2,000 - 2,999        | 5,084             | 12,797,859             | 1,518         | 3,852,033           | 560                                     | 1,419,260            | 7,162         | 18,069,152             |
| 3,000 - 3,999        | 3,350             | 11,872,528             | 815           | 2,915,085           | 329                                     | 1,179,807            | 4,494         | 15,967,420             |
| 4,000 - 4,999        | 2,271             | 10,321,529             | 508           | 2,349,665           | 227                                     | 1,049,060            | 3,006         | 13,720,254             |
| 5,000 - 5,999        | 1,553             | 8,690,571              | 396           | 2,244,545           | 136                                     | 779,072              | 2,085         | 11,714,188             |
| 6,000 - 6,999        | 1,234             | 8,157,956              | 250           | 1,693,069           | 102                                     | 687,883              | 1,586         | 10,538,908             |
| 7,000 - 7,999        | 935               | 7,151,502              | 195           | 1,510,101           | 99                                      | 767,150              | 1,229         | 9,428,753              |
| 8,000 - 8,999        | 771               | 6,692,500              | 145           | 1,270,236           | 45                                      | 404,496              | 961           | 8,367,232              |
| 9,000 - 9,999        | 568               | 5,499,301              | 121           | 1,181,952           | 55                                      | 537,692              | 744           | 7,218,945              |
| 10,000 - 14,999      | 1,876             | 23,409,436             | 347           | 4,410,331           | 158                                     | 1,998,133            | 2,381         | 29,817,900             |
| 15,000 - 19,999      | 1,148             | 20,348,489             | 197           | 3,509,527           | 83                                      | 1,524,207            | 1,428         | 25,382,223             |
| 20,000 - 29,999      | 1,187             | 29,962,860             | 157           | 4,083,159           | 111                                     | 2,816,699            | 1,455         | 36,862,718             |
| 30,000 - 39,999      | 726               | 25,617,781             | 79            | 2,785,432           | 64                                      | 2,288,734            | 869           | 30,691,947             |
| 40,000 - 49,999      | 462               | 21,189,921             | 73            | 3,384,780           | 46                                      | 2,124,051            | 581           | 26,698,752             |
| 50,000 - 59,999      | 363               | 20,439,952             | 33            | 1,911,096           | 36                                      | 2,067,495            | 432           | 24,418,543             |
| 60,000 - 69,999      | 258               | 17,097,449             | 20            | 1,320,939           | 16                                      | 1,048,212            | 294           | 19,466,600             |
| 70,000 - 79,999      | 222               | 16,957,547             | 11            | 847,979             | 21                                      | 1,607,650            | 254           | 19,413,176             |
| 80,000 - 89,999      | 155               | 13,433,404             | 18            | 1,562,875           | 19                                      | 1,613,054            | 192           | 16,609,333             |
| 90,000 - 99,999      | 132               | 12,782,838             | 14            | 1,375,830           | 6                                       | 580,735              | 152           | 14,739,403             |
| 100,000 - 249,999    | 844               | 134,447,768            | 63            | 10,273,618          | 69                                      | 11,354,145           | 976           | 156,075,531            |
| 250,000 - 499,999    | 317               | 112,208,619            | 35            | 12,942,015          | 17                                      | 6,427,755            | 369           | 131,578,389            |
| 500,000 - 999,999    | 157               | 112,416,215            | d/            | d/                  | d/                                      | d/                   | 169           | 121,075,847            |
| \$1,000,000 and over | 148               | \$607,266,467          | d/            | d/                  | d/                                      | d/                   | 165           | 668,045,081            |
| <b>Total</b>         | <b>49,718</b>     | <b>\$1,262,719,435</b> | <b>19,162</b> | <b>\$81,545,139</b> | <b>8,946</b>                            | <b>\$112,494,462</b> | <b>77,826</b> | <b>\$1,456,759,036</b> |

d/ Tax Law provisions prohibit disclosure of data.

1996 Minimum Tax Filers\*

| Fixed Dollar Minimum Amt's 1/ | Number       | Amount           |
|-------------------------------|--------------|------------------|
| \$325                         | 162,932      | \$53,981,630     |
| 425                           | 6,776        | 3,388,417        |
| 800                           | 8,198        | 5,946,954        |
| <u>1,500</u>                  | <u>3,553</u> | <u>7,052,816</u> |
| Total                         | 181,459      | \$70,369,817     |

\* Includes partial year filers.

1/ Liability ranges are based on pre-surcharge liability.

**Table 10: Corporation Tax Liability by Industry****Corporate Tax Years Ending Between December 1, 1996 and November 30, 1997**

| SIC/PIA<br>Code | Industry  | "C" Corporations |              | Total Tax*           |               |                 | Subsidiary<br>Capital Tax** |                    |
|-----------------|---|------------------|--------------|----------------------|---------------|-----------------|-----------------------------|--------------------|
|                 |   | Number           | Share        | Amount               | Share         | Average         | Number                      | Amount             |
| 100<br>-999     | <b>Agriculture</b>  | 1,662            | 0.64%        | \$2,139,026          | 0.14%         | \$1,287         | 6                           | \$5,420            |
| 1000<br>-1499   | <b>Mining</b>   | 591              | 0.23%        | \$4,678,486          | 0.31%         | \$7,916         | 15                          | \$22,339           |
|                 | <b>Contract Construction</b>                                | <b>16,897</b>    | <b>6.52%</b> | <b>\$30,063,202</b>  | <b>1.97%</b>  | <b>\$1,779</b>  | <b>85</b>                   | <b>\$119,353</b>   |
| 1500            | Building construction                                       | 6,816            | 2.63%        | \$9,405,272          | 0.62%         | \$1,380         | 31                          | \$32,680           |
| 1600            | Other construction  | 795              | 0.31%        | \$4,142,326          | 0.27%         | \$5,210         | 23                          | \$51,565           |
| 1700            | Special trade contractors                                   | 9,286            | 3.58%        | \$16,515,604         | 1.08%         | \$1,779         | 31                          | \$35,108           |
|                 | <b>Manufacturing</b>  | <b>22,055</b>    | <b>8.51%</b> | <b>\$401,434,766</b> | <b>26.29%</b> | <b>\$18,202</b> | <b>672</b>                  | <b>\$3,199,935</b> |
| 2000            | Food and kindred products                                   | 1,415            | 0.55%        | \$35,380,222         | 2.32%         | \$25,004        | 55                          | \$189,707          |
| 2100            | Tobacco manufacturers                                       | 18               | 0.01%        | \$23,270,444         | 1.52%         | \$1,292,802     | d/                          | d/                 |
| 2200            | Textile mill products                                       | 616              | 0.24%        | \$5,737,830          | 0.38%         | \$9,315         | 25                          | \$30,235           |
| 2300            | Apparel and finished textile products                       | 3,286            | 1.27%        | \$16,956,925         | 1.11%         | \$5,160         | 38                          | \$27,012           |
| 2400            | Lumber and wood products                                    | 507              | 0.20%        | \$2,251,157          | 0.15%         | \$4,440         | 7                           | \$16,252           |
| 2500            | Furniture and fixtures                                      | 537              | 0.21%        | \$4,685,340          | 0.31%         | \$8,725         | 9                           | \$41,240           |
| 2600            | Paper and allied products                                   | 604              | 0.23%        | \$9,025,910          | 0.59%         | \$14,944        | 27                          | \$58,944           |
| 2700            | Printing, publishing and allied industries                  | 3,281            | 1.27%        | \$51,048,792         | 3.34%         | \$15,559        | 84                          | \$542,334          |
| 2800            | Chemicals and allied products                               | 1,005            | 0.39%        | \$47,241,873         | 3.09%         | \$47,007        | 58                          | \$649,003          |
| 2900            | Products of petroleum and coal                              | 135              | 0.05%        | \$13,561,287         | 0.89%         | \$100,454       | 9                           | \$29,399           |
| 3000            | Rubber and plastics products                                | 876              | 0.34%        | \$4,931,542          | 0.32%         | \$5,630         | 14                          | \$24,223           |
| 3100            | Leather and leather products                                | 212              | 0.08%        | \$1,019,057          | 0.07%         | \$4,807         | d/                          | d/                 |
| 3200            | Stone, clay and glass products                              | 682              | 0.26%        | \$8,053,648          | 0.53%         | \$11,809        | 15                          | \$66,001           |
| 3300            | Primary metal industries                                    | 291              | 0.11%        | \$3,914,761          | 0.26%         | \$13,453        | 18                          | \$26,738           |
| 3400            | Fabricated metal products                                   | 2,356            | 0.91%        | \$22,194,956         | 1.45%         | \$9,421         | 60                          | \$127,067          |
| 3500            | Machinery (except electrical)                               | 1,421            | 0.55%        | \$30,938,213         | 2.03%         | \$21,772        | 50                          | \$158,802          |
| 3600            | Electrical and electronic equipment                         | 1,751            | 0.68%        | \$60,879,962         | 3.99%         | \$34,769        | 89                          | \$291,153          |
| 3700            | Transportation equipment                                    | 464              | 0.18%        | \$17,005,478         | 1.11%         | \$36,650        | 24                          | \$549,819          |
| 3800            | Professional, scientific instruments                        | 782              | 0.30%        | \$27,283,570         | 1.79%         | \$34,889        | 38                          | \$66,458           |
| 3900            | Miscellaneous manufacturing                                 | 1,816            | 0.70%        | \$16,053,799         | 1.05%         | \$8,840         | 47                          | \$291,620          |
| 4000<br>-4999   | <b>Transportation, Communications,<br/>Public Utilities</b> | <b>7,811</b>     | <b>3.01%</b> | <b>\$49,532,454</b>  | <b>3.24%</b>  | <b>\$6,341</b>  | <b>122</b>                  | <b>\$3,677,101</b> |
|                 | <b>Wholesale Trade (Durable)</b>                            | <b>14,038</b>    | <b>5.41%</b> | <b>\$76,790,191</b>  | <b>5.03%</b>  | <b>\$5,470</b>  | <b>159</b>                  | <b>\$363,141</b>   |
| 5010            | Motor vehicle and automotive equipment                      | 974              | 0.38%        | \$10,337,082         | 0.68%         | \$10,613        | 11                          | \$35,090           |
| 5020            | Furniture and home furnishings                              | 633              | 0.24%        | \$1,883,665          | 0.12%         | \$2,976         | 3                           | \$5,622            |
| 5030            | Lumber and construction materials                           | 555              | 0.21%        | \$2,859,920          | 0.19%         | \$5,153         | d/                          | d/                 |
| 5040            | Professional and commercial equipment                       | 536              | 0.21%        | \$869,100            | 0.06%         | \$1,621         | d/                          | d/                 |
| 5050            | Metals and minerals   | 606              | 0.23%        | \$3,355,971          | 0.22%         | \$5,538         | 10                          | \$6,368            |
| 5060            | Electrical goods  | 1,183            | 0.46%        | \$10,778,357         | 0.71%         | \$9,111         | 26                          | \$50,695           |
| 5070            | Hardware, plumbing and heating supplies                     | 648              | 0.25%        | \$2,871,569          | 0.19%         | \$4,431         | 4                           | \$4,682            |
| 5080            | Machinery, equipment and supplies                           | 1,009            | 0.39%        | \$8,737,535          | 0.57%         | \$8,660         | 20                          | \$38,764           |
| 5090            | Miscellaneous wholesalers (durable)                         | 6,650            | 2.56%        | \$34,628,878         | 2.27%         | \$5,207         | 75                          | \$217,818          |
| 5000            | Nonclassified wholesalers (durable)                         | 1,244            | 0.48%        | \$468,114            | 0.03%         | \$376           | 0                           | \$0                |

\* Tax liability includes the temporary, NYS corporate tax surcharge and tax on subsidiary capital.

Tax liability excludes the MTA surcharge.

\*\* Values represent tax on subsidiary capital prior to the application of credits.

d/ Tax Law provisions prohibit disclosure of data. However, the data are included in the appropriate totals.

**Table 10: Corporation Tax Liability by Industry (Con't)**

**Corporate Tax Years Ending Between December 1, 1996 and November 30, 1997**

| SIC/PIA Code | Industry  | "C" Corporations |                | Total Tax*             |                |                 | Subsidiary Capital Tax** |                     |
|--------------|---|------------------|----------------|------------------------|----------------|-----------------|--------------------------|---------------------|
|              |   | Number           | Share          | Amount                 | Share          | Average         | Number                   | Amount              |
|              | <b>Wholesale Trade (Nondurable)</b>               | <b>12,729</b>    | <b>4.91%</b>   | <b>\$59,303,114</b>    | <b>3.88%</b>   | <b>\$4,659</b>  | <b>143</b>               | <b>\$220,901</b>    |
| 5110         | Paper and paper products                          | 593              | 0.23%          | 3,696,496              | 0.24%          | \$6,234         | 5                        | 7,706               |
| 5120         | Drugs, proprietaries and sundries                 | 404              | 0.16%          | 5,602,563              | 0.37%          | \$13,868        | 14                       | 45,322              |
| 5130         | Apparel, piece goods and notions                  | 3,712            | 1.43%          | 10,707,092             | 0.70%          | \$2,884         | 28                       | 24,546              |
| 5140         | Groceries and related products                    | 1,765            | 0.68%          | 9,703,309              | 0.64%          | \$5,498         | 23                       | 36,021              |
| 5150         | Farm products - raw materials                     | 330              | 0.13%          | 1,110,687              | 0.07%          | \$3,366         | 7                        | 3,085               |
| 5160         | Chemicals and allied products                     | 514              | 0.20%          | 2,480,008              | 0.16%          | \$4,825         | 9                        | 2,571               |
| 5170         | Petroleum and petroleum products                  | 464              | 0.18%          | 3,149,118              | 0.21%          | \$6,787         | 13                       | 45,646              |
| 5180         | Beer, wine and distilled beverages                | 321              | 0.12%          | 3,544,721              | 0.23%          | \$11,043        | 5                        | 7,121               |
| 5190         | Miscellaneous wholesalers (nondurable)            | 4,583            | 1.77%          | 19,295,644             | 1.26%          | \$4,210         | 39                       | 48,883              |
| 5100         | Nonclassified wholesalers (nondurable)            | 43               | 0.02%          | 13,476                 | 0.00%          | \$313           | 0                        | 0                   |
|              | <b>Retail Trade</b>                               | <b>36,027</b>    | <b>13.89%</b>  | <b>105,011,161</b>     | <b>6.88%</b>   | <b>\$2,915</b>  | <b>158</b>               | <b>548,622</b>      |
| 5200         | Building supplies, hardware, farm equipment       | 1,861            | 0.72%          | 9,516,813              | 0.62%          | \$5,114         | 9                        | 19,237              |
| 5300         | General merchandise, incl. department stores      | 930              | 0.36%          | 18,474,894             | 1.21%          | \$19,865        | 13                       | 33,332              |
| 5400         | Food  | 4,818            | 1.86%          | 13,399,974             | 0.88%          | \$2,781         | 10                       | 88,848              |
| 5500         | Automotive  | 3,599            | 1.39%          | 6,630,756              | 0.43%          | \$1,842         | 21                       | 14,998              |
| 5600         | Apparel   | 2,941            | 1.13%          | 17,395,792             | 1.14%          | \$5,915         | 24                       | 106,293             |
| 5700         | Furniture and furnishings                         | 1,467            | 0.57%          | 2,410,944              | 0.16%          | \$1,643         | 6                        | 4,903               |
| 5800         | Eating and drinking places                        | 9,300            | 3.59%          | 9,474,069              | 0.62%          | \$1,019         | 22                       | 72,627              |
| 5900         | Miscellaneous retail trade                        | 11,111           | 4.29%          | 27,707,919             | 1.81%          | \$2,494         | 53                       | 208,384             |
|              | <b>Finance, Insurance and Real Estate</b>         | <b>51,640</b>    | <b>19.92%</b>  | <b>541,696,991</b>     | <b>35.47%</b>  | <b>\$10,490</b> | <b>905</b>               | <b>9,295,268</b>    |
| 6000         | Special banking services                          | 219              | 0.08%          | 1,651,321              | 0.11%          | \$7,540         | 6                        | 337,313             |
| 6100         | Credit agencies (other than banks)                | 1,090            | 0.42%          | 15,480,883             | 1.01%          | \$14,203        | 47                       | 107,727             |
| 6200         | Security and commodity brokers, dealers           | 1,918            | 0.74%          | 267,297,201            | 17.50%         | \$139,362       | 75                       | 225,667             |
| 6400         | Insurance agents, brokers, services               | 4,187            | 1.61%          | 22,202,387             | 1.45%          | \$5,303         | 57                       | 1,597,272           |
| 6500         | Real estate agents, brokers, management, etc.     | 35,866           | 13.83%         | 97,974,623             | 6.42%          | \$2,732         | 198                      | 494,410             |
| 6700         | Holding and other investment companies            | 8,360            | 3.22%          | 137,090,576            | 8.98%          | \$16,398        | 522                      | 6,532,879           |
|              | <b>Services</b>                                   | <b>74,247</b>    | <b>28.64%</b>  | <b>248,381,578</b>     | <b>16.26%</b>  | <b>\$3,345</b>  | <b>500</b>               | <b>1,252,349</b>    |
| 7000         | Hotels and lodging places                         | 761              | 0.29%          | 7,033,837              | 0.46%          | \$9,243         | 19                       | 67,820              |
| 7200         | Personal services                                 | 3,950            | 1.52%          | 5,419,719              | 0.35%          | \$1,372         | 14                       | 73,879              |
| 7300         | Business services                                 | 18,958           | 7.31%          | 107,390,093            | 7.03%          | \$5,665         | 203                      | 413,093             |
| 7500         | Auto repair services and garages                  | 3,054            | 1.18%          | 3,050,287              | 0.20%          | \$999           | 8                        | 13,782              |
| 7600         | Miscellaneous repair services                     | 2,148            | 0.83%          | 2,580,309              | 0.17%          | \$1,201         | 4                        | 1,051               |
| 7800         | Motion picture production, distribution, theaters | 2,345            | 0.90%          | 10,234,720             | 0.67%          | \$4,364         | 22                       | 50,428              |
| 7900         | Other amusement services                          | 4,089            | 1.58%          | 29,107,897             | 1.91%          | \$7,119         | 32                       | 72,471              |
| 8000         | Medical services, hospitals, etc.                 | 10,513           | 4.05%          | 19,195,562             | 1.26%          | \$1,826         | 32                       | 116,398             |
| 8100         | Legal services                                    | 2,367            | 0.91%          | 2,586,036              | 0.17%          | \$1,093         | 0                        | 0                   |
| 8200         | Educational services                              | 1,146            | 0.44%          | 2,473,753              | 0.16%          | \$2,159         | 11                       | 9,318               |
| 8300         | Social services                                   | 192              | 0.07%          | 201,887                | 0.01%          | \$1,051         | 0                        | 0                   |
| 8400         | Museums, art galleries, etc.                      | 8                | 0.00%          | 15,673                 | 0.00%          | \$1,959         | 0                        | 0                   |
| 8600         | Membership organizations                          | 1,009            | 0.39%          | 3,953,955              | 0.26%          | \$3,919         | 3                        | 20                  |
| 8700         | Engineering & management services                 | 536              | 0.21%          | 946,128                | 0.06%          | \$1,765         | 3                        | 10,846              |
| 8800         | Private households                                | 321              | 0.12%          | 108,057                | 0.01%          | \$337           | 0                        | 0                   |
| 8900         | Miscellaneous services                            | 22,850           | 8.81%          | 54,083,665             | 3.54%          | \$2,367         | 149                      | 423,243             |
|              | Industry code not given                           | 21,588           | 8.33%          | 8,097,884              | 0.53%          | \$375           | 0                        | 0                   |
|              | <b>GRAND TOTAL, ALL INDUSTRIES</b>                | <b>259,285</b>   | <b>100.00%</b> | <b>\$1,527,128,853</b> | <b>100.00%</b> | <b>\$5,890</b>  | <b>2,765</b>             | <b>\$18,704,429</b> |

\* Tax liability includes the temporary, NYS corporate tax surcharge and tax on subsidiary capital.

Tax liability excludes the MTA surcharge.

\*\* Values represent tax on subsidiary capital prior to the application of credits.

d/ Tax Law provisions prohibit disclosure of data. However, the data are included in the appropriate totals.

**Table 11: Corporation Tax Liability by Industry and/ Basis of Tax Paid**  
**Corporate Tax Years Ending Between December 1, 1996 and November 30, 1997**

| SIC/PIA Code  | Industry  | Entire Net Income 1/ |                       |                    | Fixed Dollar Minimum |                  |
|---------------|---|----------------------|-----------------------|--------------------|----------------------|------------------|
|               |   | Number               | Amount                | Tax*               | Number               | Tax*             |
| 100<br>-999   | <b>Agriculture</b>  | 235                  | \$202,298,718         | \$1,250,782        | 1,195                | \$409,505        |
| 1000<br>-1499 | <b>Mining</b>   | 87                   | 1,643,178,158         | 2,861,576          | 407                  | 165,382          |
|               | <b>Contract Construction</b>                                | <b>3,848</b>         | <b>1,776,415,357</b>  | <b>22,853,812</b>  | <b>11,403</b>        | <b>4,059,366</b> |
| 1500          | Building construction                                       | 1,349                | 547,848,799           | 6,448,051          | 4,792                | 1,673,183        |
| 1600          | Other construction  | 201                  | 518,564,806           | 3,381,308          | 438                  | 185,314          |
| 1700          | Special trade contractors                                   | 2,298                | 710,001,752           | 13,024,453         | 6,173                | 2,200,869        |
|               | <b>Manufacturing</b>  | <b>5,678</b>         | <b>88,700,443,351</b> | <b>310,799,436</b> | <b>12,816</b>        | <b>6,014,278</b> |
| 2000          | Food and kindred products                                   | 343                  | 6,675,835,209         | 28,377,684         | 853                  | 410,589          |
| 2100          | Tobacco manufacturers                                       | 8                    | 5,901,533,121         | 23,233,759         | d/                   | d/               |
| 2200          | Textile mill products                                       | 176                  | 1,247,977,023         | 4,594,113          | 323                  | 163,932          |
| 2300          | Apparel and finished textile products                       | 682                  | 1,933,343,852         | 15,221,902         | 2,287                | 831,480          |
| 2400          | Lumber and wood products                                    | 122                  | 159,333,200           | 1,664,474          | 277                  | 114,675          |
| 2500          | Furniture and fixtures                                      | 108                  | 887,486,599           | 3,660,371          | 359                  | 140,890          |
| 2600          | Paper and allied products                                   | 106                  | 1,903,611,398         | 5,974,881          | 399                  | 180,253          |
| 2700          | Printing, publishing and allied industries                  | 802                  | 3,967,003,958         | 45,486,743         | 2,006                | 868,369          |
| 2800          | Chemicals and allied products                               | 335                  | 10,106,087,894        | 40,215,749         | 485                  | 342,609          |
| 2900          | Products of petroleum and coal                              | 44                   | 6,913,494,257         | 12,449,888         | 51                   | 26,200           |
| 3000          | Rubber and plastics products                                | 160                  | 748,437,656           | 3,655,100          | 597                  | 259,087          |
| 3100          | Leather and leather products                                | 56                   | 114,770,411           | 907,343            | d/                   | d/               |
| 3200          | Stone, clay and glass products                              | 148                  | 1,831,603,254         | 5,871,399          | 413                  | 188,046          |
| 3300          | Primary metal industries                                    | 83                   | 752,426,615           | 2,742,800          | 137                  | 85,623           |
| 3400          | Fabricated metal products                                   | 672                  | 3,385,698,048         | 16,582,542         | 1,137                | 503,322          |
| 3500          | Machinery (except electrical)                               | 418                  | 4,775,524,786         | 13,139,397         | 733                  | 416,860          |
| 3600          | Electrical and electronic equipment                         | 545                  | 22,579,107,400        | 48,293,873         | 886                  | 532,459          |
| 3700          | Transportation equipment                                    | 131                  | 6,295,342,695         | 11,564,615         | 276                  | 154,957          |
| 3800          | Professional, scientific instruments                        | 266                  | 3,768,558,367         | 13,423,635         | 386                  | 214,383          |
| 3900          | Miscellaneous manufacturing                                 | 473                  | 4,753,267,608         | 13,739,168         | 1,068                | 517,968          |
| 4000<br>-4999 | <b>Transportation, Communications,<br/>Public Utilities</b> | <b>1,720</b>         | <b>4,203,230,776</b>  | <b>28,563,136</b>  | <b>5,258</b>         | <b>2,418,310</b> |
|               | <b>Wholesale Trade (Durable)</b>                            | <b>4,264</b>         | <b>7,993,336,020</b>  | <b>68,507,000</b>  | <b>8,112</b>         | <b>2,967,543</b> |
| 5010          | Motor vehicle and automotive equipment                      | 277                  | 2,036,024,914         | 9,570,079          | 572                  | 209,876          |
| 5020          | Furniture and home furnishings                              | 179                  | 253,584,144           | 1,669,445          | 389                  | 136,745          |
| 5030          | Lumber and construction materials                           | 185                  | 170,588,663           | 2,550,184          | 274                  | 101,448          |
| 5040          | Professional and commercial equipment                       | 44                   | 133,700,097           | 682,132            | 474                  | 167,601          |
| 5050          | Metals and minerals   | 208                  | 507,422,202           | 3,081,682          | 315                  | 120,697          |
| 5060          | Electrical goods  | 430                  | 1,378,501,425         | 10,049,779         | 623                  | 245,098          |
| 5070          | Hardware, plumbing and heating supplies                     | 240                  | 192,121,960           | 2,553,580          | 303                  | 106,868          |
| 5080          | Machinery, equipment and supplies                           | 687                  | 1,203,952,788         | 8,204,866          | 95                   | 49,857           |
| 5090          | Miscellaneous wholesalers (durable)                         | 2,001                | 2,115,605,608         | 30,126,949         | 3,840                | 1,385,418        |
| 5000          | Nonclassified wholesalers (durable)                         | 13                   | \$1,834,219           | \$18,304           | 1,227                | \$443,935        |

\* Tax liability includes the temporary, NYS corporate tax surcharge and tax on subsidiary capital.

Tax liability excludes the MTA surcharge

1/ Corporations computing their tax after credit on the net income base. Data represent total net income before allocation to New York State.

d/ Tax Law provisions prohibit disclosure of data.

**Table 11: Corporation Tax Liability by Industry and/ Basis of Tax Paid (Con't)**  
**Corporate Tax Years Ending Between December 1, 1996 and November 30, 1997**

| SIC/PIA Code  | Industry  | Capital      |                  | Minimum Taxable Income |                   |
|---------------|---|--------------|------------------|------------------------|-------------------|
|               |   | Number       | Tax*             | Number                 | Tax*              |
| 100<br>-999   | Agriculture   | 103          | \$133,740        | 129                    | \$344,999         |
| 1000<br>-1499 | Mining  | 42           | 217,986          | 55                     | 1,433,542         |
|               | <b>Contract Construction</b>                                | <b>878</b>   | <b>1,520,620</b> | <b>768</b>             | <b>1,629,404</b>  |
| 1500          | Building construction                                       | 372          | 569,145          | 303                    | 714,893           |
| 1600          | Other construction  | 100          | 393,659          | 56                     | 182,045           |
| 1700          | Special trade contractors                                   | 406          | 557,816          | 409                    | 732,466           |
|               | <b>Manufacturing</b>  | <b>1,593</b> | <b>8,827,045</b> | <b>1,968</b>           | <b>75,794,007</b> |
| 2000          | Food and kindred products                                   | 99           | 387,824          | 120                    | 6,204,125         |
| 2100          | Tobacco manufacturers                                       | d/           | d/               | 0                      | 0                 |
| 2200          | Textile mill products                                       | 66           | 201,738          | 51                     | 778,047           |
| 2300          | Apparel and finished textile products                       | 183          | 520,906          | 134                    | 382,637           |
| 2400          | Lumber and wood products                                    | 43           | 107,348          | 65                     | 364,660           |
| 2500          | Furniture and fixtures                                      | 36           | 166,229          | 34                     | 717,850           |
| 2600          | Paper and allied products                                   | 38           | 506,558          | 61                     | 2,364,218         |
| 2700          | Printing, publishing and allied industries                  | 210          | 1,386,880        | 263                    | 3,306,800         |
| 2800          | Chemicals and allied products                               | 92           | 884,849          | 93                     | 5,798,666         |
| 2900          | Products of petroleum and coal                              | 25           | 952,111          | 15                     | 133,088           |
| 3000          | Rubber and plastics products                                | 27           | 132,036          | 92                     | 885,319           |
| 3100          | Leather and leather products                                | d/           | d/               | 8                      | 7,636             |
| 3200          | Stone, clay and glass products                              | 50           | 122,627          | 71                     | 1,871,576         |
| 3300          | Primary metal industries                                    | 18           | 84,958           | 53                     | 1,001,380         |
| 3400          | Fabricated metal products                                   | 170          | 404,890          | 377                    | 4,704,202         |
| 3500          | Machinery (except electrical)                               | 107          | 475,933          | 163                    | 16,906,023        |
| 3600          | Electrical and electronic equipment                         | 166          | 1,329,984        | 154                    | 10,723,646        |
| 3700          | Transportation equipment                                    | 21           | 82,941           | 36                     | 5,202,965         |
| 3800          | Professional, scientific instruments                        | 90           | 496,346          | 40                     | 13,149,206        |
| 3900          | Miscellaneous manufacturing                                 | 137          | 504,700          | 138                    | 1,291,963         |
| 4000<br>-4999 | <b>Transportation, Communications,<br/>Public Utilities</b> | <b>523</b>   | <b>7,452,862</b> | <b>310</b>             | <b>11,098,146</b> |
|               | <b>Wholesale Trade (Durable)</b>                            | <b>1,202</b> | <b>3,488,377</b> | <b>460</b>             | <b>1,827,271</b>  |
| 5010          | Motor vehicle and automotive equipment                      | 92           | 513,595          | 33                     | 43,532            |
| 5020          | Furniture and home furnishings                              | 38           | 46,176           | 27                     | 31,299            |
| 5030          | Lumber and construction materials                           | 71           | 124,464          | 25                     | 83,824            |
| 5040          | Professional and commercial equipment                       | d/           | d/               | d/                     | d/                |
| 5050          | Metals and minerals   | 64           | 104,796          | 19                     | 48,796            |
| 5060          | Electrical goods  | 87           | 252,996          | 43                     | 230,484           |
| 5070          | Hardware, plumbing and heating supplies                     | 89           | 164,016          | 16                     | 47,105            |
| 5080          | Machinery, equipment and supplies                           | 152          | 262,556          | 75                     | 220,256           |
| 5090          | Miscellaneous wholesalers (durable)                         | 593          | \$2,001,209      | 216                    | \$1,115,302       |
| 5000          | Nonclassified wholesalers (durable)                         | d/           | d/               | d/                     | d/                |

\* Tax liability includes the temporary, NYS corporate tax surcharge and tax on subsidiary capital.

Tax liability excludes the MTA surcharge

1/ Corporations computing their tax after credit on the net income base. Data represent total net income before allocation to New York State.

d/ Tax Law provisions prohibit disclosure of data.

**Table 11: Corporation Tax Liability by Industry and Basis of Tax Paid (Con't)****Corporate Tax Years Ending Between December 1, 1996 and November 30, 1997**

| SIC/PIA Code | Industry  | Entire Net Income 1/ |                          |                        | Fixed Dollar Minimum |                     |
|--------------|---|----------------------|--------------------------|------------------------|----------------------|---------------------|
|              |   | Number               | Amount                   | Tax                    | Number               | Tax                 |
|              | <b>Wholesale Trade (Nondurable)</b>               | <b>3,498</b>         | <b>\$7,182,491,465</b>   | <b>\$52,261,418</b>    | <b>7,951</b>         | <b>\$2,881,537</b>  |
| 5110         | Paper and paper products                          | 205                  | 163,801,472              | 3,395,903              | 327                  | 122,952             |
| 5120         | Drugs, proprietaries and sundries                 | 113                  | 355,732,413              | 5,290,763              | 241                  | 129,609             |
| 5130         | Apparel, piece goods and notions                  | 1,003                | 480,384,544              | 9,230,020              | 2,298                | 808,567             |
| 5140         | Groceries and related products                    | 482                  | 590,077,720              | 8,080,714              | 1,124                | 398,006             |
| 5150         | Farm products - raw materials                     | 114                  | 67,106,072               | 972,652                | 177                  | 64,016              |
| 5160         | Chemicals and allied products                     | 172                  | 706,108,706              | 2,183,597              | 294                  | 109,782             |
| 5170         | Petroleum and petroleum products                  | 143                  | 1,775,245,482            | 2,640,575              | 229                  | 106,905             |
| 5180         | Beer, wine and distilled beverages                | 97                   | 188,953,877              | 3,238,204              | 175                  | 67,755              |
| 5190         | Miscellaneous wholesalers (nondurable)            | 1,169                | 2,855,081,179            | 17,228,990             | 3,043                | 1,060,469           |
| 5100         | Nonclassified wholesalers (nondurable)            | 0                    | 0                        | 0                      | 43                   | 13,476              |
|              | <b>Retail Trade</b>                               | <b>6,814</b>         | <b>\$11,092,005,998</b>  | <b>\$86,622,925</b>    | <b>26,137</b>        | <b>9,262,379</b>    |
| 5200         | Building supplies, hardware, farm equipment       | 414                  | 1,183,203,714            | 8,782,503              | 1,184                | 411,477             |
| 5300         | General merchandise, incl. department stores      | 218                  | 5,212,836,564            | 16,735,084             | 637                  | 247,856             |
| 5400         | Food  | 741                  | 495,876,080              | 10,856,276             | 3,759                | 1,331,481           |
| 5500         | Automotive  | 875                  | 283,185,884              | 4,614,048              | 2,352                | 806,663             |
| 5600         | Apparel   | 635                  | 1,440,382,215            | 15,703,451             | 2,045                | 752,299             |
| 5700         | Furniture and furnishings                         | 350                  | 115,373,061              | 1,773,396              | 925                  | 323,086             |
| 5800         | Eating and drinking places                        | 1,119                | 500,652,444              | 5,919,492              | 7,585                | 2,577,528           |
| 5900         | Miscellaneous retail trade                        | 2,462                | 1,860,496,036            | 22,238,675             | 7,650                | 2,811,989           |
|              | <b>Finance, Insurance and Real Estate</b>         | <b>8,759</b>         | <b>\$25,868,224,879</b>  | <b>\$478,104,607</b>   | <b>32,269</b>        | <b>13,646,324</b>   |
| 6000         | Special banking services                          | 48                   | 146,845,490              | 604,923                | 142                  | 69,841              |
| 6100         | Credit agencies (other than banks)                | 243                  | 1,267,505,164            | 12,892,583             | 670                  | 345,591             |
| 6200         | Security and commodity brokers, dealers           | 631                  | 11,619,174,144           | 262,773,911            | 974                  | 463,214             |
| 6400         | Insurance agents, brokers, services               | 1,147                | 702,625,002              | 19,849,449             | 2,730                | 1,060,675           |
| 6500         | Real estate agents, brokers, management, etc.     | 5,443                | 2,230,084,136            | 69,671,796             | 21,748               | 7,606,384           |
| 6700         | Holding and other investment companies            | 1,247                | 9,901,990,943            | 112,311,945            | 6,005                | 4,100,619           |
|              | <b>Services</b>                                   | <b>14,727</b>        | <b>\$24,746,944,092</b>  | <b>\$210,813,244</b>   | <b>54,449</b>        | <b>20,556,881</b>   |
| 7000         | Hotels and lodging places                         | 140                  | 576,821,243              | 5,803,886              | 465                  | 190,290             |
| 7200         | Personal services                                 | 716                  | 210,926,351              | 3,988,217              | 3,019                | 1,051,330           |
| 7300         | Business services                                 | 4,748                | 12,860,263,318           | 95,649,751             | 12,727               | 5,106,216           |
| 7500         | Auto repair services and garages                  | 504                  | 70,534,912               | 1,995,833              | 2,358                | 784,896             |
| 7600         | Miscellaneous repair services                     | 469                  | 635,757,493              | 1,866,980              | 1,571                | 542,945             |
| 7800         | Motion picture production, distribution, theaters | 313                  | 799,828,101              | 8,512,360              | 1,874                | 701,114             |
| 7900         | Other amusement services                          | 729                  | 3,113,306,845            | 26,546,978             | 2,988                | 1,145,131           |
| 8000         | Medical services, hospitals, etc.                 | 1,823                | 731,922,386              | 14,658,572             | 7,977                | 2,935,280           |
| 8100         | Legal services                                    | 469                  | 39,325,100               | 1,825,344              | 1,798                | 641,999             |
| 8200         | Educational services                              | 227                  | 214,717,245              | 1,982,506              | 853                  | 335,271             |
| 8300         | Social services                                   | d/                   | d/                       | 142,865                | 152                  | 50,273              |
| 8400         | Museums, art galleries, etc.                      | d/                   | d/                       | 12,593                 | 6                    | 1,984               |
| 8600         | Membership organizations                          | 125                  | 220,136,202              | 3,593,057              | 800                  | 271,362             |
| 8700         | Engineering & management services                 | 177                  | 87,271,355               | 684,130                | 307                  | 125,288             |
| 8800         | Private households                                | 0                    | 0                        | 0                      | 321                  | 108,057             |
| 8900         | Miscellaneous services                            | 4,257                | 5,167,246,199            | 43,550,172             | 17,233               | 6,565,445           |
|              | Industry not given                                | 88                   | 75,405,208               | 81,499                 | 21,462               | 7,988,312           |
|              | <b>GRAND TOTAL, ALL INDUSTRIES</b>                | <b>49,718</b>        | <b>\$173,483,974,022</b> | <b>\$1,262,719,435</b> | <b>181,459</b>       | <b>\$70,369,817</b> |

\* Tax liability includes the temporary, NYS corporate tax surcharge and tax on subsidiary capital.

Tax liability excludes the MTA surcharge

1/ Corporations computing their tax after credit on the net income base. Data represent total net income before allocation to New York State.

d/ Tax Law provisions prohibit disclosure of data.

**Table 11: Corporation Tax Liability by Industry and Basis of Tax Paid (Con't)**  
**Corporate Tax Years Ending Between December 1, 1996 and November 30, 1997**

| SIC/PIA Code | Industry  | Capital       |                     | Minimum Taxable Income |                      |
|--------------|---|---------------|---------------------|------------------------|----------------------|
|              |   | Number        | Tax                 | Number                 | Tax                  |
|              | <b>Wholesale Trade (Nondurable)</b>               | <b>834</b>    | <b>\$2,797,718</b>  | <b>446</b>             | <b>\$1,362,441</b>   |
| 5110         | Paper and paper products                          | 43            | 156,652             | 18                     | 20,989               |
| 5120         | Drugs, proprietaries and sundries                 | 36            | 166,175             | 14                     | 16,016               |
| 5130         | Apparel, piece goods and notions                  | 271           | 440,578             | 140                    | 227,927              |
| 5140         | Groceries and related products                    | 90            | 960,054             | 69                     | 264,535              |
| 5150         | Farm products - raw materials                     | 27            | 51,084              | 12                     | 22,935               |
| 5160         | Chemicals and allied products                     | 29            | 78,738              | 19                     | 107,891              |
| 5170         | Petroleum and petroleum products                  | 75            | 368,750             | 17                     | 32,888               |
| 5180         | Beer, wine and distilled beverages                | 34            | 117,901             | 15                     | 120,861              |
| 5190         | Miscellaneous wholesalers (nondurable)            | 229           | 457,786             | 142                    | 548,399              |
| 5100         | Nonclassified wholesalers (nondurable)            | 0             | 0                   | 0                      | 0                    |
|              | <b>Retail Trade</b>                               | <b>1,860</b>  | <b>\$5,252,484</b>  | <b>1,216</b>           | <b>\$3,873,373</b>   |
| 5200         | Building supplies, hardware, farm equipment       | 199           | 234,092             | 64                     | 88,741               |
| 5300         | General merchandise, incl. department stores      | 62            | 781,316             | 13                     | 710,638              |
| 5400         | Food  | 170           | 679,870             | 148                    | 532,347              |
| 5500         | Automotive  | 261           | 315,753             | 111                    | 894,292              |
| 5600         | Apparel   | 174           | 780,066             | 87                     | 159,976              |
| 5700         | Furniture and furnishings                         | 118           | 149,911             | 74                     | 164,551              |
| 5800         | Eating and drinking places                        | 255           | 589,659             | 341                    | 387,390              |
| 5900         | Miscellaneous retail trade                        | 621           | 1,721,817           | 378                    | 935,438              |
|              | <b>Finance, Insurance and Real Estate</b>         | <b>9,382</b>  | <b>\$40,242,956</b> | <b>1,230</b>           | <b>\$9,703,104</b>   |
| 6000         | Special banking services                          | 25            | 968,280             | 4                      | 8,277                |
| 6100         | Credit agencies (other than banks)                | 138           | 1,106,305           | 39                     | 1,136,404            |
| 6200         | Security and commodity brokers, dealers           | 283           | 3,908,901           | 30                     | 151,175              |
| 6400         | Insurance agents, brokers, services               | 206           | 1,124,042           | 104                    | 168,221              |
| 6500         | Real estate agents, brokers, management, etc.     | 7,758         | 19,148,652          | 917                    | 1,547,791            |
| 6700         | Holding and other investment companies            | 972           | 13,986,776          | 136                    | 6,691,236            |
|              | <b>Services</b>                                   | <b>2,720</b>  | <b>\$11,592,325</b> | <b>2,351</b>           | <b>\$5,419,128</b>   |
| 7000         | Hotels and lodging places                         | 122           | 903,102             | 34                     | 136,559              |
| 7200         | Personal services                                 | 111           | 137,587             | 104                    | 242,585              |
| 7300         | Business services                                 | 869           | 4,677,948           | 614                    | 1,956,178            |
| 7500         | Auto repair services and garages                  | 92            | 140,491             | 100                    | 129,067              |
| 7600         | Miscellaneous repair services                     | 59            | 116,231             | 49                     | 54,153               |
| 7800         | Motion picture production, distribution, theaters | 88            | 749,844             | 70                     | 271,402              |
| 7900         | Other amusement services                          | 228           | 1,177,273           | 144                    | 238,515              |
| 8000         | Medical services, hospitals, etc.                 | 261           | 854,074             | 452                    | 747,636              |
| 8100         | Legal services                                    | 30            | 23,817              | 70                     | 94,876               |
| 8200         | Educational services                              | 35            | 132,165             | 31                     | 23,811               |
| 8300         | Social services                                   | 4             | 5,044               | d/                     | d/                   |
| 8400         | Museums, art galleries, etc.                      | 0             | 0                   | d/                     | d/                   |
| 8600         | Membership organizations                          | 64            | 71,087              | 20                     | 18,449               |
| 8700         | Engineering & management services                 | 30            | 119,240             | 22                     | 17,470               |
| 8800         | Private households                                | 0             | 0                   | 0                      | 0                    |
| 8900         | Miscellaneous services                            | 727           | 2,484,422           | 633                    | 1,483,626            |
|              | Industry not given                                | 25            | 19,026              | 13                     | 9,047                |
|              | <b>GRAND TOTAL, ALL INDUSTRIES</b>                | <b>19,162</b> | <b>\$81,545,139</b> | <b>8,946</b>           | <b>\$112,494,462</b> |

\* Tax liability includes the temporary, NYS corporate tax surcharge and tax on subsidiary capital.

Tax liability excludes the MTA surcharge

1/ Corporations computing their tax after credit on the net income base. Data represent total net income before allocation to New York State.

d/ Tax Law provisions prohibit disclosure of data.

**Table 12: Corporation Tax Liability by Fiscal Period and Basis of Tax Paid****Corporate Tax Years Ending Between December 1, 1996 and November 30, 1997**

| Tax Year Ending | Entire Net Income Base |                        | Fixed Dollar Minimum |                     | Capital Base  |                     | Alternative Minimum Taxable Income Base |                      | Total          |                        |
|-----------------|------------------------|------------------------|----------------------|---------------------|---------------|---------------------|---|----------------------|----------------|------------------------|
|                 | Number                 | Tax                    | Number               | Tax                 | Number        | Tax                 | Number                                  | Tax                  | Number         | Tax                    |
| 12/31/96        | 25,377                 | \$769,179,755          | 92,970               | \$37,292,893        | 10,952        | \$53,836,232        | 4,323                                   | \$90,943,275         | 133,622        | \$951,252,155          |
| 01/31/97        | 1,389                  | 51,580,151             | 5,634                | 2,366,759           | 514           | 2,351,346           | 256                                     | 989,501              | 7,793          | 57,287,757             |
| 02/28/97        | 1,679                  | 26,543,744             | 6,931                | 2,658,553           | 556           | 2,020,007           | 320                                     | 964,605              | 9,486          | 32,186,909             |
| 03/31/97        | 3,344                  | 66,717,571             | 10,889               | 4,308,683           | 1,192         | 4,174,028           | 667                                     | 2,918,840            | 16,092         | 78,119,122             |
| 04/30/97        | 1,721                  | 20,225,423             | 6,983                | 2,465,827           | 560           | 941,180             | 333                                     | 854,869              | 9,597          | 24,487,299             |
| 05/31/97        | 1,884                  | 52,721,246             | 7,334                | 2,592,837           | 536           | 1,559,283           | 362                                     | 1,279,363            | 10,116         | 58,152,729             |
| 06/30/97        | 4,160                  | 120,053,620            | 13,145               | 4,972,473           | 1,446         | 4,112,089           | 821                                     | 6,017,702            | 19,572         | 135,155,884            |
| 07/31/97        | 1,530                  | 15,988,932             | 6,247                | 2,228,970           | 494           | 2,723,054           | 269                                     | 891,380              | 8,540          | 21,832,336             |
| 08/31/97        | 1,690                  | 20,647,223             | 6,835                | 2,395,789           | 574           | 1,365,192           | 285                                     | 837,938              | 9,384          | 25,246,142             |
| 09/30/97        | 3,619                  | 70,008,235             | 11,712               | 4,482,583           | 1,203         | 4,633,560           | 676                                     | 4,532,608            | 17,210         | 83,656,986             |
| 10/31/97        | 1,914                  | 30,317,909             | 7,058                | 2,555,077           | 645           | 2,635,071           | 373                                     | 1,184,564            | 9,990          | 36,692,621             |
| 11/30/97        | 1,411                  | 18,735,626             | 5,721                | 2,049,373           | 490           | 1,194,097           | 261                                     | 1,079,817            | 7,883          | 23,058,913             |
| <b>Total</b>    | <b>49,718</b>          | <b>\$1,262,719,435</b> | <b>181,459</b>       | <b>\$70,369,817</b> | <b>19,162</b> | <b>\$81,545,139</b> | <b>8,946</b>                            | <b>\$112,494,462</b> | <b>259,285</b> | <b>\$1,527,128,853</b> |

**Table 13: Selected Tax Return Items for all Article 9-A Corporations\***

| Item   | Total  |                   |
|--|--------|-------------------|
|  | Number | Amount            |
| Federal Taxable Income Before NOL                        | 80,353 | \$271,334,234,483 |
| Interest on Federal, State Obligations                   | 2,482  | 2,125,781,636     |
| Interest Paid to Stockholders                            | 1,711  | 6,361,900,369     |
| Deductions Directly Attributed to Subsidiary Capital     | 412    | 5,098,367,343     |
| Non-Interest Directly Attributed to Subsidiary Capital   | 392    | 1,645,919,584     |
| Deductions Indirectly Attributed to Subsidiary Capital   | 1,061  | 14,473,783,749    |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 1,125  | 6,042,930,128     |
| NYS, Other State and Local Taxes Deduction               | 70,015 | 11,072,344,779    |
| ACRS/MACRS Deduction                                     | 9,294  | 98,830,248,809    |
| Other Additions  | 1,357  | 8,537,056,355     |
| Income from Subsidiary Capital                           | 1,915  | 138,769,142,059   |
| 50% of Dividends   | 4,904  | 2,220,517,419     |
| Foreign Dividends  | 665    | 10,035,571,416    |
| NY Net Operating Loss Deduction                          | 18,080 | 61,954,851,551    |
| Allowable NY Depreciation                                | 9,051  | 101,327,986,643   |
| Other Subtractions                                       | 3,034  | 12,168,451,093    |
| Entire Net Income  | 78,972 | 99,062,888,248    |
| Investment Income Before Allocation                      | 3,596  | 12,860,799,860    |
| Business Income Before Allocation                        | 78,073 | 86,202,088,462    |
| Allocated Investment Income                              | 2,478  | 82,038,082        |
| Allocated Business Income                                | 77,913 | 976,856,856       |
| Optional Depreciation Adjustment                         | 27     | (1,265,759)       |
| Entire Net Income Base                                   | 78,676 | 1,060,160,840     |
| Tax on ENI Base  | 62,195 | 1,461,285,602     |
| Largest of 4 Bases (Tax Before Credit)                   | 81,456 | 1,557,240,568     |
| Subsidiary Capital Base                                  | 2,846  | 20,782,712,277    |
| Tax on Allocated Subsidiary Capital                      | 2,765  | 18,704,429        |
| Tax Credits: Total                                       | 3,854  | 150,520,334       |
| Tax Due  | 81,456 | 1,425,468,179     |
| State Tax Surcharge                                      | 67,400 | 32,477,640        |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 1,691  | 4,746,896         |
| Total Tax and State Tax Surcharge                        | 81,456 | 1,462,693,901     |

\* These items should be viewed as independently selected items of interest. The columns are not additive and cannot be summed.

**Table 14: Selected Tax Return Items for Article 9-A Entire Net Income Filers\***

| Item   | Entire Net Income Base |                   |
|--|------------------------|-------------------|
|  | Number                 | Amount            |
| Federal Taxable Income Before NOL                        | 49,570                 | \$215,846,145,683 |
| Interest on Federal, State Obligations                   | 1,656                  | 1,687,969,346     |
| Interest Paid to Stockholders                            | 1,173                  | 3,675,595,754     |
| Deductions Directly Attributed to Subsidiary Capital     | 186                    | 2,330,546,849     |
| Non-Interest Directly Attributed to Subsidiary Capital   | 206                    | 825,526,814       |
| Deductions Indirectly Attributed to Subsidiary Capital   | 574                    | 7,068,936,984     |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 595                    | 2,470,360,770     |
| NYS, Other State and Local Taxes Deduction               | 43,626                 | 9,272,434,947     |
| ACRS/MACRS Deduction                                     | 5,393                  | 40,353,554,405    |
| Other Additions  | 845                    | 6,624,703,865     |
| Income from Subsidiary Capital                           | 992                    | 57,910,256,602    |
| 50% of Dividends   | 2,857                  | 991,647,706       |
| Foreign Dividends  | 412                    | 5,110,941,039     |
| NY Net Operating Loss Deduction                          | 5,993                  | 5,901,187,594     |
| Allowable NY Depreciation                                | 5,227                  | 41,047,969,545    |
| Other Subtractions                                       | 1,637                  | 5,758,162,304     |
| Entire Net Income  | 49,717                 | 173,483,974,022   |
| Investment Income Before Allocation                      | 2,485                  | 12,008,536,194    |
| Business Income Before Allocation                        | 49,361                 | 161,475,437,865   |
| Allocated Investment Income                              | 1,744                  | 281,935,687       |
| Allocated Business Income                                | 49,339                 | 13,834,811,653    |
| Optional Depreciation Adjustment                         | 8                      | 70,301            |
| Entire Net Income Base                                   | 49,718                 | 14,116,677,167    |
| Tax on ENI Base  | 49,718                 | 1,259,245,907     |
| Largest of 4 Bases (Tax Before Credit)                   | 49,718                 | 1,259,246,012     |
| Subsidiary Capital Base                                  | 1,066                  | 7,228,140,974     |
| Tax on Allocated Subsidiary Capital                      | 1,022                  | 6,505,315         |
| Tax Credits: Total                                       | 1,140                  | 33,155,347        |
| Tax Due  | 49,718                 | 1,232,595,976     |
| State Tax Surcharge                                      | 40,954                 | 27,925,115        |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 646                    | 2,197,647         |
| Total Tax and State Tax Surcharge                        | 49,718                 | 1,262,719,435     |

\*These items should be viewed as independently selected items of interest. The columns are not additive and cannot be summed.

**Table 15: Selected Tax Return Items for Article 9-A Fixed Dollar Minimum Filers\***

| Item   | Fixed Dollar Minimum Base |                  |
|--|---------------------------|------------------|
|  | Number                    | Amount           |
| Federal Taxable Income Before NOL                        | 3,460                     | \$7,438,091,358  |
| Interest on Federal, State Obligations                   | 78                        | 105,536,089      |
| Interest Paid to Stockholders                            | 82                        | 869,317,725      |
| Deductions Directly Attributed to Subsidiary Capital     | 71                        | 996,282,399      |
| Non-Interest Directly Attributed to Subsidiary Capital   | 49                        | 145,354,612      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 121                       | 2,103,953,676    |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 123                       | 1,227,277,873    |
| NYS, Other State and Local Taxes Deduction               | 2,951                     | 296,545,697      |
| ACRS/MACRS Deduction                                     | 578                       | 7,990,161,640    |
| Other Additions  | 97                        | 241,569,449      |
| Income from Subsidiary Capital                           | 302                       | 27,428,145,299   |
| 50% of Dividends   | 256                       | 117,458,677      |
| Foreign Dividends  | 65                        | 630,561,918      |
| NY Net Operating Loss Deduction                          | 1,035                     | 13,514,082,683   |
| Allowable NY Depreciation                                | 574                       | 8,901,104,929    |
| Other Subtractions                                       | 230                       | 1,041,044,115    |
| Entire Net Income  | 3,317                     | (30,218,349,213) |
| Investment Income Before Allocation                      | 147                       | (65,122,280)     |
| Business Income Before Allocation                        | 3,227                     | (30,153,226,931) |
| Allocated Investment Income                              | 96                        | (32,345,998)     |
| Allocated Business Income                                | 3,114                     | (6,660,580,433)  |
| Optional Depreciation Adjustment                         | 3                         | (510,321)        |
| Entire Net Income Base                                   | 3,178                     | (6,692,416,107)  |
| Tax on ENI Base  | 913                       | 831,123          |
| Largest of 4 Bases (Tax Before Credit)                   | 3,630                     | 7,030,205        |
| Subsidiary Capital Base                                  | 897                       | 4,354,368,554    |
| Tax on Allocated Subsidiary Capital                      | 893                       | 3,918,924        |
| Tax Credits: Total                                       | 895                       | 5,783,647        |
| Tax Due  | 3,630                     | 5,167,257        |
| State Tax Surcharge                                      | 2,934                     | 128,841          |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 360                       | 638,747          |
| Total Tax and State Tax Surcharge                        | 3,630                     | 5,934,865        |

\*These items should be viewed as independently selected items of interest. The columns are not additive and cannot be summed.

**Table 16: Selected Tax Return Items for Article 9-A Capital Base Filers\***

| Item   | Capital Base |                  |
|--|--------------|------------------|
|  | Number       | Amount           |
| Federal Taxable Income Before NOL                        | 18,438       | \$3,029,837,494  |
| Interest on Federal, State Obligations                   | 600          | 62,373,208       |
| Interest Paid to Stockholders                            | 261          | 709,317,075      |
| Deductions Directly Attributed to Subsidiary Capital     | 119          | 1,488,765,826    |
| Non-Interest Directly Attributed to Subsidiary Capital   | 94           | 285,941,565      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 255          | 2,785,093,432    |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 316          | 1,927,308,105    |
| NYS, Other State and Local Taxes Deduction               | 15,771       | 889,405,758      |
| ACRS/MACRS Deduction                                     | 2,303        | 22,050,453,522   |
| Other Additions  | 299          | 525,306,251      |
| Income from Subsidiary Capital                           | 448          | 31,813,417,648   |
| 50% of Dividends   | 1,407        | 696,902,466      |
| Foreign Dividends  | 118          | 1,236,403,072    |
| NY Net Operating Loss Deduction                          | 4,328        | 27,654,374,877   |
| Allowable NY Depreciation                                | 2,243        | 22,784,861,418   |
| Other Subtractions                                       | 857          | 1,723,216,574    |
| Entire Net Income  | 18,105       | (52,186,514,180) |
| Investment Income Before Allocation                      | 701          | (42,198,133)     |
| Business Income Before Allocation                        | 17,690       | (52,144,316,040) |
| Allocated Investment Income                              | 460          | (177,439,409)    |
| Allocated Business Income                                | 17,671       | (7,551,498,449)  |
| Optional Depreciation Adjustment                         | 8            | (473,099)        |
| Entire Net Income Base                                   | 17,973       | (7,728,464,754)  |
| Tax on ENI Base  | 5,374        | 6,102,487        |
| Total Capital  | 19,162       | 511,136,565,617  |
| Subsidiary Capital                                       | 1,217        | 153,468,218,091  |
| Investment Capital                                       | 1,214        | 47,260,268,959   |
| Business Capital   | 19,108       | 310,408,078,604  |
| Allocated Investment Capital                             | 827          | 2,945,932,187    |
| Allocated Business Capital                               | 19,091       | 64,584,248,391   |
| Capital Base   | 19,162       | 67,530,180,600   |
| Tax on Capital Base                                      | 19,162       | 71,892,205       |
| Largest of 4 Bases (Tax Before Credit)                   | 19,162       | 71,892,252       |
| Subsidiary Capital Base                                  | 694          | 8,073,715,698    |
| Tax on Allocated Subsidiary Capital                      | 671          | 7,266,350        |
| Tax Credits: Total                                       | 104          | 624,835          |
| Tax Due  | 19,162       | 78,533,796       |
| State Tax Surcharge                                      | 16,195       | 1,716,374        |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 462          | 1,294,637        |
| Total Tax and State Tax Surcharge                        | 19,162       | 81,545,139       |

\*These items should be viewed as independently selected items of interest. The columns are not additive and cannot be summed.

**Table 17: Selected Tax Return Items for Article 9-A Alternative Minimum Tax (AMT) Filers\***

| Item   | Alternative Minimum Tax Base |                  |
|--|------------------------------|------------------|
|  | Number                       | Amount           |
| Federal Taxable Income Before NOL                        | 8,885                        | \$45,020,159,948 |
| Interest on Federal, State Obligations                   | 148                          | 269,902,993      |
| Interest Paid to Stockholders                            | 195                          | 1,107,669,815    |
| Deductions Directly Attributed to Subsidiary Capital     | 36                           | 282,772,269      |
| Non-Interest Directly Attributed to Subsidiary Capital   | 43                           | 389,096,593      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 111                          | 2,515,799,657    |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 91                           | 417,983,380      |
| NYS, Other State and Local Taxes Deduction               | 7,667                        | 613,958,377      |
| ACRS/MACRS Deduction                                     | 1,020                        | 28,436,079,242   |
| Other Additions  | 116                          | 1,145,476,790    |
| Income from Subsidiary Capital                           | 173                          | 21,617,322,510   |
| 50% of Dividends   | 384                          | 414,508,570      |
| Foreign Dividends  | 70                           | 3,057,665,387    |
| NY Net Operating Loss Deduction                          | 6,724                        | 14,885,206,397   |
| Allowable NY Depreciation                                | 1,007                        | 28,594,050,751   |
| Other Subtractions                                       | 310                          | 3,646,028,100    |
| Entire Net Income  | 7,833                        | 7,983,777,619    |
| Investment Income Before Allocation                      | 263                          | 959,584,079      |
| Business Income Before Allocation                        | 7,795                        | 7,024,193,568    |
| Allocated Investment Income                              | 178                          | 9,887,802        |
| Allocated Business Income                                | 7,789                        | 1,354,124,085    |
| Optional Depreciation Adjustment                         | 8                            | (352,640)        |
| Entire Net Income Base                                   | 7,807                        | 1,364,364,534    |
| Tax on ENI Base  | 6,190                        | 195,106,085      |
| Depreciation of Tangible Property                        | 5,307                        | 9,774,143,315    |
| Amortization of Mining Costs                             | 25                           | 4,852,709        |
| Amortization Circulation Expenditures                    | 0                            | 0                |
| Basis Adjustments  | 811                          | (2,873,758,386)  |
| Long Term Contracts                                      | 164                          | 21,894,551       |
| Installment Sales  | 13                           | 2,597,034        |
| Merchant Marine Capital Construction                     | 0                            | 0                |
| Passive Activity Loss                                    | 28                           | 2,966,411        |
| Depletion  | 51                           | 67,641,292       |
| Appreciated Property Charitable Deduction                | 218                          | 887,054          |
| Intangible Drilling Costs                                | 10                           | 36,183,163       |
| Net Operating Loss Deduction - Alternative Minimum Tax   | 6,717                        | 14,977,840,491   |
| Alternative NOL Deduction - Alternative Minimum Tax      | 2,066                        | 7,737,750,104    |
| Minimum Taxable Income - Alternative Minimum Tax         | 8,946                        | 22,260,410,502   |
| Investment Income Before Alternative NOL (Balance)       | 428                          | 2,177,597,439    |
| Apport NYS Alternative NOL Deduction                     | 114                          | 795,099,641      |
| Alternative Business Income For Allocation               | 8,941                        | 20,937,864,136   |
| Allocated Alternative Business Income                    | 8,941                        | 3,096,667,444    |
| Allocated Alternative Investment Income                  | 409                          | 16,336,526       |
| Minimum Taxable Income Base                              | 8,946                        | 3,113,356,614    |
| Tax on Minimum Taxable Income Base                       | 8,946                        | 108,967,268      |
| Largest of 4 Bases (Tax Before Credit)                   | 8,946                        | 219,072,099      |
| Subsidiary Capital Base                                  | 189                          | 1,126,487,051    |
| Tax on Allocated Subsidiary Capital                      | 179                          | 1,013,840        |
| Tax Credits: Total                                       | 1,715                        | 110,956,505      |
| Tax Due  | 8,946                        | 109,171,150      |
| State Tax Surcharge                                      | 7,317                        | 2,707,310        |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 223                          | 615,865          |
| Total Tax and State Tax Surcharge                        | 8,946                        | 112,494,462      |

\*These items should be viewed as independently selected items of interest. The columns are not additive and cannot be summed.

**Table 18: Selected Tax Return Items for Article 9-A Filers by Major Industry Group\***

| Item   | Unidentifiable |              | Agriculture & Mining |                 | Construction |                 |
|--|----------------|--------------|----------------------|-----------------|--------------|-----------------|
|  | Number         | Amount       | Number               | Amount          | Number       | Amount          |
| Federal Taxable Income Before NOL                        | 126            | \$18,433,610 | 819                  | \$1,711,252,734 | 5,653        | \$1,756,427,320 |
| Interest on Federal, State Obligations                   | 3              | 13,053       | 21                   | 1,594,116       | 173          | 19,145,444      |
| Interest Paid to Stockholders                            | d/             | d/           | 20                   | 473,784,164     | d/           | d/              |
| Deductions Directly Attributed to Subsidiary Capital     | 0              | 0            | 3                    | 3,058,109       | 5            | 10,981,142      |
| Non-Interest Directly Attributed to Subsidiary Capital   | 0              | 0            | d/                   | d/              | 5            | 76,418,642      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 0              | 0            | 9                    | 15,726,065      | 17           | 107,206,329     |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 0              | 0            | 11                   | 46,876,080      | 28           | 28,622,243      |
| NYS, Other State and Local Taxes Deduction               | 89             | 2,376,374    | 693                  | 57,174,751      | 4,822        | 99,719,716      |
| ACRS/MACRS Deduction                                     | 5              | 50,171       | 134                  | 806,659,403     | 439          | 283,820,733     |
| Other Additions  | d/             | d/           | d/                   | d/              | 38           | 463,940,395     |
| Income from Subsidiary Capital                           | 0              | 0            | 16                   | 500,971,404     | 37           | 865,363,652     |
| 50% of Dividends   | 6              | 48,819       | 109                  | 13,749,111      | 273          | 7,151,944       |
| Foreign Dividends  | 0              | 0            | 8                    | 39,826,291      | 8            | 151,531,435     |
| NY Net Operating Loss Deduction                          | 31             | 935,923      | 227                  | 448,083,529     | 1,468        | 271,435,164     |
| Allowable NY Depreciation                                | 7              | 87,849       | 135                  | 832,049,259     | 419          | 279,767,177     |
| Other Subtractions                                       | 0              | 0            | 46                   | 71,169,912      | 163          | 12,111,449      |
| Entire Net Income  | 124            | 71,027,779   | 794                  | 1,576,518,785   | 5,510        | 1,281,404,421   |
| Investment Income Before Allocation                      | 3              | 570,957      | 55                   | 55,904,340      | 197          | 36,831,489      |
| Business Income Before Allocation                        | 121            | 70,456,822   | 779                  | 1,520,614,446   | 5,475        | 1,244,572,953   |
| Allocated Investment Income                              | 3              | 43,467       | 45                   | 5,007,051       | 132          | 768,194         |
| Allocated Business Income                                | 120            | (1,614,942)  | 776                  | 13,016,016      | 5,469        | 80,485,392      |
| Optional Depreciation Adjustment                         | 0              | 0            | d/                   | d/              | d/           | d/              |
| Entire Net Income Base                                   | 123            | (1,571,475)  | 786                  | 18,023,068      | 5,493        | 81,253,619      |
| Tax on ENI Base  | 104            | 83,815       | 565                  | 7,535,436       | 4,676        | 23,882,938      |
| Largest of 4 Bases (Tax Before Credit)                   | 132            | 109,752      | 832                  | 8,236,718       | 5,689        | 26,169,482      |
| Subsidiary Capital Base                                  | 0              | 0            | 22                   | 30,840,999      | 88           | 132,608,176     |
| Tax on Allocated Subsidiary Capital                      | 0              | 0            | 21                   | 27,759          | 85           | 119,353         |
| Tax Credits: Total                                       | 0              | 0            | 227                  | 2,106,944       | 205          | 766,719         |
| Tax Due  | 132            | 109,752      | 832                  | 6,157,531       | 5,689        | 25,522,122      |
| State Tax Surcharge                                      | 101            | 2,319        | 686                  | 143,280         | 4,586        | 533,302         |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 0              | 0            | 6                    | 7,825           | 40           | 39,275          |
| Total Tax and State Tax Surcharge                        | 132            | 112,072      | 832                  | 6,308,642       | 5,689        | 26,094,819      |

\*These items should be viewed as independently selected items of interest. The columns are not additive and cannot be summed.  
d/ Tax Law provisions prohibit disclosure of data.

**Table 18: Selected Tax Return Items for Article 9-A Filers by Major Industry Group\* (Con't)**

| Item   | Manufacturing |                   | Transportation & Public Utilities |                 | Wholesale Trade |                  |
|--|---------------|-------------------|-----------------------------------|-----------------|-----------------|------------------|
|  | Number        | Amount            | Number                            | Amount          | Number          | Amount           |
| Federal Taxable Income Before NOL                        | 10,264        | \$157,179,027,010 | 2,623                             | \$8,362,595,711 | 10,895          | \$16,195,596,963 |
| Interest on Federal, State Obligations                   | 531           | 690,453,852       | 48                                | 408,184,416     | 224             | 64,771,776       |
| Interest Paid to Stockholders                            | 382           | 3,122,508,093     | 52                                | 252,491,096     | 299             | 182,465,206      |
| Deductions Directly Attributed to Subsidiary Capital     | 156           | 2,998,079,526     | 8                                 | 557,012,758     | 49              | 80,126,729       |
| Non-Interest Directly Attributed to Subsidiary Capital   | 184           | 1,067,357,787     | 9                                 | 11,037,019      | 42              | 127,559,741      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 496           | 7,480,488,572     | 29                                | 81,715,530      | 137             | 670,806,749      |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 432           | 3,389,726,453     | 37                                | 77,655,299      | 130             | 551,447,715      |
| NYS, Other State and Local Taxes Deduction               | 9,158         | 5,438,234,576     | 2,161                             | 329,540,828     | 9,778           | 1,013,629,746    |
| ACRS/MACRS Deduction                                     | 2,600         | 63,632,665,644    | 325                               | 3,747,030,708   | 1,247           | 11,561,233,569   |
| Other Additions  | 469           | 4,066,427,318     | 53                                | 400,723,097     | 114             | 445,371,120      |
| Income from Subsidiary Capital                           | 850           | 76,597,043,598    | 55                                | 5,324,569,372   | 208             | 4,027,070,116    |
| 50% of Dividends   | 920           | 954,696,100       | 73                                | 85,242,310      | 556             | 107,984,610      |
| Foreign Dividends  | 396           | 7,550,411,730     | 11                                | 56,419,525      | 35              | 352,950,086      |
| NY Net Operating Loss Deduction                          | 2,255         | 26,839,310,358    | 558                               | 4,897,695,259   | 2,058           | 4,323,491,864    |
| Allowable NY Depreciation                                | 2,555         | 65,093,171,758    | 319                               | 3,760,051,257   | 1,230           | 11,637,186,094   |
| Other Subtractions                                       | 636           | 6,597,268,905     | 110                               | 246,472,675     | 284             | 1,144,327,084    |
| Entire Net Income  | 10,055        | 65,478,301,873    | 2,575                             | (143,082,589)   | 10,725          | 9,299,937,232    |
| Investment Income Before Allocation                      | 599           | 1,941,562,244     | 86                                | 346,978,442     | 362             | 165,797,671      |
| Business Income Before Allocation                        | 9,985         | 63,536,739,633    | 2,553                             | (490,061,022)   | 10,656          | 9,134,139,566    |
| Allocated Investment Income                              | 357           | (105,991,727)     | 44                                | 12,063          | 229             | 10,308,006       |
| Allocated Business Income                                | 9,962         | 2,282,261,703     | 2,546                             | (616,257,997)   | 10,650          | 595,589,113      |
| Optional Depreciation Adjustment                         | 10            | (397,250)         | 3                                 | (57,376)        | 3               | (426,028)        |
| Entire Net Income Base                                   | 10,013        | 2,176,667,270     | 2,560                             | (616,188,560)   | 10,709          | 606,323,171      |
| Tax on ENI Base  | 7,892         | 478,809,393       | 2,074                             | 42,948,956      | 9,122           | 123,510,554      |
| Largest of 4 Bases (Tax Before Credit)                   | 10,350        | 497,939,675       | 2,651                             | 51,111,648      | 10,981          | 130,469,775      |
| Subsidiary Capital Base                                  | 703           | 3,555,488,954     | 126                               | 4,085,676,104   | 307             | 648,919,530      |
| Tax on Allocated Subsidiary Capital                      | 672           | 3,199,935         | 122                               | 3,677,101       | 302             | 584,042          |
| Tax Credits: Total                                       | 2,235         | 115,104,327       | 40                                | 8,491,409       | 306             | 3,662,155        |
| Tax Due  | 10,350        | 386,037,431       | 2,651                             | 46,297,327      | 10,981          | 127,391,673      |
| State Tax Surcharge                                      | 8,406         | 9,488,838         | 2,263                             | 1,068,142       | 8,887           | 2,794,346        |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 423           | 949,619           | 55                                | 219,973         | 206             | 336,292          |
| Total Tax and State Tax Surcharge                        | 10,350        | 396,475,982       | 2,651                             | 47,585,476      | 10,981          | 130,522,443      |

\*These items should be viewed as independently selected items of interest. The columns are not additive and cannot be summed.  
d/ Tax Law provisions prohibit disclosure of data.

**Table 18: Selected Tax Return Items for Article 9-A Filers by Major Industry Group\* (Con't)**

| Item   | Finance,     |                  |                         |                  |          |                  |
|--|--------------|------------------|-------------------------|------------------|----------|------------------|
|  | Retail Trade |                  | Insurance & Real Estate |                  | Services |                  |
|  | Number       | Amount           | Number                  | Amount           | Number   | Amount           |
| Federal Taxable Income Before NOL                        | 10,108       | \$10,946,361,641 | 19,457                  | \$52,045,994,273 | 20,408   | \$23,118,545,221 |
| Interest on Federal, State Obligations                   | 143          | 49,186,028       | 851                     | 506,517,414      | 488      | 385,915,537      |
| Interest Paid to Stockholders                            | 236          | 57,830,897       | 242                     | 1,757,525,279    | 365      | 492,826,491      |
| Deductions Directly Attributed to Subsidiary Capital     | 15           | 97,956,504       | 127                     | 1,092,252,941    | 49       | 258,899,634      |
| Non-Interest Directly Attributed to Subsidiary Capital   | d/           | d/               | 90                      | 197,600,430      | 51       | 152,254,785      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 45           | 431,237,635      | 188                     | 5,222,474,406    | 140      | 464,128,463      |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 48           | 117,327,390      | 278                     | 1,464,429,613    | 161      | 366,845,335      |
| NYS, Other State and Local Taxes Deduction               | 8,930        | 884,894,465      | 17,128                  | 1,792,409,856    | 17,256   | 1,454,364,467    |
| ACRS/MACRS Deduction                                     | 844          | 4,947,549,065    | 1,816                   | 7,430,089,898    | 1,884    | 6,421,149,618    |
| Other Additions  | 63           | 163,444,493      | 345                     | 362,731,148      | 262      | 2,225,236,069    |
| Income from Subsidiary Capital                           | 60           | 3,467,250,663    | 442                     | 42,823,009,498   | 247      | 5,163,863,756    |
| 50% of Dividends   | 362          | 114,630,228      | 1,672                   | 854,223,228      | 933      | 82,791,069       |
| Foreign Dividends  | 18           | 171,184,024      | 106                     | 1,225,486,845    | 83       | 487,761,480      |
| NY Net Operating Loss Deduction                          | 2,491        | 2,920,817,836    | 4,136                   | 13,316,216,144   | 4,856    | 8,936,865,474    |
| Allowable NY Depreciation                                | 796          | 5,301,618,766    | 1,765                   | 7,844,070,497    | 1,825    | 6,579,983,986    |
| Other Subtractions                                       | 336          | 322,593,613      | 749                     | 3,071,713,764    | 710      | 702,793,691      |
| Entire Net Income  | 9,882        | 5,403,042,528    | 19,236                  | 2,709,594,525    | 20,071   | 13,386,143,694   |
| Investment Income Before Allocation                      | 226          | (97,212,981)     | 1,424                   | 9,473,795,716    | 644      | 936,571,982      |
| Business Income Before Allocation                        | 9,842        | 5,500,255,512    | 18,709                  | (6,764,201,186)  | 19,953   | 12,449,571,738   |
| Allocated Investment Income                              | 158          | (5,363,612)      | 1,087                   | 191,557,070      | 423      | (14,302,430)     |
| Allocated Business Income                                | 9,836        | 84,268,629       | 18,633                  | (1,896,159,840)  | 19,921   | 435,268,782      |
| Optional Depreciation Adjustment                         | d/           | d/               | 4                       | 14               | 5        | (385,128)        |
| Entire Net Income Base                                   | 9,865        | 78,905,019       | 19,112                  | (1,704,602,749)  | 20,015   | 421,351,477      |
| Tax on ENI Base  | 8,283        | 86,809,213       | 12,206                  | 482,943,359      | 17,273   | 214,761,938      |
| Largest of 4 Bases (Tax Before Credit)                   | 10,196       | 94,280,889       | 19,981                  | 520,078,196      | 20,644   | 228,844,433      |
| Subsidiary Capital Base                                  | 162          | 609,570,336      | 920                     | 10,328,105,801   | 518      | 1,391,502,377    |
| Tax on Allocated Subsidiary Capital                      | 158          | 548,622          | 905                     | 9,295,268        | 500      | 1,252,349        |
| Tax Credits: Total                                       | 176          | 1,474,337        | 218                     | 11,579,281       | 447      | 7,335,162        |
| Tax Due  | 10,196       | 93,355,176       | 19,981                  | 517,835,557      | 20,644   | 222,761,610      |
| State Tax Surcharge                                      | 8,160        | 2,224,814        | 17,134                  | 11,257,635       | 17,177   | 4,964,964        |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 150          | 665,647          | 431                     | 1,392,084        | 380      | 1,136,181        |
| Total Tax and State Tax Surcharge                        | 10,196       | 96,245,836       | 19,981                  | 530,485,612      | 20,644   | 228,863,019      |

\*These items should be viewed as independently selected items of interest. The columns are not additive and cannot be summed.  
d/ Tax Law provisions prohibit disclosure of data.

**Table 19: Selected Tax Return Items for Article 9-A Filers by Type of Return\***

| Item   | Type of Return |                   |        |               |        |                   |
|--|----------------|-------------------|--------|---------------|--------|-------------------|
|  | CT-3           |                   | CT-4   |               | CT-3A  |                   |
|  | Number         | Amount            | Number | Amount        | Number | Amount            |
| Federal Taxable Income Before NOL                        | 61,482         | \$153,654,841,159 | 17,080 | \$145,472,505 | 1,791  | \$117,533,920,819 |
| Interest on Federal, State Obligations                   | 2,134          | 717,884,847       | 105    | 735,959       | 243    | 1,407,160,830     |
| Interest Paid to Stockholders                            | 1,254          | 3,458,861,199     | 374    | 1,599,836     | 83     | 2,901,439,334     |
| Deductions Directly Attributed to Subsidiary Capital     | 340            | 3,120,724,834     | 0      | 0             | 72     | 1,977,642,509     |
| Non-Interest Directly Attributed to Subsidiary Capital   | 304            | 1,009,003,939     | 0      | 0             | 88     | 636,915,645       |
| Deductions Indirectly Attributed to Subsidiary Capital   | 826            | 7,272,939,962     | 0      | 0             | 235    | 7,200,843,787     |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 900            | 4,370,278,140     | 0      | 0             | 225    | 1,672,651,988     |
| NYS, Other State and Local Taxes Deduction               | 54,243         | 6,812,637,924     | 14,186 | 31,959,399    | 1,586  | 4,227,747,456     |
| ACRS/MACRS Deduction                                     | 7,939          | 47,552,719,073    | 713    | 8,501,121     | 642    | 51,269,028,615    |
| Other Additions  | 1,185          | 6,571,829,194     | 0      | 0             | 172    | 1,965,227,161     |
| Income from Subsidiary Capital                           | 1,508          | 74,960,664,819    | 0      | 0             | 407    | 63,808,477,240    |
| 50% of Dividends   | 4,516          | 1,249,684,835     | 0      | 0             | 388    | 970,832,584       |
| Foreign Dividends  | 490            | 3,614,166,676     | 0      | 0             | 175    | 6,421,404,740     |
| NY Net Operating Loss Deduction                          | 14,573         | 42,270,060,014    | 2,991  | 110,003,731   | 516    | 19,574,787,806    |
| Allowable NY Depreciation                                | 7,745          | 48,717,631,348    | 666    | 8,536,229     | 640    | 52,601,819,066    |
| Other Subtractions                                       | 2,528          | 4,359,158,049     | 242    | 1,291,771     | 264    | 7,808,001,273     |
| Entire Net Income  | 60,352         | 59,418,151,051    | 16,894 | 68,582,804    | 1,726  | 39,576,154,393    |
| Investment Income Before Allocation                      | 3,245          | 4,525,443,908     | 0      | 0             | 351    | 8,335,355,952     |
| Business Income Before Allocation                        | 59,561         | 54,892,707,220    | 16,894 | 68,582,804    | 1,618  | 31,240,798,438    |
| Allocated Investment Income                              | 2,230          | 118,256,480       | 0      | 0             | 248    | (36,218,398)      |
| Allocated Business Income                                | 59,415         | (2,714,241,744)   | 16,894 | 68,582,804    | 1,604  | 3,622,515,796     |
| Optional Depreciation Adjustment                         | 15             | (322,468)         | 0      | 0             | 12     | (943,291)         |
| Entire Net Income Base                                   | 60,099         | (2,595,662,656)   | 16,894 | 68,582,804    | 1,683  | 3,587,240,692     |
| Tax on ENI Base  | 47,033         | 792,698,005       | 14,182 | 22,536,769    | 980    | 646,050,828       |
| Largest of 4 Bases (Tax Before Credit)                   | 62,300         | 861,007,109       | 17,350 | 26,395,814    | 1,806  | 669,837,645       |
| Subsidiary Capital Base                                  | 2,432          | 11,605,210,252    | 0      | 0             | 414    | 9,177,502,025     |
| Tax on Allocated Subsidiary Capital                      | 2,365          | 10,444,697        | 0      | 0             | 400    | 8,259,732         |
| Tax Credits: Total                                       | 3,587          | 59,753,806        | 0      | 0             | 267    | 90,766,528        |
| Tax Due  | 62,300         | 811,698,564       | 17,350 | 26,395,814    | 1,806  | 587,373,801       |
| State Tax Surcharge                                      | 51,686         | 18,180,940        | 14,230 | 571,791       | 1,484  | 13,724,909        |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 0              | 0                 | 0      | 0             | 1,691  | 4,746,896         |
| Total Tax and State Tax Surcharge                        | 62,300         | 829,880,051       | 17,350 | 26,968,247    | 1,806  | 605,845,603       |

\*These items should be viewed as independently selected items of interest. The columns are not additive and cannot be summed.

**Table 20: Selected Tax Return Items for Article 9-A Filers by Fiscal Year Ending\***

| Item   | Fiscal Year Ending |                 |          |                 |        |                 |
|--|--------------------|-----------------|----------|-----------------|--------|-----------------|
|  | January            |                 | February |                 | March  |                 |
|  | Number             | Amount          | Number   | Amount          | Number | Amount          |
| Federal Taxable Income Before NOL                        | 2,271              | \$9,789,442,966 | 2,655    | \$1,973,312,692 | 5,440  | \$5,841,161,354 |
| Interest on Federal, State Obligations                   | 92                 | 132,134,957     | 82       | 22,713,904      | 166    | 63,012,471      |
| Interest Paid to Stockholders                            | 50                 | 25,217,387      | 54       | 9,938,117       | 124    | 158,713,886     |
| Deductions Directly Attributed to Subsidiary Capital     | 13                 | 145,446,950     | 7        | 16,936,986      | 35     | 61,047,065      |
| Non-Interest Directly Attributed to Subsidiary Capital   | 13                 | 16,870,203      | 7        | 26,821,788      | 26     | 59,221,995      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 30                 | 129,426,837     | 22       | 111,173,516     | 70     | 120,952,140     |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 27                 | 70,269,309      | 27       | 128,912,307     | 86     | 163,759,025     |
| NYS, Other State and Local Taxes Deduction               | 1,982              | 552,266,838     | 2,278    | 289,369,507     | 4,808  | 496,519,823     |
| ACRS/MACRS Deduction                                     | 252                | 1,546,362,970   | 246      | 1,019,260,246   | 695    | 7,470,154,232   |
| Other Additions  | 31                 | 65,620,457      | 31       | 20,674,242      | 117    | 2,607,861,032   |
| Income from Subsidiary Capital                           | 64                 | 2,797,124,507   | 42       | 544,795,997     | 135    | 1,131,824,771   |
| 50% of Dividends   | 142                | 49,636,480      | 131      | 6,510,243       | 367    | 132,294,633     |
| Foreign Dividends  | 22                 | 168,522,456     | 7        | 6,586,293       | 45     | 149,754,593     |
| NY Net Operating Loss Deduction                          | 550                | 1,504,729,122   | 638      | 669,275,459     | 1,266  | 1,976,049,937   |
| Allowable NY Depreciation                                | 242                | 1,735,607,978   | 251      | 1,036,278,251   | 675    | 7,958,212,198   |
| Other Subtractions                                       | 91                 | 261,911,164     | 103      | 149,703,204     | 226    | 108,093,753     |
| Entire Net Income  | 2,218              | 5,955,471,322   | 2,612    | 1,205,961,105   | 5,330  | 5,554,854,632   |
| Investment Income Before Allocation                      | 100                | (11,728,490)    | 91       | 75,271,661      | 247    | 180,100,031     |
| Business Income Before Allocation                        | 2,188              | 5,967,199,812   | 2,588    | 1,130,689,444   | 5,260  | 5,374,754,603   |
| Allocated Investment Income                              | 75                 | 5,292,628       | 71       | (1,076,296)     | 176    | 11,127,699      |
| Allocated Business Income                                | 2,184              | 190,153,142     | 2,586    | (21,614,197)    | 5,255  | 228,174,800     |
| Optional Depreciation Adjustment                         | d/                 | d/              | 0        | 0               | d/     | d/              |
| Entire Net Income Base                                   | 2,211              | 195,948,041     | 2,609    | (22,690,493)    | 5,315  | 239,302,494     |
| Tax on ENI Base  | 1,722              | 52,151,374      | 2,124    | 26,816,725      | 4,219  | 72,734,743      |
| Largest of 4 Bases (Tax Before Credit)                   | 2,291              | 54,822,310      | 2,698    | 29,432,810      | 5,507  | 77,837,301      |
| Subsidiary Capital Base                                  | 96                 | 480,387,105     | 90       | 389,940,253     | 208    | 457,033,968     |
| Tax on Allocated Subsidiary Capital                      | 95                 | 432,346         | 89       | 350,946         | 206    | 411,333         |
| Tax Credits: Total                                       | 99                 | 1,525,033       | 119      | 836,915         | 313    | 6,027,055       |
| Tax Due  | 2,291              | 53,729,785      | 2,698    | 28,946,841      | 5,507  | 72,221,574      |
| State Tax Surcharge                                      | 2,249              | 1,345,820       | 2,660    | 719,616         | 5,445  | 1,821,946       |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 77                 | 209,072         | 42       | 114,096         | 118    | 207,279         |
| Total Tax and State Tax Surcharge                        | 2,291              | 55,284,730      | 2,698    | 29,780,602      | 5,507  | 74,250,866      |

\*These items should be viewed as independently selected items of interest. The columns are not additive and cannot be summed.  
d/ Tax Law provisions prohibit disclosure of data.

**Table 20: Selected Tax Return Items for Article 9-A Filers by Fiscal Year Ending\* (Con't)**

| Item   | Fiscal Year Ending |                 |        |                 |        |                  |
|--|--------------------|-----------------|--------|-----------------|--------|------------------|
|  | April              |                 | May    |                 | June   |                  |
|  | Number             | Amount          | Number | Amount          | Number | Amount           |
| Federal Taxable Income Before NOL                        | 2,711              | \$2,753,162,271 | 2,887  | \$6,524,303,826 | 6,672  | \$12,569,893,895 |
| Interest on Federal, State Obligations                   | 78                 | 13,388,407      | 74     | 68,589,627      | 200    | 260,150,938      |
| Interest Paid to Stockholders                            | 48                 | 33,592,811      | 47     | 9,249,748       | 160    | 171,543,028      |
| Deductions Directly Attributed to Subsidiary Capital     | 10                 | 16,367,928      | 9      | 467,228,759     | 26     | 85,077,958       |
| Non-Interest Directly Attributed to Subsidiary Capital   | 7                  | 1,202,797       | 5      | 1,103,434       | 29     | 146,321,976      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 9                  | 157,158,197     | 13     | 640,912,239     | 81     | 613,566,962      |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 16                 | 47,357,249      | 18     | 14,122,241      | 73     | 208,074,476      |
| NYS, Other State and Local Taxes Deduction               | 2,376              | 99,460,412      | 2,564  | 405,665,092     | 5,933  | 608,370,533      |
| ACRS/MACRS Deduction                                     | 230                | 771,734,463     | 263    | 1,454,186,161   | 731    | 1,903,447,844    |
| Other Additions  | 28                 | 48,089,771      | 31     | 108,862,185     | 95     | 315,522,447      |
| Income from Subsidiary Capital                           | 39                 | 1,636,170,285   | 41     | 2,635,359,507   | 127    | 1,692,518,905    |
| 50% of Dividends   | 146                | 6,403,943       | 184    | 34,167,955      | 439    | 99,867,527       |
| Foreign Dividends  | 12                 | 43,742,197      | 14     | 317,966,972     | 48     | 652,330,259      |
| NY Net Operating Loss Deduction                          | 619                | 277,735,542     | 655    | 1,299,710,622   | 1,531  | 4,877,428,950    |
| Allowable NY Depreciation                                | 215                | 622,121,483     | 263    | 1,421,950,923   | 713    | 1,927,085,356    |
| Other Subtractions                                       | 91                 | 42,056,690      | 85     | 80,553,760      | 267    | 1,630,180,225    |
| Entire Net Income  | 2,675              | 1,313,287,830   | 2,843  | 3,904,531,035   | 6,546  | 6,002,584,311    |
| Investment Income Before Allocation                      | 100                | 152,756,290     | 130    | 368,247,187     | 251    | 1,005,584,182    |
| Business Income Before Allocation                        | 2,657              | 1,160,531,543   | 2,807  | 3,536,283,845   | 6,498  | 4,997,000,141    |
| Allocated Investment Income                              | 59                 | 3,067,255       | 100    | 5,474,419       | 169    | 27,608,471       |
| Allocated Business Income                                | 2,656              | 59,699,387      | 2,802  | 399,603,786     | 6,487  | 353,687,699      |
| Optional Depreciation Adjustment                         | d/                 | d/              | d/     | d/              | d/     | d/               |
| Entire Net Income Base                                   | 2,670              | 62,766,641      | 2,834  | 405,078,934     | 6,530  | 381,328,149      |
| Tax on ENI Base  | 2,194              | 20,873,847      | 2,386  | 54,510,153      | 5,339  | 125,406,844      |
| Largest of 4 Bases (Tax Before Credit)                   | 2,741              | 22,196,080      | 2,929  | 56,641,263      | 6,752  | 131,927,029      |
| Subsidiary Capital Base                                  | 71                 | 168,355,570     | 79     | 234,564,369     | 217    | 565,638,404      |
| Tax on Allocated Subsidiary Capital                      | 67                 | 151,518         | 79     | 211,103         | 208    | 509,072          |
| Tax Credits: Total                                       | 132                | 914,583         | 157    | 2,012,983       | 414    | 5,344,629        |
| Tax Due  | 2,741              | 21,433,762      | 2,929  | 54,839,386      | 6,752  | 127,091,479      |
| State Tax Surcharge                                      | 2,690              | 525,449         | 2,859  | 708,268         | 6,468  | 3,056,368        |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 47                 | 152,909         | 51     | 129,542         | 130    | 371,801          |
| Total Tax and State Tax Surcharge                        | 2,741              | 22,112,177      | 2,929  | 55,677,249      | 6,752  | 130,519,785      |

\*These items should be viewed as independently selected items of interest. The columns are not additive and cannot be summed.  
d/ Tax Law provisions prohibit disclosure of data.

**Table 20: Selected Tax Return Items for Article 9-A Filers by Fiscal Year Ending\* (Con't)**

| Item   | Fiscal Year Ending |                 |        |                 |           |                  |
|--|--------------------|-----------------|--------|-----------------|-----------|------------------|
|  | July               |                 | August |                 | September |                  |
|  | Number             | Amount          | Number | Amount          | Number    | Amount           |
| Federal Taxable Income Before NOL                        | 2,368              | \$3,652,934,591 | 2,631  | \$3,009,335,308 | 5,736     | \$11,115,386,250 |
| Interest on Federal, State Obligations                   | 56                 | 65,655,018      | 59     | 9,494,018       | 139       | 62,245,202       |
| Interest Paid to Stockholders                            | 36                 | 170,085,354     | 48     | 12,873,575      | 123       | 86,841,685       |
| Deductions Directly Attributed to Subsidiary Capital     | 9                  | 57,554,665      | d/     | d/              | 18        | 312,498,481      |
| Non-Interest Directly Attributed to Subsidiary Capital   | 8                  | 16,165,858      | 6      | 19,773,216      | 20        | 34,453,369       |
| Deductions Indirectly Attributed to Subsidiary Capital   | 13                 | 22,019,428      | 13     | 197,778,569     | 62        | 433,121,587      |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 15                 | 18,926,305      | 16     | 60,293,655      | 56        | 178,029,011      |
| NYS, Other State and Local Taxes Deduction               | 2,082              | 184,232,124     | 2,321  | 136,503,815     | 5,083     | 674,667,960      |
| ACRS/MACRS Deduction                                     | 212                | 727,899,693     | 224    | 1,157,588,133   | 627       | 3,736,693,732    |
| Other Additions  | 17                 | 93,423,239      | 26     | 51,913,087      | 69        | 145,439,970      |
| Income from Subsidiary Capital                           | 29                 | 1,555,425,122   | 37     | 677,378,064     | 118       | 2,329,424,804    |
| 50% of Dividends   | 123                | 36,025,088      | 144    | 9,547,361       | 366       | 43,992,352       |
| Foreign Dividends  | 12                 | 51,451,354      | 13     | 43,315,884      | 42        | 189,114,108      |
| NY Net Operating Loss Deduction                          | 566                | 477,275,978     | 566    | 1,141,727,612   | 1,307     | 2,449,777,551    |
| Allowable NY Depreciation                                | 210                | 758,555,214     | 220    | 1,097,770,289   | 623       | 3,691,900,504    |
| Other Subtractions                                       | 65                 | 308,518,688     | 98     | 301,902,677     | 185       | 1,058,735,239    |
| Entire Net Income  | 2,314              | 1,821,647,520   | 2,591  | 1,388,837,357   | 5,641     | 7,019,490,482    |
| Investment Income Before Allocation                      | 103                | 46,208,115      | 110    | 46,621,771      | 241       | 263,198,303      |
| Business Income Before Allocation                        | 2,286              | 1,775,439,415   | 2,560  | 1,342,215,587   | 5,577     | 6,756,292,186    |
| Allocated Investment Income                              | 74                 | 1,598,148       | 77     | (4,916,329)     | 165       | 5,452,055        |
| Allocated Business Income                                | 2,281              | (109,325,507)   | 2,555  | 70,057,302      | 5,566     | 292,220,652      |
| Optional Depreciation Adjustment                         | 3                  | 56,910          | d/     | d/              | 0         | 0                |
| Entire Net Income Base                                   | 2,300              | (107,784,260)   | 2,579  | 65,163,202      | 5,620     | 297,672,721      |
| Tax on ENI Base  | 1,936              | 17,604,586      | 2,131  | 22,290,390      | 4,584     | 78,711,294       |
| Largest of 4 Bases (Tax Before Credit)                   | 2,392              | 19,387,097      | 2,674  | 23,949,913      | 5,793     | 84,482,085       |
| Subsidiary Capital Base                                  | 47                 | 1,494,936,316   | 67     | 126,682,776     | 199       | 983,519,978      |
| Tax on Allocated Subsidiary Capital                      | 47                 | 1,345,444       | 64     | 114,020         | 195       | 885,166          |
| Tax Credits: Total                                       | 110                | 1,186,764       | 132    | 1,236,956       | 357       | 6,852,820        |
| Tax Due  | 2,392              | 19,545,787      | 2,674  | 22,827,359      | 5,793     | 78,514,401       |
| State Tax Surcharge                                      | 518                | 83,322          | 556    | 53,804          | 1,051     | 787,691          |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 46                 | 95,376          | 40     | 54,608          | 126       | 299,831          |
| Total Tax and State Tax Surcharge                        | 2,392              | 19,724,489      | 2,674  | 22,935,808      | 5,793     | 79,601,943       |

\*These items should be viewed as independently selected items of interest. The columns are not additive and cannot be summed.  
d/ Tax Law provisions prohibit disclosure of data.

**Table 20: Selected Tax Return Items for Article 9-A Filers by Fiscal Year Ending\* (Con't)**

| Item   | Fiscal Year Ending |                 |          |                 |          |                   |
|--|--------------------|-----------------|----------|-----------------|----------|-------------------|
|  | October            |                 | November |                 | December |                   |
|  | Number             | Amount          | Number   | Amount          | Number   | Amount            |
| Federal Taxable Income Before NOL                        | 3,025              | \$4,966,109,421 | 2,220    | \$4,238,508,283 | 41,737   | \$204,900,683,626 |
| Interest on Federal, State Obligations                   | 71                 | 56,520,650      | 57       | 116,258,328     | 1,408    | 1,255,618,116     |
| Interest Paid to Stockholders                            | 62                 | 113,621,554     | 38       | 8,051,185       | 921      | 5,562,172,039     |
| Deductions Directly Attributed to Subsidiary Capital     | 8                  | 10,737,874      | d/       | d/              | 269      | 3,919,540,947     |
| Non-Interest Directly Attributed to Subsidiary Capital   | 9                  | 21,992,601      | 6        | 5,729,694       | 256      | 1,296,262,653     |
| Deductions Indirectly Attributed to Subsidiary Capital   | 14                 | 155,079,515     | 18       | 53,322,245      | 716      | 11,839,272,514    |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 21                 | 237,852,312     | 15       | 14,824,140      | 755      | 4,900,510,098     |
| NYS, Other State and Local Taxes Deduction               | 2,702              | 275,289,818     | 1,971    | 156,620,283     | 35,915   | 7,193,378,574     |
| ACRS/MACRS Deduction                                     | 261                | 1,735,489,028   | 186      | 766,029,449     | 5,367    | 76,541,402,858    |
| Other Additions  | 45                 | 440,474,176     | 30       | 198,440,917     | 837      | 4,440,734,832     |
| Income from Subsidiary Capital                           | 37                 | 1,739,825,099   | 34       | 1,191,012,178   | 1,212    | 120,838,282,820   |
| 50% of Dividends   | 179                | 21,609,191      | 159      | 18,223,948      | 2,524    | 1,762,238,698     |
| Foreign Dividends  | 18                 | 198,549,712     | 18       | 156,442,049     | 414      | 8,057,795,539     |
| NY Net Operating Loss Deduction                          | 672                | 3,361,806,850   | 507      | 556,774,087     | 9,203    | 43,362,559,841    |
| Allowable NY Depreciation                                | 250                | 1,542,322,835   | 179      | 773,385,621     | 5,210    | 78,762,795,991    |
| Other Subtractions                                       | 94                 | 154,672,820     | 60       | 17,455,980      | 1,669    | 8,054,666,893     |
| Entire Net Income  | 2,983              | 994,367,748     | 2,179    | 2,845,598,086   | 41,040   | 61,056,256,820    |
| Investment Income Before Allocation                      | 121                | 71,189,908      | 79       | 806,429,757     | 2,023    | 9,856,921,145     |
| Business Income Before Allocation                        | 2,952              | 923,177,839     | 2,169    | 2,039,168,329   | 40,531   | 51,199,335,718    |
| Allocated Investment Income                              | 87                 | 7,696,488       | 57       | 10,124,554      | 1,368    | 10,588,990        |
| Allocated Business Income                                | 2,948              | 94,356,224      | 2,164    | 81,222,218      | 40,429   | (661,378,650)     |
| Optional Depreciation Adjustment                         | 0                  | 0               | d/       | d/              | 18       | (765,509)         |
| Entire Net Income Base                                   | 2,976              | 102,052,713     | 2,174    | 91,346,774      | 40,858   | (650,024,076)     |
| Tax on ENI Base  | 2,460              | 32,540,158      | 1,796    | 20,411,561      | 31,304   | 937,233,927       |
| Largest of 4 Bases (Tax Before Credit)                   | 3,064              | 35,052,788      | 2,251    | 21,810,738      | 42,364   | 999,701,154       |
| Subsidiary Capital Base                                  | 67                 | 180,289,489     | 57       | 131,542,937     | 1,648    | 15,569,821,112    |
| Tax on Allocated Subsidiary Capital                      | 67                 | 162,263         | 54       | 118,388         | 1,594    | 14,012,830        |
| Tax Credits: Total                                       | 158                | 1,306,527       | 97       | 941,882         | 1,766    | 122,334,187       |
| Tax Due  | 3,064              | 33,908,524      | 2,251    | 20,987,254      | 42,364   | 891,422,027       |
| State Tax Surcharge                                      | 551                | 161,843         | 423      | 62,455          | 41,930   | 23,151,058        |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 64                 | 200,042         | 29       | 68,019          | 921      | 2,844,321         |
| Total Tax and State Tax Surcharge                        | 3,064              | 34,270,406      | 2,251    | 21,117,752      | 42,364   | 917,418,094       |

\*These items should be viewed as independently selected items of interest. The columns are not additive and cannot be summed.  
d/ Tax Law provisions prohibit disclosure of data.



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# Article 9: Corporation and Utilities Tax

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## Tax Structure: Tax Law as of 1996

Article 9 contains several separate taxes that apply to various general and specialized businesses operating in New York State. These taxes appear in separate sections of Article 9 as follows:

- *Section 180* organization tax on domestic (New York State) corporations;
- *Section 181* license fee on foreign (out-of-state) corporations;
- *Section 183* franchise tax on transportation and transmission companies and associations;
- *Section 184* additional franchise tax on transportation and transmission companies and associations;
- *Section 185* franchise tax on agricultural cooperatives;
- *Section 186* franchise tax on waterworks companies, gas companies, electric or steam heating, lighting and power companies;
- *Section 186-a* gross receipts tax on the furnishing of utility services;
- *Section 186-e* excise tax on telecommunications services; and
- *Section 189* franchise tax on businesses importing natural gas for their own consumption.

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Significant Tax Law  
Changes: 1995 and  
1996

1995

- Extensive changes were made in 1995 to the structure of taxation of telecommunications companies. Beginning on January 1, 1995, the Section 184 additional franchise tax no longer applied to companies primarily engaged in long distance service. Companies primarily engaged in a local telephone business remain subject to Section 184. However, sales from receipts for ultimate consumption from interLATA, interstate, or international services are excluded.<sup>1</sup>
- Beginning on January 1, 1995, the Section 186-a tax on receipts from telecommunications services was shifted from 186-a to a new section 186-e. Companies that provide telecommunications services and are also subject to the supervision of the Public Service Commission remain subject to 186-a for the non-telecommunications portion of their gross income. These companies are also subject to 186-e on their receipts from the sale of telecommunications services. The taxation of telecommunications receipts was altered by:
  - Replacing the property factor with the *Goldberg* allocation method, approved by the U.S. Supreme Court in *Goldberg v. Sweet*, 488 U.S. 252 (1989), to determine New York taxable receipts. Under the *Goldberg* allocation method, receipts from telecommunications services are allocated to New York if the call originates or terminates in this State and is charged to a services address in this State, regardless of where the charges for such services are billed or ultimately paid.
  - Eliminating the “sale for resale” deduction to the ultimate seller (retailer) for services purchased in New York. The deduction was replaced with an exclusion to the initial seller (wholesaler) in cases where the ultimate seller is either an interexchange carrier or a local carrier. Telecommunications companies must include sales for resale to companies other than an interexchange carrier or a local carrier in their Section 186-e tax base. However, a credit is allowed to purchasers that resell these services.

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1996

- Beginning on January 1, 1997, the Sections 183 and 184 taxes will only apply to trucking and railroad companies if such companies elect to remain under Article 9, otherwise they will be subject to Article 9-A, the general Franchise Tax on Business Corporations. For companies electing to remain under Article 9, the tax rate imposed by Section 184 (Additional Franchise Tax on Transmission and Transportation Corporations and Associations) applicable to trucking and railroad companies is reduced from 0.75 percent to 0.6 percent on gross earnings effective for 1997 and thereafter.

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**Statistical Summary:  
Comparison of 1995  
Versus 1996**

The corporation and utilities tax represented slightly more than 33 percent of total New York State corporate tax liability in 1996. The number of Article 9 taxpayers totaled 13,402 in 1996, representing a total tax liability of \$1,379 million.

Table 21 summarizes information from taxable returns filed by Article 9 corporations in 1995 and 1996. The number of taxpayers declined by 650 from 1995 to 1996, and total tax liability declined by approximately 10 percent over this period.

**Table 21: Article 9 Number of Taxpayers and Tax Liability – 1995 and 1996**

| Article 9                 | Tax Year<br>1995 | Tax Year<br>1996 |
|---------------------------|------------------|------------------|
| Total Number of Taxpayers | 14,052           | 13,402           |
| Total Tax Liability       | \$1,535,993,587  | \$1,378,663,904  |

**Distribution of Article 9  
Taxpayers and Tax  
Liability**

Table 22 and Figure 6 compare the number and share of taxpayers for tax years 1995 and 1996. The number of taxpayers declined modestly from year to year, with the exception of Section 186-e taxpayers, which grew from 810 to 814. In 1995, the providing of telephone services was taken out of Section 186-a, and a new section of tax, Section 186-e, was imposed on telecommunications services.

**Table 22: Total Article 9 Taxpayers by Section – 1995 and 1996**

| Article 9 Tax Law Sections | Total Number of Taxpayers 1995 | Total Number of Taxpayers 1996 |
|----------------------------|--------------------------------|--------------------------------|
| Section 183                | 6,087                          | 5,817                          |
| Section 184                | 6,061                          | 5,709                          |
| Section 186                | 293                            | 278                            |
| Section 186-a              | 801                            | 784                            |
| Section 186-e              | 810                            | 814                            |
| <b>Total</b>               | <b>14,052</b>                  | <b>13,402</b>                  |

\* The provisions of Section 186-e were effective beginning in 1995.

**Figure 6: Share of Number of Article 9 Taxpayers by Section**

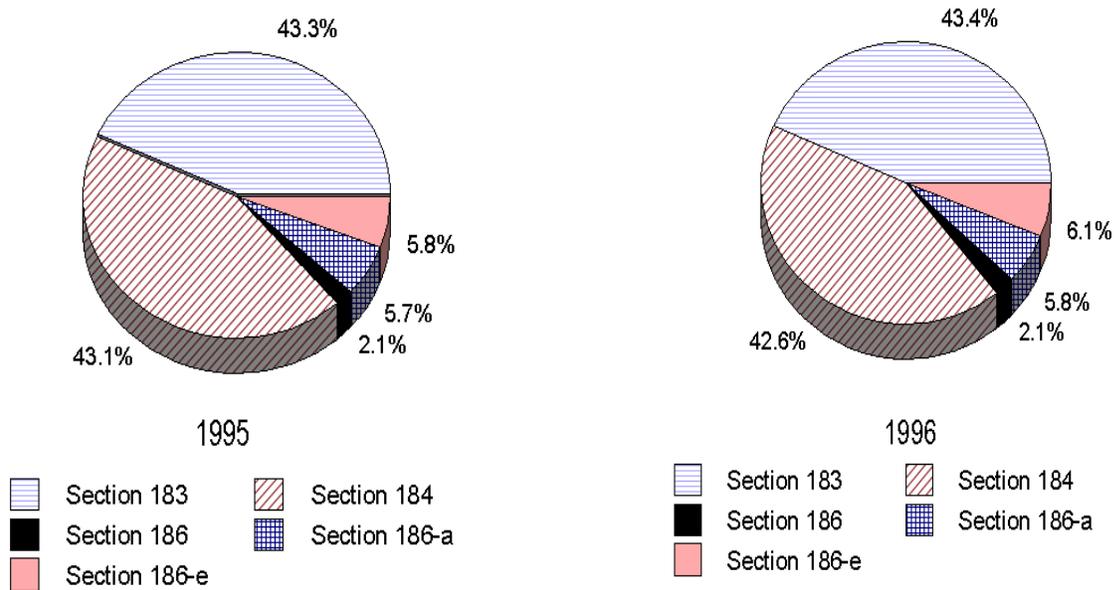


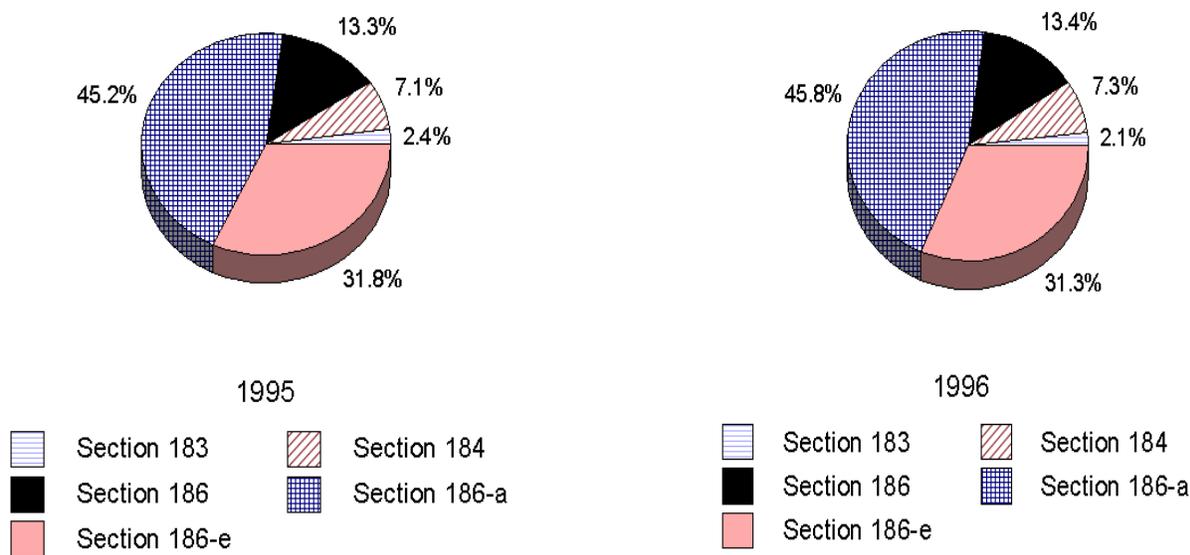
Table 23 and Figure 7 compare tax liability and share of liability for 1995 and 1996. Tax liability declined from year to year for each section except 186-e. The most significant part of the decline was due to the reduction in the business tax surcharge.

**Table 23: Total Article 9 Tax Liability by Section – 1995 and 1996**

| Article 9 Tax Law Sections | Total Tax Liability 1995 | Total Tax Liability 1996 |
|----------------------------|--------------------------|--------------------------|
| Section 183                | \$37,604,144             | \$29,567,709             |
| Section 184                | 109,672,614              | 101,224,413              |
| Section 186                | 204,899,827              | 184,070,448              |
| Section 186-a              | 694,697,376              | 631,959,171              |
| Section 186-e              | 489,119,626              | 431,842,163              |
| <b>Total</b>               | <b>\$1,535,993,587</b>   | <b>\$1,378,663,904</b>   |

\* The provisions of Section 186-e were effective beginning in 1995, when the excise tax on the provision of telecommunication services was transferred from Section 186-a to the new Section 186-e.

**Figure 7: Share of Article 9 Tax Liability by Section**



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## Endnotes

1. A LATA is a local access and transport area as established on July 1, 1994, pursuant to the modification of final judgement in U.S. vs. Western Electric Company. InterLATA services consist of telephone calls and other telecommunication services which do not originate and terminate within the same LATA.

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# Article 32: Corporate Franchise Tax on Banking Corporations

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## Tax Structure: Tax Law as of 1996

Article 32 levies a franchise tax on banking corporations doing business in the State. The bank tax is computed on the highest of four alternative bases:

- 9 percent of allocated entire net income (ENI); or
- 3 percent of alternative income (ENI without regard to specified exclusions); or
- \$250; or
- one-tenth, one twenty-fifth or one-fiftieth of a mill of taxable assets allocated to New York (depending on net-worth-to-asset ratio and percentage of assets secured by mortgages).

Calculation of the tax based on allocated ENI begins with federal taxable income, to which certain exclusions and deductions are applied.

Taxpayers then make several other modifications, and allocate their income to arrive at New York taxable income. These modifications include, for example, a bad debt deduction for large commercial banks, a deduction for the eligible net income of international banking facilities (IBFs), deductions for a portion of interest income from government obligations, and interest and dividend income from subsidiary capital.<sup>1</sup> Banks conducting business both inside and outside New York allocate their income and assets by applying a three-factor allocation formula consisting of payroll, deposits, and receipts. The receipts and deposits factors are double-weighted and only a fraction of the payroll factor is used.

Alternative entire net income differs from ENI in that it does not include deductions for portions of subsidiary interest and interest on government

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obligations. In addition, the factors of the alternative income allocation formula are single weighted.

The tax on allocated taxable assets starts with the taxpayer's total assets. Taxable assets equal total assets less assets attributable to the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation. Taxpayers then apply an allocation percentage, equivalent to the percentage used for allocating ENI. The tax rate imposed on allocated taxable assets equals:

| Net Worth Ratio:*            | Mortgage as a Percent of Total Assets: | Tax Rate: |
|------------------------------|--|-----------|
| Less than 4%                 | 33% or more                            | 0.00002   |
| At least 4% but less than 5% | 33% or more                            | 0.00004   |
| 5% or more                   | Any percentage                         | 0.0001    |

\* The net worth ratio equals the taxpayer's net worth on the last day of the tax year divided by total assets on the last day of the tax year.

Taxpayers may take credits against the highest tax liability, with the exception of the \$250 minimum tax, to determine their after-credit liability. These credits include, for example, the mortgage servicing credit and the special additional mortgage recording tax credit.

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### Significant Tax Law Changes: 1995 and 1996

There were no significant tax law changes in either 1995 or 1996 that affected the data or analysis presented in this report.

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### Statistical Summary: Comparison of 1995 Versus 1996

This section summarizes tax liability data for tax years 1995 and 1996. Tables 24 through 26 reflect summary data for five separate categories of banks and total amounts for all banks. The five categories are foreign banks, clearinghouse banks, commercial banks, savings banks, and savings and loan associations. However, to protect taxpayer confidentiality, the clearinghouse and commercial bank categories were grouped together, as were savings banks and savings and loan associations. Thus, each table provides statistics profiling three groups of taxpayers for the tax years 1995 and 1996.

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Number of Taxpayers and  
Total Tax Liability

*Number of Taxpayers*

Table 24 reports data on the number of taxpayers in each category, the amount of their total tax liability and the percent of the bank tax paid by each category. This table shows that between 1995 and 1996, the total number of banks increased from 839 to 865. Foreign banks and the clearinghouse/commercial bank category were the largest groups of Article 32 taxpayers during this period. The number of banks classified as foreign banks decreased from 349 in 1995 to 305 in 1996. The number of clearinghouse/commercial banks, however, increased during this period, from 392 to 461. The number of savings banks and savings and loan associations increased from 98 in 1995 to 99 in 1996.

*Total Tax Liability*

Although there were no significant tax law changes that affected the banking industry, total tax liability decreased nearly 17 percent, from \$617 million to \$517 million, between 1995 and 1996. The overall decline in tax liability was mainly attributable to a decrease in clearinghouse and commercial bank liability, which declined nearly 16 percent from \$405.1 million in 1995 to \$341.6 million in 1996. Similarly, the total tax liability of foreign banks declined by 20 percent, from \$177.6 million in 1995 to \$142.0 million in 1996. During this period, the tax liability of savings banks and savings and loan associations decreased by a modest 5 percent, from \$34.5 million to \$32.8 million.

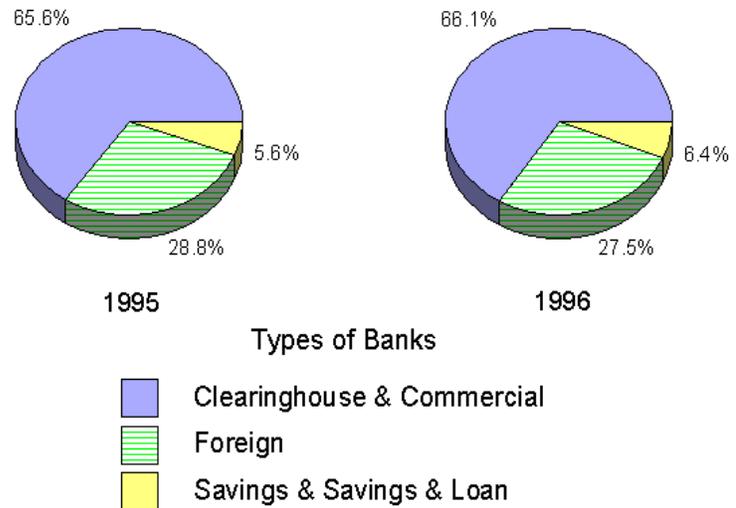
**Table 24: Number and Total Tax Liability of Article 32 Taxpayers – 1995 and 1996**

| Tax Year | Type of Bank               | Number of Taxpayers | Total Tax Liability  | Percent of Bank Tax |
|----------|----------------------------|---------------------|----------------------|---------------------|
| 1995     | Clearinghouse & Commercial | 392                 | \$405,069,421        | 65.6                |
|          | Foreign                    | 349                 | 177,608,033          | 28.8                |
|          | Savings & Savings & Loans  | 98                  | 34,481,555           | 5.6                 |
|          | <b>Total</b>               | <b>839</b>          | <b>\$617,159,009</b> | <b>100.0</b>        |
| 1996     | Clearinghouse & Commercial | 461                 | 341,648,180          | 66.1                |
|          | Foreign                    | 305                 | 142,027,775          | 27.5                |
|          | Savings & Savings & Loans  | 99                  | 32,841,042           | 6.4                 |
|          | <b>Total</b>               | <b>865</b>          | <b>\$516,516,997</b> | <b>100.0</b>        |

*Shares of Total Tax*

Figure 8 shows that the distribution of bank tax liability by type of bank remained relatively constant between 1995 and 1996. Clearinghouse and commercial banks continued to represent nearly two-thirds of total bank tax liability, followed by foreign banks, savings banks and savings and loan associations.

**Figure 8: Distribution of Article 32 Tax Liability by Bank Type – 1995 and 1996**



Distribution of Tax Liability  
by Basis of Tax

Table 25 includes statistics regarding the distribution of tax liability by base of tax. The table lists the number of taxpayers paying on the income base, alternative bases (asset or alternative entire net income bases), and the minimum tax base, and the amount of tax liability paid under each base.

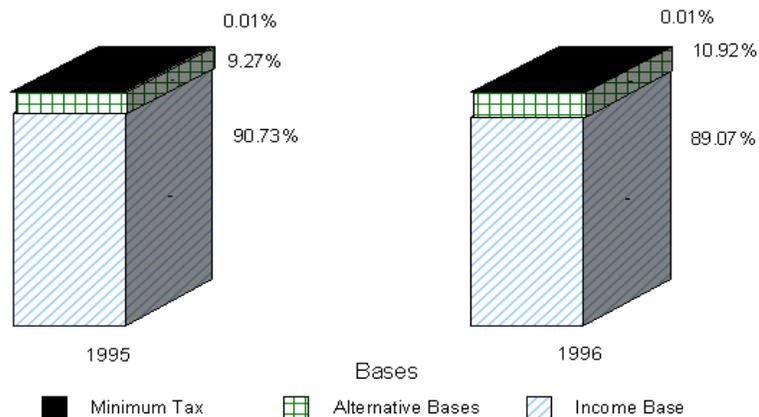
*Basis of Tax*

Table 25 and Figure 9 show the distribution of Article 32 tax liability by type of bank and basis of tax in 1995 and 1996. During these two years, the portion of total tax liability attributable to the income base decreased from 90.7 percent to 89.1 percent. In contrast, the portion of total tax liability attributable to the alternative bases increased from 9.3 percent to 10.9 percent. The proportion of minimum tax filer liability remained virtually unchanged between 1995 and 1996.

**Table 25: Distribution of Article 32 Tax Liability by Basis of Tax – 1995 and 1996**

| Tax Year | Type of Bank               | Income Base         |                      | Alternative Bases   |                     | Minimum Tax         |                 |
|----------|----------------------------|---------------------|----------------------|---------------------|---------------------|---------------------|-----------------|
|          |                            | Number of Taxpayers | Liability            | Number of Taxpayers | Liability           | Number of Taxpayers | Liability       |
| 1995     | Clearinghouse & Commercial | 244                 | \$387,976,504        | 76                  | \$17,073,642        | 72                  | \$19,275        |
|          | Foreign                    | 103                 | 137,818,444          | 183                 | 39,772,683          | 63                  | 16,906          |
|          | Savings & Savings & Loans  | 72                  | 34,131,698           | 3                   | 343,688             | 23                  | 6,169           |
|          | <b>Total</b>               | <b>419</b>          | <b>\$559,926,646</b> | <b>262</b>          | <b>\$57,190,013</b> | <b>158</b>          | <b>\$42,350</b> |
| 1996     | Clearinghouse & Commercial | 267                 | \$321,638,816        | 66                  | \$19,976,865        | 128                 | \$32,500        |
|          | Foreign                    | 94                  | 105,908,412          | 158                 | 36,105,812          | 53                  | 13,550          |
|          | Savings & Savings & Loans  | 68                  | 32,490,617           | 7                   | 344,537             | 24                  | 5,887           |
|          | <b>Total</b>               | <b>429</b>          | <b>\$460,037,845</b> | <b>231</b>          | <b>\$56,427,214</b> | <b>205</b>          | <b>\$51,937</b> |

**Figure 9: Distribution of Article 32 Tax Liability by Basis of Tax – 1995 and 1996**



**Allocated Entire Net Income**

Table 26 provides data regarding the number of taxpayers with positive and negative allocated entire net income and the amount of total positive and negative allocated entire net income. These statistics indicate the number and types of banks that reported income or losses and the amount of the income and losses during the 1995 and 1996 tax years. The number of banks reporting positive allocated entire net income increased by 33 year over year even though the bank population grew by 26.

**Table 26: Allocated Entire Net Income Under Article 32 – 1995 and 1996**

| Tax Year | Type of Bank               | Positive Allocated ENI |                      |                        | Negative Allocated ENI |                      |                        |
|----------|----------------------------|------------------------|----------------------|------------------------|------------------------|----------------------|------------------------|
|          |                            | Number of Taxpayers    | Total (\$ Thousands) | Average (\$ Thousands) | Number of Taxpayers    | Total (\$ Thousands) | Average (\$ Thousands) |
| 1995     | Clearinghouse & Commercial | 302                    | \$4,228,870          | \$14,003               | 90                     | (\$499,569)          | (\$5,551)              |
|          | Foreign                    | 186                    | 1,480,001            | 7,957                  | 163                    | (965,359)            | (5,922)                |
|          | Savings & Savings & Loans  | 84                     | 436,069              | 5,191                  | 14                     | (131,952)            | (9,425)                |
|          | <b>Total</b>               | <b>572</b>             | <b>\$6,144,940</b>   | <b>\$10,743</b>        | <b>267</b>             | <b>(\$1,596,880)</b> | <b>(\$5,981)</b>       |
| 1996     | Clearinghouse & Commercial | 349                    | 3,704,239            | 10,614                 | 112                    | (696,015)            | (6,214)                |
|          | Foreign                    | 177                    | 1,236,111            | 6,984                  | 128                    | (972,109)            | (7,595)                |
|          | Savings & Savings & Loans  | 79                     | 384,708              | 4,870                  | 20                     | (69,535)             | (3,477)                |
|          | <b>Total</b>               | <b>605</b>             | <b>\$5,325,058</b>   | <b>\$8,802</b>         | <b>260</b>             | <b>(\$1,737,659)</b> | <b>(\$6,683)</b>       |

As shown in Figure 10, the amount of positive allocated entire net income reported for all banks decreased from \$6.1 billion in 1995 to \$5.3 billion in 1996. In contrast, negative allocated entire net income increased from \$1.6 billion to \$1.7 billion during this period. This shift applied to all bank categories except 'Savings & Savings & Loans' with negative allocated net income.

Figure 10: Allocated Entire Net Income by Bank Type - 1995 and 1996

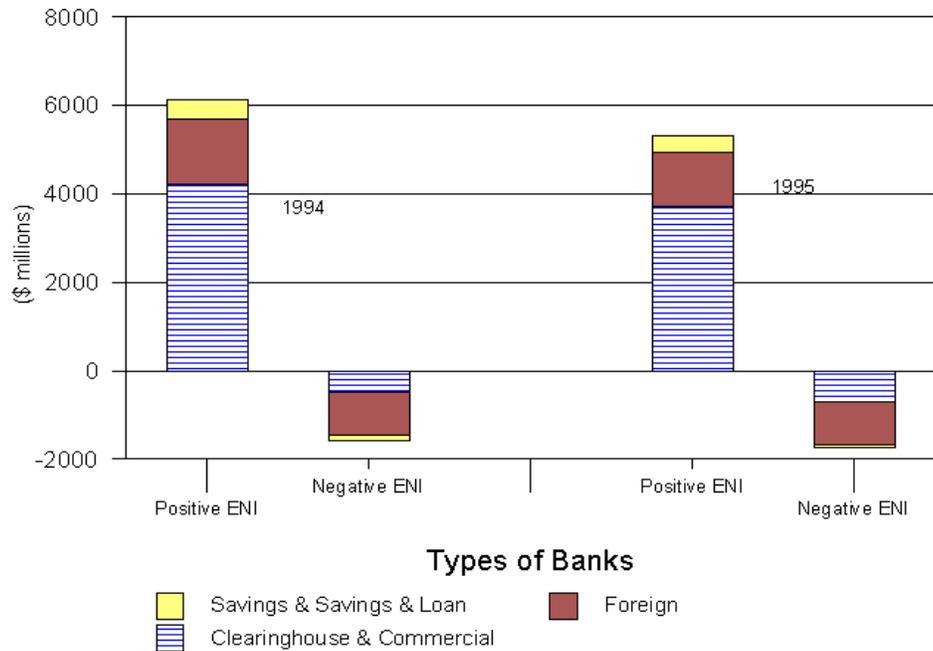


Table 27 provides statistics on the total number of banks that used the special additional mortgage recording tax credit and the mortgage servicing credit for 1995 and 1996. This table also shows the value of the credits used during this time period. Data regarding the job incentive credit for the 1995 and 1996 tax years are not disclosable. In addition, no Article 32 taxpayers used an Economic Development Zone or a Zone Equivalent Area wage tax credit during 1995 and 1996.

### Tax Credits Used

As displayed in Table 27, during 1995 and 1996, the special additional mortgage recording tax credit was used by the greatest number of taxpayers. In 1995, the value of the credit used by 122 taxpayers equaled \$11.3 million. In 1996, 116 taxpayers used this credit which totaled \$9.8 million. The mortgage servicing credit was used by the next largest

number of taxpayers during this period. In 1995, the value of the credit used by 65 taxpayers equaled \$8.6 million. In 1996, the value of the credit used by 57 taxpayers equaled \$8.5 million.

**Table 27: Credits Used by Article 32 Taxpayers – 1995 and 1996**

| Tax Year | Tax Credits Used              |                       |                           |                       |
|----------|-------------------------------|-----------------------|---------------------------|-----------------------|
|          | Mortgage Recording Tax Credit |                       | Mortgage Servicing Credit |                       |
|          | Number of Taxpayers           | Amount of Credit Used | Number of Taxpayers       | Amount of Credit Used |
| 1995     | 122                           | \$11,267,354          | 65                        | \$8,569,945           |
| 1996     | 116                           | \$9,812,848           | 57                        | \$8,539,720           |

Note: If, for example, a taxpayer used the mortgage recording tax credit and the mortgage servicing credit, it would be counted separately in each category by year.

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## Endnotes

1. For an analysis of how these deductions impact tax liability, please see “State of New York Tax Expenditure Report 1999-2000,” prepared by the New York State Department of Taxation and Finance in conjunction with the New York State Division of the Budget.



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# Detailed Article 32 Summary Tables

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This section contains detailed Article 32 summary tables for the 1996 tax year. Consistent with the data presented in the main text of this report, the data includes the temporary business tax surcharge. Tax liability excludes the MTA surcharge.

In certain tables tax law provisions prohibit the disclosure of data. The data are included in the appropriate totals, and are designated by “d.”

**Table 28: Selected Tax Return Items for all Article 32 Corporations**

| Item   | Total      |                      |
|--|------------|----------------------|
|  | Number     | Amount               |
| Federal Taxable Income Before NOL                | 763        | \$25,645,280,440     |
| Dividends & Interest Effectively Connected       | 94         | 4,097,915,492        |
| Income Effectively Connected                     | 11         | 598,260,941          |
| Dividends & Interest Not Included                | 162        | 918,633,153          |
| Income Taxes Paid                                | 103        | 77,710,171           |
| New York State Franchise Taxes                   | 676        | 621,986,451          |
| New York State Gains (loss)                      | 9          | 22,669,928           |
| Federal Depreciation on N.Y. Property Acquired   | 32         | 603,125,884          |
| Federal Depreciation on Other N.Y. Property      | 168        | 2,407,052,284        |
| Federal Safe Harbor Lease Deduction              | d/         | d/                   |
| Amount Required Except for Safe Harbor Lease     | d/         | d/                   |
| Additional Mortgage Recording Tax Deducted       | 111        | 9,408,599            |
| Other Federal Deduction - Article 9-B/9-C        | 8          | 66,385,142           |
| Bad Debt Deduction - IRC 593(b)(1)(B)            | 90         | 1,112,623,193        |
| Bad Debt Deduction - IRC 166/585(c)              | 136        | 2,702,117,235        |
| 20% Excess Bad Debt Deduction                    | 20         | 16,032,389           |
| Other Additions to Federal Taxable Income        | 68         | 447,405,307          |
| Interest and Other Expenses Not Deducted         | 166        | 1,064,370,235        |
| Allowable New York Depreciation                  | 194        | 2,639,876,092        |
| Federal Gains (loss)                             | 8          | 449,014,996          |
| Other Federal Gain (loss)                        | 14         | 28,177,602           |
| Federal Income or Gain from Installment Method   | 3          | 1,196,075            |
| IRC Section 78 Dividends Included                | 13         | 47,407,534           |
| Amount Deducted as a result of Safe Harbor Lease | d/         | d/                   |
| Amount Deducted Except for a Safe Harbor Lease   | 0          | 0                    |
| Wages Not Deducted Due to Jobs Credit            | 0          | 0                    |
| Money Received from FDIC/FSLIC/RTC               | 7          | 48,725,669           |
| Interest Income from Subsidiary Capital          | 30         | 438,243,256          |
| Dividend Income from Subsidiary Capital          | 42         | 7,698,814,053        |
| Net Gain from Subsidiary Capital                 | 8          | 20,698,948           |
| Interest Income on Obligations of New York State | 420        | 1,130,066,513        |
| Adjusted Eligible Net Income of IBF              | 22         | 481,895,200          |
| Recaptured Reserves on Losses - IRC 585(c)       | 26         | 151,068,863          |
| Recoveries of Charged Off Loans - IRC 585        | 57         | 484,770,653          |
| Bad Debt Deduction - 1453(h)                     | 85         | 952,338,551          |
| Bad Debt Deduction - 1453(i)                     | 118        | 2,481,068,219        |
| Other Subtractions                               | 75         | 7,994,890,594        |
| Entire Net Income                                | 776        | 13,214,457,994       |
| New York Depreciation - CT-399                   | 3          | 135,216,860          |
| New York Optional Depreciation Gain/Loss         | d/         | d/                   |
| Allocated Taxable Entire Net Income              | 865        | 3,587,399,046        |
| Largest of 4 Bases (Tax Before Credit)           | 863        | 522,964,556          |
| Tax Credits: Total                               | 144        | 18,365,796           |
| Tax Due  | 863        | 504,598,766          |
| State Tax Surcharge                              | 821        | 11,918,231           |
| <b>Total Tax and State Tax Surcharge</b>         | <b>865</b> | <b>\$516,516,997</b> |

d/ Tax Law provisions prohibit disclosure of data.

**Table 29: Selected Tax Return Items for Article 32 Entire Net Income Filers**

| Item   | Entire Net Income Base |                      |
|--|------------------------|----------------------|
|  | Number                 | Amount               |
| Federal Taxable Income Before NOL                | 429                    | \$27,944,272,518     |
| Dividends & Interest Effectively Connected       | 71                     | 3,641,067,649        |
| Income Effectively Connected                     | 6                      | 94,940,454           |
| Dividends & Interest Not Included                | 136                    | 744,475,338          |
| Income Taxes Paid                                | 72                     | 60,954,030           |
| New York State Franchise Taxes                   | 400                    | 548,637,931          |
| New York State Gains (loss)                      | 6                      | 38,415,188           |
| Federal Depreciation on N.Y. Property Acquired   | 25                     | 448,865,603          |
| Federal Depreciation on Other N.Y. Property      | 117                    | 1,367,787,996        |
| Federal Safe Harbor Lease Deduction              | 0                      | 0                    |
| Amount Required Except for Safe Harbor Lease     | d/                     | d/                   |
| Additional Mortgage Recording Tax Deducted       | 91                     | 6,935,108            |
| Other Federal Deduction - Article 9-B/9-C        | 5                      | 62,907,954           |
| Bad Debt Deduction - IRC 593(b)(1)(B)            | 74                     | 704,850,355          |
| Bad Debt Deduction - IRC 166/585(c)              | 77                     | 1,905,940,119        |
| 20% Excess Bad Debt Deduction                    | 12                     | 6,991,722            |
| Other Additions to Federal Taxable Income        | 41                     | 286,005,646          |
| Interest and Other Expenses Not Deducted         | 130                    | 337,247,576          |
| Allowable New York Depreciation                  | 134                    | 1,430,290,300        |
| Federal Gains (loss)                             | 6                      | 441,412,202          |
| Other Federal Gain (loss)                        | 12                     | 43,727,820           |
| Federal Income or Gain from Installment Method   | d/                     | d/                   |
| IRC Section 78 Dividends Included                | 10                     | 44,306,340           |
| Amount Deducted as a Result of Safe Harbor Lease | d/                     | d/                   |
| Amount Deducted Except for a Safe Harbor Lease   | 0                      | 0                    |
| Wages Not Deducted Due to Jobs Credit            | 0                      | 0                    |
| Money Received from FDIC/FSLIC/RTC               | d/                     | d/                   |
| Interest Income from Subsidiary Capital          | 22                     | 417,706,739          |
| Dividend Income from Subsidiary Capital          | 32                     | 7,067,100,329        |
| Net Gain from Subsidiary Capital                 | d/                     | d/                   |
| Interest Income on Obligations of New York State | 288                    | 847,192,564          |
| Adjusted Eligible Net Income of IBF              | 12                     | 487,310,866          |
| Recaptured Reserves on Losses - IRC 585(c)       | 21                     | 150,690,079          |
| Recoveries of Charged Off Loans - IRC 585        | 30                     | 405,871,518          |
| Bad Debt Deduction - 1453(h)                     | 67                     | 576,390,381          |
| Bad Debt Deduction - 1453(i)                     | 73                     | 1,801,552,414        |
| Other Subtractions                               | 49                     | 7,404,592,529        |
| Entire Net Income                                | 429                    | 16,384,407,295       |
| New York Depreciation - CT-399                   | d/                     | d/                   |
| New York Optional Depreciation Gain/Loss         | d/                     | d/                   |
| Allocated Taxable Entire Net Income              | 429                    | 5,137,609,601        |
| Largest of 4 Bases (Tax Before Credit)           | 429                    | 462,384,853          |
| Tax Credits: Total                               | 121                    | 12,903,020           |
| Tax Due  | 429                    | 449,481,835          |
| State Tax Surcharge                              | 406                    | 10,556,010           |
| <b>Total Tax and State Tax Surcharge</b>         | <b>429</b>             | <b>\$460,037,845</b> |

d/ Tax Law provisions prohibit disclosure of data.

**Table 30: Selected Tax Return Items for Article 32 Alternative Base Filers**

| Item   | Alternative Base |                     |
|--|------------------|---------------------|
|  | Number           | Amount              |
| Federal Taxable Income Before NOL                | 227              | (\$1,939,162,990)   |
| Dividends & Interest Effectively Connected       | 17               | 455,285,143         |
| Income Effectively Connected                     | 5                | 503,320,487         |
| Dividends & Interest Not Included                | 16               | 118,395,911         |
| Income Taxes Paid                                | 23               | 13,625,463          |
| New York State Franchise Taxes                   | 215              | 74,283,094          |
| New York State Gains (loss)                      | d/               | d/                  |
| Federal Depreciation on N.Y. Property Acquired   | 7                | 154,260,281         |
| Federal Depreciation on Other N.Y. Property      | 41               | 1,030,756,066       |
| Federal Safe Harbor Lease Deduction              | d/               | d/                  |
| Amount Required Except for Safe Harbor Lease     | 0                | 0                   |
| Additional Mortgage Recording Tax Deducted       | 3                | 1,271,133           |
| Other Federal Deduction - Article 9-B/9-C        | 0                | 0                   |
| Bad Debt Deduction - IRC 593(b)(1)(B)            | 13               | 406,121,643         |
| Bad Debt Deduction - IRC 166/585(c)              | d/               | d/                  |
| 20% Excess Bad Debt Deduction                    | d/               | d/                  |
| Other Additions to Federal Taxable Income        | 21               | 82,906,804          |
| Interest and Other Expenses Not Deducted         | 28               | 717,315,658         |
| Allowable New York Depreciation                  | 48               | 1,175,022,122       |
| Federal Gains (loss)                             | d/               | d/                  |
| Other Federal Gain (loss)                        | d/               | d/                  |
| Federal Income or Gain from Installment Method   | d/               | d/                  |
| IRC Section 78 Dividends Included                | d/               | d/                  |
| Amount Deducted as a Result of Safe Harbor Lease | 0                | 0                   |
| Amount Deducted Except for a Safe Harbor Lease   | 0                | 0                   |
| Wages Not Deducted Due to Jobs Credit            | 0                | 0                   |
| Money Received from FDIC/FSLIC/RTC               | 0                | 0                   |
| Interest Income from Subsidiary Capital          | d/               | d/                  |
| Dividend Income from Subsidiary Capital          | 10               | 631,713,724         |
| Net Gain from Subsidiary Capital                 | 4                | 11,586,612          |
| Interest Income on Obligations of New York State | 106              | 272,341,693         |
| Adjusted Eligible Net Income of IBF              | d/               | d/                  |
| Recaptured Reserves on Losses - IRC 585(c)       | d/               | d/                  |
| Recoveries of Charged Off Loans - IRC 585        | 27               | 78,899,135          |
| Bad Debt Deduction - 1453(h)                     | 15               | 371,499,575         |
| Bad Debt Deduction - 1453(i)                     | d/               | d/                  |
| Other Subtractions                               | 21               | 584,946,195         |
| Entire Net Income                                | 228              | (2,833,463,648)     |
| New York Depreciation - CT-399                   | d/               | d/                  |
| New York Optional Depreciation Gain/Loss         | 0                | 0                   |
| Allocated Taxable Entire Net Income              | 231              | (1,233,433,912)     |
| Allocated Taxable Alternative Entire Net Income  | 8                | 322,806,640         |
| Tax on Alternative ENI Base                      | 8                | 9,684,201           |
| Total Assets - Average Value                     | 223              | 705,784,627,110     |
| Money or Other Property Received from FDIC       | 0                | 0                   |
| Allocated Taxable Assets                         | 223              | 488,432,360,239     |
| Largest of 4 Bases (Tax Before Credit)           | 231              | 58,527,439          |
| Tax Credits: Total                               | 4                | 3,461,262           |
| Tax Due  | 231              | 55,066,181          |
| State Tax Surcharge                              | 225              | 1,361,033           |
| <b>Total Tax and State Tax Surcharge</b>         | <b>231</b>       | <b>\$56,427,214</b> |

d/ Tax Law provisions prohibit disclosure of data.

**Table 31: Selected Tax Return Items for Article 32 Fixed Dollar Minimum Filers**

| Item   | Fixed Dollar Minimum Base |                 |
|--|---------------------------|-----------------|
|  | Number                    | Amount          |
| Federal Taxable Income Before NOL                | 107                       | (\$359,829,088) |
| Dividends & Interest Effectively Connected       | 6                         | 1,562,700       |
| Income Effectively Connected                     | 0                         | 0               |
| Dividends & Interest Not Included                | 10                        | 55,761,904      |
| Income Taxes Paid                                | 8                         | 3,130,678       |
| New York State Franchise Taxes                   | 61                        | (934,574)       |
| New York State Gains (loss)                      | d/                        | d/              |
| Federal Depreciation on N.Y. Property Acquired   | 0                         | 0               |
| Federal Depreciation on Other N.Y. Property      | 10                        | 8,508,222       |
| Federal Safe Harbor Lease Deduction              | d/                        | d/              |
| Amount Required Except for Safe Harbor Lease     | d/                        | d/              |
| Additional Mortgage Recording Tax Deducted       | 17                        | 1,202,358       |
| Other Federal Deduction - Article 9-B/9-C        | 3                         | 3,477,188       |
| Bad Debt Deduction - IRC 593(b)(1)(B)            | 3                         | 1,651,195       |
| Bad Debt Deduction - IRC 166/585(c)              | d/                        | d/              |
| 20% Excess Bad Debt Deduction                    | d/                        | d/              |
| Other Additions to Federal Taxable Income        | 6                         | 78,492,857      |
| Interest and Other Expenses Not Deducted         | 8                         | 9,807,001       |
| Allowable New York Depreciation                  | 12                        | 34,563,670      |
| Federal Gains (loss)                             | d/                        | d/              |
| Other Federal Gain (loss)                        | d/                        | d/              |
| Federal Income or Gain from Installment Method   | 0                         | 0               |
| IRC Section 78 Dividends Included                | d/                        | d/              |
| Amount Deducted as a Result of Safe Harbor Lease | d/                        | d/              |
| Amount Deducted Except for a Safe Harbor Lease   | 0                         | 0               |
| Wages Not Deducted Due to Jobs Credit            | 0                         | 0               |
| Money Received from FDIC/FSLIC/RTC               | d/                        | d/              |
| Interest Income from Subsidiary Capital          | d/                        | d/              |
| Dividend Income from Subsidiary Capital          | 0                         | 0               |
| Net Gain from Subsidiary Capital                 | d/                        | d/              |
| Interest Income on Obligations of New York State | 26                        | 10,532,256      |
| Adjusted Eligible Net Income of IBF              | d/                        | d/              |
| Recaptured Reserves on Losses - IRC 585(c)       | d/                        | d/              |
| Recoveries of Charged Off Loans - IRC 585        | 0                         | 0               |
| Bad Debt Deduction - 1453(h)                     | 3                         | 4,448,595       |
| Bad Debt Deduction - 1453(i)                     | d/                        | d/              |
| Other Subtractions                               | 5                         | 5,351,870       |
| Entire Net Income                                | 119                       | (336,485,653)   |
| New York Depreciation - CT-399                   | 0                         | 0               |
| New York Optional Depreciation Gain/Loss         | 0                         | 0               |
| Allocated Taxable Entire Net Income              | 205                       | (316,776,643)   |
| Largest of 4 Bases (Tax Before Credit)           | 203                       | 2,052,264       |
| Tax Credits: Total                               | 19                        | 2,001,514       |
| Tax Due  | 203                       | 50,750          |
| State Tax Surcharge                              | 190                       | 1,188           |
| <b>Total Tax and State Tax Surcharge</b>         | <b>205</b>                | <b>\$51,937</b> |

d/ Tax Law provisions prohibit disclosure of data.

**Table 32: Selected Tax Return Items for Article 32 Filers by Type of Bank**

| Item   | Clearinghouse & Commercial Banks |                      | Foreign Banks |                      | Savings & Savings & Loan |                     |
|--|----------------------------------|----------------------|---------------|----------------------|--------------------------|---------------------|
|  | Number                           | Amount               | Number        | Amount               | Number                   | Amount              |
| Federal Taxable Income Before NOL                | 416                              | \$24,436,743,695     | 256           | \$804,758,078        | 91                       | \$403,778,667       |
| Dividends & Interest Effectively Connected       | 57                               | 3,603,732,178        | 18            | 492,254,948          | 19                       | 1,928,366           |
| Income Effectively Connected                     | 6                                | 110,276,976          | 5             | 487,983,965          | 0                        | 0                   |
| Dividends & Interest Not Included                | 124                              | 878,582,309          | 7             | 36,379,228           | 31                       | 3,671,616           |
| Income Taxes Paid                                | 54                               | 47,103,004           | 39            | 22,969,346           | 10                       | 7,637,821           |
| New York State Franchise Taxes                   | 344                              | 404,173,877          | 254           | 180,513,908          | 78                       | 37,298,666          |
| New York State Gains (loss)                      | d/                               | d/                   | d/            | d/                   | 0                        | 0                   |
| Federal Depreciation on N.Y. Property Acquired   | 17                               | 584,645,882          | 10            | 18,471,646           | 5                        | 8,356               |
| Federal Depreciation on Other N.Y. Property      | 85                               | 2,275,627,533        | 58            | 117,648,724          | 25                       | 13,776,027          |
| Federal Safe Harbor Lease Deduction              | d/                               | d/                   | 0             | 0                    | d/                       | d/                  |
| Amount Required Except for Safe Harbor Lease     | 0                                | 0                    | d/            | d/                   | d/                       | d/                  |
| Additional Mortgage Recording Tax Deducted       | 73                               | 7,655,410            | 0             | 0                    | 38                       | 1,753,189           |
| Other Federal Deduction - Article 9-B/9-C        | d/                               | d/                   | d/            | d/                   | 4                        | 3,483,164           |
| Bad Debt Deduction - IRC 593(b)(1)(B)            | 29                               | 757,957,717          | 19            | 99,792,553           | 42                       | 254,872,923         |
| Bad Debt Deduction - IRC 166/585(c)              | 40                               | 1,869,695,531        | 87            | 814,907,350          | 9                        | 17,514,354          |
| 20% Excess Bad Debt Deduction                    | 5                                | 5,901,406            | 8             | 8,626,377            | 7                        | 1,504,606           |
| Other Additions to Federal Taxable Income        | 34                               | 389,888,414          | 27            | 19,592,038           | 7                        | 37,924,855          |
| Interest and Other Expenses Not Deducted         | 123                              | 132,102,948          | 24            | 931,652,324          | 19                       | 614,963             |
| Allowable New York Depreciation                  | 97                               | 2,489,467,040        | 69            | 137,048,296          | 28                       | 13,360,756          |
| Federal Gains (loss)                             | 6                                | 448,882,246          | d/            | d/                   | d/                       | d/                  |
| Other Federal Gain (loss)                        | d/                               | d/                   | d/            | d/                   | 0                        | 0                   |
| Federal Income or Gain from Installment Method   | d/                               | d/                   | d/            | d/                   | 0                        | 0                   |
| IRC Section 78 Dividends Included                | 13                               | 47,407,534           | 0             | 0                    | 0                        | 0                   |
| Amount Deducted as a Result of Safe Harbor Lease | d/                               | d/                   | 0             | 0                    | 0                        | 0                   |
| Amount Deducted Except for a Safe Harbor Lease   | 0                                | 0                    | 0             | 0                    | 0                        | 0                   |
| Wages Not Deducted Due to Jobs Credit            | 0                                | 0                    | 0             | 0                    | 0                        | 0                   |
| Money Received from FDIC/FSLIC/RTC               | 4                                | 41,105,218           | 0             | 0                    | 3                        | 7,620,451           |
| Interest Income from Subsidiary Capital          | 22                               | 428,453,363          | d/            | d/                   | d/                       | d/                  |
| Dividend Income from Subsidiary Capital          | 39                               | 7,657,349,744        | d/            | d/                   | d/                       | d/                  |
| Net Gain from Subsidiary Capital                 | d/                               | d/                   | d/            | d/                   | 0                        | 0                   |
| Interest Income on Obligations of New York State | 224                              | 765,739,621          | 131           | 338,732,259          | 65                       | 25,594,633          |
| Adjusted Eligible Net Income of IBF              | 9                                | 490,279,301          | d/            | d/                   | d/                       | d/                  |
| Recaptured Reserves on Losses - IRC 585(c)       | 14                               | 149,209,146          | 0             | 0                    | 12                       | 1,859,717           |
| Recoveries of Charged Off Loans - IRC 585        | d/                               | d/                   | 45            | 200,270,045          | d/                       | d/                  |
| Bad Debt Deduction - 1453(h)                     | 32                               | 677,090,928          | 9             | 100,999,614          | 44                       | 174,248,009         |
| Bad Debt Deduction - 1453(i)                     | 36                               | 1,755,247,424        | 71            | 704,096,136          | 11                       | 21,724,659          |
| Other Subtractions                               | 47                               | 7,971,527,326        | 17            | 22,084,944           | 11                       | 1,278,324           |
| Entire Net Income                                | 420                              | 11,984,960,628       | 260           | 733,387,533          | 96                       | 496,109,833         |
| New York Depreciation - CT-399                   | d/                               | d/                   | d/            | d/                   | 0                        | 0                   |
| New York Optional Depreciation Gain/Loss         | d/                               | d/                   | d/            | d/                   | 0                        | 0                   |
| Allocated Taxable Entire Net Income              | 461                              | 3,008,224,168        | 305           | 264,002,032          | 99                       | 315,172,846         |
| Largest of 4 Bases (Tax Before Credit)           | 460                              | 348,969,273          | 305           | 139,050,243          | 98                       | 34,945,040          |
| Tax Credits: Total                               | 88                               | 15,501,152           | 0             | 0                    | 56                       | 2,864,644           |
| Tax Due  | 460                              | 333,468,124          | 305           | 139,050,246          | 98                       | 32,080,396          |
| State Tax Surcharge                              | 440                              | 8,180,056            | 292           | 2,977,529            | 89                       | 760,646             |
| <b>Total Tax and State Tax Surcharge</b>         | <b>461</b>                       | <b>\$341,648,180</b> | <b>305</b>    | <b>\$142,027,775</b> | <b>99</b>                | <b>\$32,841,042</b> |

d/ Tax Law provisions prohibit disclosure of data.

**Table 33: Selected Tax Return Items for Article 32 Filers by Type of Return**

| Item   | CT-32      |                      | CT-32A     |                      |
|--|------------|----------------------|------------|----------------------|
|  | Number     | Amount               | Number     | Amount               |
| Federal Taxable Income Before NOL                | 569        | \$3,010,793,707      | 194        | \$22,634,486,733     |
| Dividends & Interest Effectively Connected       | 40         | 681,671,475          | 54         | 3,416,244,017        |
| Income Effectively Connected                     | 6          | 488,064,374          | 5          | 110,196,567          |
| Dividends & Interest Not Included                | 77         | 142,962,347          | 85         | 775,670,806          |
| Income Taxes Paid                                | 67         | 62,316,332           | 36         | 15,393,839           |
| New York State Franchise Taxes                   | 497        | 220,039,871          | 179        | 401,946,580          |
| New York State Gains (loss)                      | 3          | (592,896)            | 6          | 23,262,824           |
| Federal Depreciation on N.Y. Property Acquired   | 14         | 139,762,762          | 18         | 463,363,122          |
| Federal Depreciation on Other N.Y. Property      | 99         | 134,185,059          | 69         | 2,272,867,225        |
| Federal Safe Harbor Lease Deduction              | d/         | d/                   | 0          | 0                    |
| Amount Required Except for Safe Harbor Lease     | d/         | d/                   | 0          | 0                    |
| Additional Mortgage Recording Tax Deducted       | 45         | 796,069              | 66         | 8,612,530            |
| Other Federal Deduction - Article 9-B/9-C        | d/         | d/                   | d/         | d/                   |
| Bad Debt Deduction - IRC 593(b)(1)(B)            | 50         | 155,760,327          | 40         | 956,862,866          |
| Bad Debt Deduction - IRC 166/585(c)              | 94         | 860,912,706          | 42         | 1,841,204,529        |
| 20% Excess Bad Debt Deduction                    | 13         | 9,613,676            | 7          | 6,418,713            |
| Other Additions to Federal Taxable Income        | 38         | 145,106,099          | 30         | 302,299,208          |
| Interest and Other Expenses Not Deducted         | 70         | 942,216,327          | 96         | 122,153,908          |
| Allowable New York Depreciation                  | 114        | 276,594,923          | 80         | 2,363,281,169        |
| Federal Gains (loss)                             | d/         | d/                   | d/         | d/                   |
| Other Federal Gain (loss)                        | 5          | 311,998              | 9          | 27,865,604           |
| Federal Income or Gain from Installment Method   | d/         | d/                   | d/         | d/                   |
| IRC Section 78 Dividends Included                | 3          | 34,914               | 10         | 47,372,620           |
| Amount Deducted as a Result of Safe Harbor Lease | d/         | d/                   | 0          | 0                    |
| Amount Deducted Except for a Safe Harbor Lease   | 0          | 0                    | 0          | 0                    |
| Wages Not Deducted Due to Jobs Credit            | 0          | 0                    | 0          | 0                    |
| Money Received from FDIC/FSLIC/RTC               | d/         | d/                   | d/         | d/                   |
| Interest Income from Subsidiary Capital          | 11         | 28,038,637           | 19         | 410,204,619          |
| Dividend Income from Subsidiary Capital          | 8          | 246,897,497          | 34         | 7,451,916,556        |
| Net Gain from Subsidiary Capital                 | d/         | d/                   | d/         | d/                   |
| Interest Income on Obligations of New York State | 266        | 373,136,311          | 154        | 756,930,202          |
| Adjusted Eligible Net Income of IBF              | 15         | (2,181,068)          | 7          | 484,076,268          |
| Recaptured Reserves on Losses - IRC 585(c)       | 9          | 2,854,616            | 17         | 148,214,247          |
| Recoveries of Charged Off Loans - IRC 585        | 50         | 204,845,012          | 7          | 279,925,641          |
| Bad Debt Deduction - 1453(h)                     | 35         | 135,155,544          | 50         | 817,183,007          |
| Bad Debt Deduction - 1453(i)                     | 81         | 786,930,370          | 37         | 1,694,137,849        |
| Other Subtractions                               | 39         | 125,058,872          | 36         | 7,869,831,722        |
| Entire Net Income                                | 581        | 2,961,582,881        | 195        | 10,252,875,113       |
| New York Depreciation - CT-399                   | d/         | d/                   | d/         | d/                   |
| New York Optional Depreciation Gain/Loss         | d/         | d/                   | 0          | 0                    |
| Allocated Taxable Entire Net Income              | 667        | 551,750,715          | 198        | 3,035,648,331        |
| Largest of 4 Bases (Tax Before Credit)           | 666        | 174,724,358          | 197        | 348,240,198          |
| Tax Credits: Total                               | 51         | 926,207              | 93         | 17,439,589           |
| Tax Due  | 666        | 173,798,156          | 197        | 330,800,610          |
| State Tax Surcharge                              | 636        | 3,744,239            | 185        | 8,173,991            |
| <b>Total Tax and State Tax Surcharge</b>         | <b>667</b> | <b>\$177,542,395</b> | <b>198</b> | <b>\$338,974,601</b> |

d/ Tax Law provisions prohibit disclosure of data.



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# Article 33: Corporate Franchise Tax on Insurance Companies

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## Tax Structure: Tax Law as of 1996

New York imposes a franchise tax on insurance companies under Article 33 of the Tax Law. The tax has two components. The first component is based on the higher of four alternative bases, plus a .08 percent tax rate applied to allocated subsidiary capital. The four bases and applicable tax rates include:

- 9 percent of allocated entire net income; or
- 0.16 percent of allocated business and investment capital; or
- 9 percent of allocated income and officers' salaries; or
- a minimum tax of \$250.

The second component is a tax on gross premiums, less return premiums thereon, written on risks located or resident in New York. Different tax rates apply to premiums written by life insurers and property and casualty insurers. Premiums received by corporations licensed as life insurers, including premiums on accident and health contracts, are taxed at a rate of 0.8 percent. Premiums written by corporations licensed as property and casualty insurers are taxed at the rate of 1.3 percent. However, premiums received by property and casualty insurers on accident and health contracts are taxed at the rate of 1.0 percent.

For corporations doing business within and without the State, the bases in the first component of the tax are allocated to New York, with the exception of the fixed dollar minimum. The apportionment formula uses weighted ratios of premiums (with a weight of nine) and wages (with a weight of one), earned or paid in New York to those earned or paid everywhere.

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In computing the Article 33 tax, insurance corporations add the tax on gross premiums to the highest of the four alternative taxes. The total tax liability of the two components less economic development zone (EDZ) and zone equivalent area (ZEA) credits cannot exceed 2.6 percent of taxable premiums. This limitation equals 2 percent for life insurers. Taxpayers may then claim other credits against the total tax liability.<sup>1</sup>

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Significant Tax Law Changes: 1995 and 1996

There were no significant tax law changes either in 1995 or 1996 that would affect the data or analysis presented.

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Statistical Summary: Comparison of 1995 Versus 1996

This section provides tax return data for tax years 1995 and 1996. Tables 34 through 37 provide statistics for four separate categories of insurance companies and for all insurance companies. The four categories include life insurance companies, property and casualty insurance companies, other insurance companies (accident and health, title, mortgage and financial guaranty and reciprocal insurers), and savings banks.

Tax Liability Before Limitation and Credits

*Number of Taxpayers*

As shown in Table 34, the number of insurance companies subject to Article 33 increased from 796 in 1995 to 809 in 1996. In 1995 and 1996, property and casualty insurers represented 70 percent of total Article 33 taxpayers. This group of taxpayers increased overall in number from 552 in 1995 to 569 in 1996. This increase was primarily in the foreign property and casualty insurers category, which increased from 401 to 423 (see Table 35).

Table 34 also shows that life insurers were the second largest group of Article 33 taxpayers. The number of life insurers remained at 149 in both 1995 and 1996, but continued to represent approximately 18 percent of all Article 33 taxpayers. During the same period, the two remaining categories of Article 33 taxpayers, others and savings banks, together accounted for 12 percent of the total in 1995 and 1996.

### *Tax Liability Before Limitation and Credits*

Table 34 shows that the tax, before the 2.6 percent of gross premiums limitation and credits, increased from \$810 million to \$859 million between 1995 and 1996. This represented an increase of \$49 million or 6 percent during this period.

Between 1995 and 1996, the share of tax liability of property and casualty insurers dropped from 57.2 percent to 55.7 percent. During this period, the percentage of tax liability of life insurers increased from 36.7 percent to 37.5 percent. The tax liability of the remaining categories of insurers represented between 6 and 7 percent of total liability.

**Table 34: Article 33 Tax Liability Before Limitation and Credits – 1995 and 1996**

| Tax Year | Insurance Category  | Number of Taxpayers | Tax Liability Before Limitation & Credits | Share of Total Insurance Tax Liability (%) |
|----------|---------------------|---------------------|---|--|
| 1995     | Life                | 149                 | \$297,337,557                             | 36.7                                       |
|          | Property & Casualty | 552                 | 463,615,055                               | 57.2                                       |
|          | Others              | 68                  | 47,902,088                                | 5.9  |
|          | Savings Bank        | 27                  | 1,113,899                                 | 0.1  |
|          | <b>Total</b>        | <b>796</b>          | <b>\$809,968,599</b>                      | <b>100.0</b>                               |
| 1996     | Life                | 149                 | 322,195,103                               | 37.5                                       |
|          | Property & Casualty | 569                 | 478,569,370                               | 55.7                                       |
|          | Others              | 67                  | 56,666,187                                | 6.6  |
|          | Savings Bank        | 24                  | 1,649,190                                 | 0.2  |
|          | <b>Total</b>        | <b>809</b>          | <b>\$859,079,850</b>                      | <b>100.0</b>                               |

Note: The business tax surcharge does *not* apply to tax liability before limitation and credits.

Table 35 shows that foreign insurers accounted for about two thirds of the Article 33 population in 1995 and 1996. Property and casualty insurers had the greatest ratio of foreign to domestic insurers. In 1995 and 1996, domestic insurers exceeded foreign insurers in the life and savings bank categories.

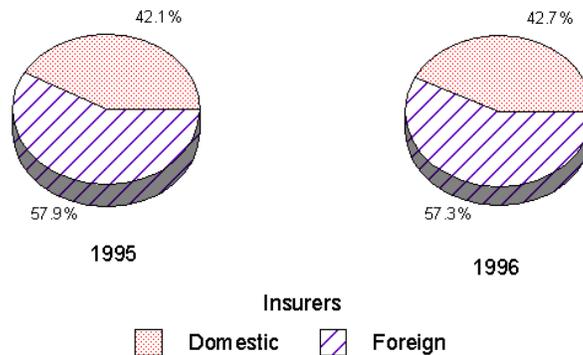
Figure 11 shows that foreign insurers represented 57.9 percent and 57.3 percent of total Article 33 tax liability in 1995 and 1996, respectively. Table 35 indicates that this distribution is attributable to foreign property and casualty insurers, which represented 65 and 70 percent respectively, of foreign insurers' liability in 1995 and 1996.

**Table 35: Article 33 Tax Liability of Domestic and Foreign Insurers Before Limitation and Credits – 1995 and 1996**

| Tax Year | Insurance Category  | Number of Domestic Companies | Liability of Domestic Companies | Number of Foreign Companies | Liability of Foreign Companies |
|----------|---------------------|------------------------------|---------------------------------|-----------------------------|--------------------------------|
| 1995     | Life                | 85                           | \$151,673,178                   | 64                          | \$145,664,379                  |
|          | Property & Casualty | 151                          | 154,500,764                     | 401                         | 309,114,291                    |
|          | Others              | 29                           | 33,862,531                      | 39                          | 14,039,557                     |
|          | Savings Bank        | 27                           | 1,113,899                       | 0                           | 0                              |
|          | <b>Total</b>        | <b>292</b>                   | <b>\$341,150,372</b>            | <b>504</b>                  | <b>\$468,818,227</b>           |
| 1996     | Life                | 84                           | \$183,991,870                   | 65                          | \$138,203,233                  |
|          | Property & Casualty | 146                          | 142,617,638                     | 423                         | 335,951,732                    |
|          | Others              | 32                           | 38,369,314                      | 35                          | 18,296,873                     |
|          | Savings Bank        | 24                           | 1,649,190                       | 0                           | 0                              |
|          | <b>Total</b>        | <b>286</b>                   | <b>\$366,628,012</b>            | <b>523</b>                  | <b>\$492,451,838</b>           |

Note: The business tax surcharge does *not* apply to tax liability before limitation and credits.

**Figure 11: Distribution of Article 33 Tax Liability Between Domestic and Foreign Insurers – 1995 and 1996**



**Tax Liability by Basis of Tax**

*Percentage of Tax from Premiums and "Income" Bases*

While both bases grew year over year, \$44 million of the \$49 million aggregate increase in liability was attributable to the income base.

As illustrated in Table 36, the premiums base, as a percent of total Article 33 tax liability before application of the tax limitation and credits, decreased from 44.2 percent in 1995 to 42.2 percent in 1996.

The premiums base, as a percentage of total tax liability, decreased from 35 percent in 1995 to 28.6 percent in 1996 for life insurers.

**Table 36: Article 33 Tax Liability by Base of Tax Before Limitation and Credits – 1995 and 1996**

| Tax Year | Insurance Category  | Amount of Premiums Based Tax | Percent of Tax from Premiums Base | Amount of Income Based Tax | Percent of Tax from Income Base |
|----------|---------------------|------------------------------|-----------------------------------|----------------------------|---------------------------------|
| 1995     | Life                | \$104,187,706                | 35.0                              | \$193,149,851              | 65.0                            |
|          | Property & Casualty | 236,338,309                  | 51.0                              | 227,276,746                | 49.0                            |
|          | Others              | 16,475,535                   | 34.4                              | 31,426,553                 | 65.6                            |
|          | Savings Bank        | 777,174                      | 69.8                              | 336,725                    | 30.2                            |
|          | <b>Total</b>        | <b>\$357,778,724</b>         | <b>44.2</b>                       | <b>\$452,189,875</b>       | <b>55.8</b>                     |
| 1996     | Life                | \$92,082,135                 | 28.6                              | \$230,112,968              | 71.4                            |
|          | Property & Casualty | 251,085,424                  | 52.5                              | \$227,483,946              | 47.5                            |
|          | Others              | 18,608,654                   | 32.8                              | \$38,057,533               | 67.2                            |
|          | Savings Bank        | 719,801                      | 43.6                              | \$929,389                  | 56.4                            |
|          | <b>Total</b>        | <b>\$362,496,014</b>         | <b>42.2</b>                       | <b>\$496,583,836</b>       | <b>57.8</b>                     |

Note: The business tax surcharge does *not* apply to tax liability before limitation and credits.

### Tax Liability After Limitation and Credits

#### *Tax Limitation*

As shown in Table 37, the number of taxpayers whose tax liability was “capped” at 2.6 percent of gross premiums increased from 328 in 1995 to 341 in 1996. During this period the value of the cap, or the limitation on tax liability, for all Article 33 taxpayers increased from \$201.3 million in 1995 to \$219 million in 1996. In 1996, property and casualty insurers received nearly 54 percent of the benefit of the limitation.

#### *Tax Credits*

The number of taxpayers using credits decreased from 303 in 1995 to 299 in 1996. The amount of credits used by taxpayers equaled approximately \$66 million in the 1995 tax year and over \$67 million in the 1996 tax year.

The retaliatory tax credit, which may be used only by domestic taxpayers, represented the largest portion of total credits used by life insurers in 1995 and 1996. In contrast, the retaliatory tax credit represented a smaller portion of total credits used by property and casualty insurers for the same years. This may be attributable to the high proportion of foreign to domestic property and casualty insurers.

*Tax Liability After Tax Limitation and Credits*

Table 37 and Figure 12 also show that tax liability after limitation and credits equaled \$583 million and \$586.9 million in the 1995 and 1996 tax years respectively.

**Table 37: Article 33 Tax Liability After Limitation and Credits – 1995 and 1996**

| Tax Year | Insurance Category  | Tax Limitation      |                      | Total Tax Credits 1/   |                       | Limitation & Tax Credits | After Limitation & Tax Credits |
|----------|---------------------|---------------------|----------------------|------------------------|-----------------------|--------------------------|--------------------------------|
|          |                     | Number of Taxpayers | Amount of Limitation | Number of Taxpayers 2/ | Amount of Tax Credits |                          |                                |
| 1995     | Life                | 71                  | \$67,807,449         | 31                     | \$23,705,603          | \$91,513,052             | \$221,261,343                  |
|          | Property & Casually | 221                 | 114,570,869          | 263                    | 39,970,569            | 154,541,438              | 332,254,138                    |
|          | Others 3/           | 36                  | 18,967,704           | 9                      | 2,607,155             | 21,574,859               | 29,499,212                     |
|          | <b>Total</b>        | <b>328</b>          | <b>\$201,346,022</b> | <b>303</b>             | <b>\$66,283,327</b>   | <b>\$267,629,349</b>     | <b>\$583,014,693</b>           |
| 1996     | Life                | 80                  | \$78,630,472         | 29                     | 25,398,897            | \$104,029,369            | \$223,619,875                  |
|          | Property & Casually | 225                 | 116,055,533          | 257                    | 40,101,584            | 156,157,117              | 330,472,559                    |
|          | Others 3/           | 36                  | 24,298,700           | 13                     | 1,969,591             | 26,268,291               | 32,848,263                     |
|          | <b>Total</b>        | <b>341</b>          | <b>\$218,984,705</b> | <b>299</b>             | <b>\$67,470,072</b>   | <b>\$286,454,777</b>     | <b>\$586,940,697</b>           |

1/ Total credits includes the retaliatory tax credit, job incentive credit, EDZ wage and capital credits, ZEA credits, fire premiums credit and the mortgage recording tax credit.

2/ The number of taxpayers displayed in the "Total Credits" column reflects the number of taxpayers taking individual credits. Because taxpayers may use multiple credits, the same taxpayer may be included in this column more than once.

3/ In order to maintain confidentiality, savings banks were included in the "others" category.

The number of life and property and casualty insurers using the retaliatory credit and the amount used equaled:

| Tax Year | Retaliatory Tax Credit: Number of Taxpayers and Amount of Credit Used – 1995 and 1996 |                       |                     |                       |
|----------|---|-----------------------|---------------------|-----------------------|
|          | Life Insurers   |                       | Property & Casualty |                       |
|          | Number of Taxpayers   | Amount of Credit Used | Number of Taxpayers | Amount of Credit Used |
| 1995     | 29  | \$21.8 m              | 46                  | \$12.1 m              |
| 1996     | 29  | \$24.9 m              | 44                  | \$11.1 m              |

Figure 12: Distribution of Article 33 Tax Liability After Limitation and Credits – 1995 and 1996



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## Endnotes

1. Insurance companies may claim the following credits under Article 33: economic development zone wage and capital credits and zone equivalent area wage credits (Tax Law Sections 1511(g)(h)); life insurance company guarantee fund assessment credit (Tax Law Section 1511(f)); special additional mortgage recording tax credit (Tax Law Section 1511(e)); eligible business facilities credit (Tax Law Section 1511(d)); retaliatory tax credit (Tax Law Section 1511(c)); and fire insurance tax credit (Tax Law Section 1511(a)).

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# Detailed Article 33 Summary Tables

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This section contains detailed Article 33 summary tables for the 1996 tax year. Consistent with the data presented in the main text of this report, the data includes the temporary business tax surcharge. Tax liability excludes the MTA surcharge.

In certain tables tax law provisions prohibit the disclosure of data. The data are included in the appropriate totals, and are designated by “d.”



**Table 38: Selected Tax Return Items for all Article 33 Corporations**

| Item   | Total      |                      |
|--|------------|----------------------|
|  | Number     | Amount               |
| Federal Taxable Income Before NOL                | 797        | \$26,926,095,590     |
| Dividends Received Deduction                     | 482        | 5,424,397,453        |
| Dividends or Interest Income Not Included        | 524        | 8,189,185,220        |
| Interest to Stockholders                         | 37         | 14,829,687           |
| Adjustment for Gains or Losses                   | 42         | (1,692,788)          |
| Deductions Attributable to Subsidiary Capital    | 13         | 125,788,678          |
| New York State Franchise Taxes                   | 568        | 574,784,004          |
| Federal Safe Harbor Lease Deduction              | d/         | d/                   |
| Amount Required Except for Safe Harbor Lease     | 0          | 0                    |
| ACRS/MACRS Deduction                             | 186        | 2,787,432,340        |
| Deduction from Federal Gross Income              | 41         | 1,664,973,130        |
| Unearned Premiums Excluded                       | 535        | 15,282,498,458       |
| Unpaid Losses Difference Preceding               | 560        | 43,590,408,727       |
| Other Additions                                  | 28         | 55,811,664           |
| Total Additions                                  | 803        | 104,635,033,633      |
| Income from Subsidiary Capital                   | 101        | 4,231,552,447        |
| 50% of Dividends                                 | 426        | 1,425,772,807        |
| Gain on Installment Sales                        | d/         | d/                   |
| New York Net Operating Loss                      | 74         | 2,403,837,013        |
| Amount Included as a Result of Safe Harbor Lease | d/         | d/                   |
| Amount Deducted Except for a Safe Harbor Lease   | 0          | 0                    |
| Depreciation Allowed Section 1503(b)(10)         | 180        | 2,862,590,328        |
| Amount in Federal Gross Income                   | 50         | 1,558,231,694        |
| Unearned Premiums Included                       | 548        | 15,516,625,600       |
| Unpaid Losses Difference Current                 | 551        | 41,728,435,433       |
| Reduction of Loss Deduction                      | 472        | 1,538,942,773        |
| Other Subtractions                               | 32         | 32,674,207           |
| Total Subtractions                               | 710        | 71,301,514,234       |
| Entire Net Income                                | 798        | 33,333,519,402       |
| Allocated Entire Net Income                      | 765        | 4,965,692,353        |
| Allocated Subsidiary Capital                     | 137        | 3,847,599,311        |
| Tax on Subsidiary Capital                        | 131        | 3,078,217            |
| Life Insurance Premiums - Life                   | 155        | 6,833,706,493        |
| Accident & Health Premiums - Life                | 112        | 4,626,893,855        |
| Other Insurance Premiums - Life                  | 6          | 105,392,223          |
| Life Insurance Company Premiums - Life           | 164        | 11,565,992,573       |
| Tax on Life Company Premiums - Life              | 162        | 92,528,782           |
| Accident & Health Company Premiums               | 89         | 971,988,067          |
| Tax On Accident & Health Company Premiums        | 86         | 9,745,935            |
| Other Nonlife Insurance Premiums                 | 548        | 20,015,589,830       |
| Tax on Other Nonlife Premiums                    | 541        | 260,221,297          |
| Tax Before Limitation                            | 809        | 859,079,850          |
| Limitation on Tax                                | 728        | 877,281,300          |
| Tax Before Credits                               | 728        | 640,095,145          |
| Tax Credits                                      | 299        | 67,470,072           |
| Tax Due  | 718        | 572,625,071          |
| Tax Surcharge                                    | 718        | 14,315,627           |
| <b>Tax and State Tax Surcharge</b>               | <b>809</b> | <b>\$586,940,698</b> |

d/ Tax Law provisions prohibit disclosure of data.

**Table 39: Selected Tax Return Items for Article 33 Entire Net Income Filers**

| Item   | Entire Net Income Base |                      |
|--|------------------------|----------------------|
|  | Number                 | Amount               |
| Federal Taxable Income Before NOL                | 550                    | \$28,945,883,693     |
| Dividends Received Deduction                     | 351                    | 4,191,259,566        |
| Dividends or Interest Income Not Included        | 382                    | 7,278,880,478        |
| Interest to Stockholders                         | 24                     | 8,698,429            |
| Adjustment for Gains or Losses                   | 31                     | (1,710,311)          |
| Deductions Attributable to Subsidiary Capital    | 9                      | 123,099,022          |
| New York State Franchise Taxes                   | 423                    | 496,689,412          |
| Federal Safe Harbor Lease Deduction              | 0                      | 0                    |
| Amount Required Except for Safe Harbor Lease     | 0                      | 0                    |
| ACRS/MACRS Deduction                             | 138                    | 2,361,077,459        |
| Deduction from Federal Gross Income              | 35                     | 1,530,894,664        |
| Unearned Premiums Excluded                       | 376                    | 12,424,594,279       |
| Unpaid Losses Difference Preceding               | 387                    | 34,137,995,758       |
| Other Additions                                  | 22                     | 54,585,273           |
| Total Additions                                  | 554                    | 91,552,149,354       |
| Income from Subsidiary Capital                   | 78                     | 3,156,800,053        |
| 50% of Dividends                                 | 322                    | 1,241,930,436        |
| Gain on Installment Sales                        | d/                     | d/                   |
| New York Net Operating Loss                      | 35                     | 520,660,742          |
| Amount Included as a Result of Safe Harbor Lease | 0                      | 0                    |
| Amount Deducted Except for a Safe Harbor Lease   | 0                      | 0                    |
| Depreciation Allowed Section 1503(b)(10)         | 133                    | 2,440,705,318        |
| Amount in Federal Gross Income                   | 38                     | 1,374,396,588        |
| Unearned Premiums Included                       | 382                    | 12,564,967,425       |
| Unpaid Losses Difference Current                 | 383                    | 32,560,885,151       |
| Reduction of Loss Deduction                      | 338                    | 1,352,388,549        |
| Other Subtractions                               | 23                     | 16,105,927           |
| Total Subtractions                               | 495                    | 55,229,734,856       |
| Entire Net Income                                | 554                    | 36,322,414,503       |
| Allocated Entire Net Income                      | 554                    | 5,384,683,910        |
| Allocated Subsidiary Capital                     | 99                     | 1,712,787,453        |
| Tax on Subsidiary Capital                        | 93                     | 1,370,369            |
| Life Insurance Premiums - Life                   | 129                    | 6,390,086,018        |
| Accident & Health Premiums - Life                | 93                     | 4,378,968,425        |
| Other Insurance Premiums - Life                  | 6                      | 105,392,223          |
| Life Insurance Company Premiums - Life           | 135                    | 10,874,446,668       |
| Tax on Life Company Premiums - Life              | 133                    | 86,996,414           |
| Accident & Health Company Premiums               | 64                     | 823,672,637          |
| Tax On Accident & Health Company Premiums        | 62                     | 8,261,904            |
| Other Nonlife Insurance Premiums                 | 358                    | 15,038,676,941       |
| Tax on Other Nonlife Premiums                    | 355                    | 195,502,973          |
| Tax Before Limitation                            | 554                    | 776,767,966          |
| Limitation on Tax                                | 504                    | 712,825,072          |
| Tax Before Credits                               | 504                    | 559,779,645          |
| Tax Credits                                      | 207                    | 55,482,408           |
| Tax Due  | 500                    | 504,297,235          |
| Tax Surcharge                                    | 500                    | 12,607,431           |
| <b>Tax and State Tax Surcharge</b>               | <b>554</b>             | <b>\$516,904,666</b> |

d/ Tax Law provisions prohibit disclosure of data.

**Table 40: Selected Tax Return Items for Article 33 Fixed Dollar Minimum Filers**

| Item   | Fixed Dollar Minimum Filers |                    |
|--|-----------------------------|--------------------|
|  | Number                      | Amount             |
| Federal Taxable Income Before NOL                | 70                          | (\$410,275,743)    |
| Dividends Received Deduction                     | 27                          | 265,028,954        |
| Dividends or Interest Income Not Included        | 35                          | 216,997,196        |
| Interest to Stockholders                         | 3                           | 5,363,823          |
| Adjustment for Gains or Losses                   | d/                          | d/                 |
| Deductions Attributable to Subsidiary Capital    | d/                          | d/                 |
| New York State Franchise Taxes                   | 26                          | 3,578,923          |
| Federal Safe Harbor Lease Deduction              | d/                          | d/                 |
| Amount Required Except for Safe Harbor Lease     | 0                           | 0                  |
| ACRS/MACRS Deduction                             | 7                           | 8,117,283          |
| Deduction from Federal Gross Income              | d/                          | d/                 |
| Unearned Premiums Excluded                       | 40                          | 472,313,884        |
| Unpaid Losses Difference Preceding               | 43                          | 1,230,430,661      |
| Other Additions                                  | d/                          | d/                 |
| Total Additions                                  | 71                          | 1,820,740,929      |
| Income from Subsidiary Capital                   | 6                           | 236,239,763        |
| 50% of Dividends                                 | 17                          | 21,860,843         |
| Gain on Installment Sales                        | 0                           | 0                  |
| New York Net Operating Loss                      | 7                           | 381,101,858        |
| Amount Included as a Result of Safe Harbor Lease | 0                           | 0                  |
| Amount Deducted Except for a Safe Harbor Lease   | 0                           | 0                  |
| Depreciation Allowed Section 1503(b)(10)         | 8                           | 11,650,241         |
| Amount in Federal Gross Income                   | 6                           | 28,846,383         |
| Unearned Premiums Included                       | 39                          | 445,735,761        |
| Unpaid Losses Difference Current                 | 39                          | 1,179,819,564      |
| Reduction of Loss Deduction                      | 26                          | 33,963,156         |
| Other Subtractions                               | d/                          | d/                 |
| Total Subtractions                               | 55                          | 2,339,355,110      |
| Entire Net Income                                | 71                          | (518,614,182)      |
| Allocated Entire Net Income                      | 47                          | (95,160,479)       |
| Allocated Subsidiary Capital                     | 7                           | 167,723,049        |
| Tax on Subsidiary Capital                        | 7                           | 134,179            |
| Life Insurance Premiums - Life                   | 3                           | 2,948,206          |
| Accident & Health Premiums - Life                | 4                           | 13,685,878         |
| Other Insurance Premiums - Life                  | 0                           | 0                  |
| Life Insurance Company Premiums - Life           | 5                           | 16,634,084         |
| Tax on Life Company Premiums - Life              | 5                           | 133,073            |
| Accident & Health Company Premiums               | 5                           | 7,136,990          |
| Tax On Accident & Health Company Premiums        | 4                           | 72,248             |
| Other Nonlife Insurance Premiums                 | 66                          | 376,873,215        |
| Tax on Other Nonlife Premiums                    | 65                          | 4,917,123          |
| Tax Before Limitation                            | 75                          | 5,275,380          |
| Limitation on Tax                                | 71                          | 10,454,646         |
| Tax Before Credits                               | 71                          | 5,137,041          |
| Tax Credits                                      | 14                          | 511,787            |
| Tax Due  | 70                          | 4,625,254          |
| Tax Surcharge                                    | 70                          | 115,631            |
| <b>Tax and State Tax Surcharge</b>               | <b>75</b>                   | <b>\$4,740,885</b> |

d/ Tax Law provisions prohibit disclosure of data.

**Table 41: Selected Tax Return Items for Article 33 Alternative Base Filers**

| Item   | Alternative Base |                   |
|--|------------------|-------------------|
|  | Number           | Amount            |
| Federal Taxable Income Before NOL                | 177              | (\$1,609,512,360) |
| Dividends Received Deduction                     | 104              | 968,108,933       |
| Dividends or Interest Income Not Included        | 107              | 693,307,546       |
| Interest to Stockholders                         | 10               | 767,435           |
| Adjustment for Gains or Losses                   | d/               | d/                |
| Deductions Attributable to Subsidiary Capital    | d/               | d/                |
| New York State Franchise Taxes                   | 119              | 74,515,669        |
| Federal Safe Harbor Lease Deduction              | d/               | d/                |
| Amount Required Except for Safe Harbor Lease     | 0                | 0                 |
| ACRS/MACRS Deduction                             | 41               | 418,237,598       |
| Deduction from Federal Gross Income              | d/               | d/                |
| Unearned Premiums Excluded                       | 119              | 2,385,590,295     |
| Unpaid Losses Difference Preceding               | 130              | 8,221,982,308     |
| Other Additions                                  | d/               | d/                |
| Total Additions                                  | 178              | 11,262,143,350    |
| Income from Subsidiary Capital                   | 17               | 838,512,631       |
| 50% of Dividends                                 | 87               | 161,981,528       |
| Gain on Installment Sales                        | d/               | d/                |
| New York Net Operating Loss                      | 32               | 1,502,074,413     |
| Amount Included as a Result of Safe Harbor Lease | d/               | d/                |
| Amount Deducted Except for a Safe Harbor Lease   | 0                | 0                 |
| Depreciation Allowed Section 1503(b)(10)         | 39               | 410,234,769       |
| Amount in Federal Gross Income                   | 6                | 154,988,723       |
| Unearned Premiums Included                       | 127              | 2,505,922,414     |
| Unpaid Losses Difference Current                 | 129              | 7,987,730,718     |
| Reduction of Loss Deduction                      | 108              | 152,591,068       |
| Other Subtractions                               | d/               | d/                |
| Total Subtractions                               | 160              | 13,732,424,268    |
| Entire Net Income                                | 173              | (2,470,280,919)   |
| Allocated Entire Net Income                      | 164              | (323,831,078)     |
| Total Capital                                    | 176              | 163,522,186,826   |
| Subsidiary Capital                               | 59               | 12,647,231,069    |
| Business & Investment Capital                    | 176              | 150,874,955,759   |
| Assets Held as Reserves                          | 123              | 56,547,139,014    |
| Adjusted Business & Investment Capital           | 180              | 36,680,442,282    |
| Allocated Business & Investment Capital          | 180              | 5,159,816,309     |
| Tax on Business & Investment Capital Base        | 180              | 8,255,703         |
| Alternative Tax Base                             | 151              | (63,031,686)      |
| Tax on Alternative Base                          | 57               | 1,549,411         |
| Allocated Subsidiary Capital                     | 31               | 1,967,088,809     |
| Tax on Subsidiary Capital                        | 31               | 1,573,669         |
| Life Insurance Premiums - Life                   | 23               | 440,672,269       |
| Accident & Health Premiums - Life                | 15               | 234,239,552       |
| Other Insurance Premiums - Life                  | 0                | 0                 |
| Life Insurance Company Premiums - Life           | 24               | 674,911,821       |
| Tax on Life Company Premiums - Life              | 24               | 5,399,295         |
| Accident & Health Company Premiums               | 20               | 141,178,440       |
| Tax on Accident & Health Company Premiums        | 20               | \$1,411,783       |

d/ Tax Law provisions prohibit disclosure of data.

**Table 41: Selected Tax Return Items for Article 33 Alternative Base Filers (Con't)**

| Item                               | Alternative Base |                     |
|------------------------------------|------------------|---------------------|
|                                    | Number           | Amount              |
| Other Nonlife Insurance Premiums   | 124              | \$4,600,039,674     |
| Tax on Other Nonlife Premiums      | 121              | 59,801,201          |
| Tax Before Limitation              | 180              | 77,036,504          |
| Limitation on Tax                  | 153              | 154,001,582         |
| Tax Before Credits                 | 153              | 75,178,459          |
| Tax Credits                        | 78               | 11,475,877          |
| Tax Due                            | 148              | 63,702,582          |
| Tax Surcharge                      | 148              | 1,592,565           |
| <b>Tax and State Tax Surcharge</b> | <b>180</b>       | <b>\$65,295,147</b> |

d/ Tax Law provisions prohibit disclosure of data.

**Table 42: Selected Tax Return Items for Article 33 Filers by Type of Insurer**

| Item   | Life       |                      | Property & Casualty |                      | Others    |                     | Savings Bank |                    |
|--|------------|----------------------|---------------------|----------------------|-----------|---------------------|--------------|--------------------|
|  | Number     | Amount               | Number              | Amount               | Number    | Amount              | Number       | Amount             |
| Federal Taxable Income Before NOL                | 146        | \$16,864,978,771     | 563                 | \$9,168,223,327      | 64        | \$883,186,741       | 24           | \$9,706,751        |
| Dividends Received Deduction                     | 88         | 1,795,595,012        | 349                 | 3,419,701,300        | 33        | 208,997,491         | 12           | 103,650            |
| Dividends or Interest Income Not Included        | d/         | d/                   | 411                 | 7,303,968,263        | 48        | 755,268,545         | d/           | d/                 |
| Interest to Stockholders                         | 5          | 8,344,175            | 28                  | 6,176,133            | d/        | d/                  | d/           | d/                 |
| Adjustment for Gains or Losses                   | 10         | 475,381              | 28                  | (2,163,760)          | 0         | 0                   | 4            | (4,409)            |
| Deductions Attributed to Subsidiary Capital      | d/         | d/                   | 8                   | 112,801,494          | d/        | d/                  | 0            | 0                  |
| New York State Franchise Taxes                   | 124        | 195,240,034          | 376                 | 344,960,785          | 46        | 33,335,576          | 22           | 1,247,609          |
| Federal Safe Harbor Lease Deduction              | 0          | 0                    | d/                  | d/                   | d/        | d/                  | 0            | 0                  |
| Amount Required Except for Safe Harbor Lease     | 0          | 0                    | 0                   | 0                    | 0         | 0                   | 0            | 0                  |
| ACRS/MACRS Deduction                             | 38         | 1,693,867,781        | 135                 | 1,006,585,554        | d/        | d/                  | d/           | d/                 |
| Deduction from Federal Gross Income              | d/         | d/                   | 39                  | 1,509,662,891        | d/        | d/                  | 0            | 0                  |
| Unearned Premiums Excluded                       | 17         | 347,633,742          | 470                 | 13,744,023,079       | 48        | 1,190,841,637       | 0            | 0                  |
| Unpaid Losses Difference Preceding               | 24         | 2,442,771,813        | 491                 | 40,391,070,749       | 45        | 756,566,165         | 0            | 0                  |
| Other Additions                                  | 4          | 35,934,097           | 22                  | 18,729,240           | d/        | d/                  | d/           | d/                 |
| Total Additions                                  | 148        | 23,681,604,826       | 564                 | 77,024,261,007       | 67        | 3,918,060,780       | 24           | 11,107,020         |
| Income from Subsidiary Capital                   | 26         | 1,656,028,458        | 67                  | 2,424,384,385        | 8         | 151,139,604         | 0            | 0                  |
| 50% of Dividends                                 | 79         | 523,111,381          | 315                 | 858,564,722          | 28        | 44,083,333          | 4            | 13,371             |
| Gain on Installment Sales                        | 0          | 0                    | d/                  | d/                   | d/        | d/                  | 0            | 0                  |
| New York Net Operating Loss                      | 10         | 343,270,267          | 51                  | 1,763,418,992        | 4         | 295,677,037         | 9            | 1,470,717          |
| Amount Included as a Result of Safe Harbor Lease | 0          | 0                    | d/                  | d/                   | 0         | 0                   | 0            | 0                  |
| Amount Deducted Except for a Safe Harbor Lease   | 0          | 0                    | 0                   | 0                    | 0         | 0                   | 0            | 0                  |
| Depreciation Allowed Section 1503(b)(10)         | 37         | 1,747,498,804        | 132                 | 1,030,805,943        | 11        | 84,285,581          | 0            | 0                  |
| Amount in Federal Gross Income                   | 3          | 224,152,630          | 47                  | 1,334,079,064        | 0         | 0                   | 0            | 0                  |
| Unearned Premiums Included                       | 17         | 339,273,668          | 482                 | 13,955,197,848       | 49        | 1,222,154,084       | 0            | 0                  |
| Unpaid Losses Difference Current                 | 25         | 2,385,629,408        | 481                 | 38,610,885,505       | 45        | 731,920,520         | 0            | 0                  |
| Reduction of Loss Deduction                      | 9          | 9,664,191            | 419                 | 1,433,756,551        | 44        | 95,522,031          | 0            | 0                  |
| Other Subtractions                               | d/         | d/                   | 26                  | 31,701,042           | 4         | 386,108             | d/           | d/                 |
| Total Subtractions                               | 98         | 7,229,217,364        | 542                 | 61,445,650,106       | 58        | 2,625,161,676       | 12           | 1,485,088          |
| Entire Net Income                                | 147        | 16,452,387,461       | 560                 | 15,578,610,905       | 67        | 1,292,899,104       | 24           | 9,621,932          |
| Allocated Entire Net Income                      | 144        | 2,476,624,114        | 534                 | 2,081,750,959        | 63        | 397,695,348         | 24           | 9,621,932          |
| Allocated Subsidiary Capital                     | 27         | 1,091,647,751        | 103                 | 2,600,662,475        | 7         | 155,289,085         | 0            | 0                  |
| Tax on Subsidiary Capital                        | 26         | 873,318              | 98                  | 2,080,668            | 7         | 124,231             | 0            | 0                  |
| Life Insurance Premiums - Life                   | 128        | 6,624,551,949        | d/                  | d/                   | d/        | d/                  | 24           | 89,975,051         |
| Accident & Health Premiums - Life                | 109        | 4,582,778,507        | 0                   | 0                    | 3         | 44,115,348          | 0            | 0                  |
| Other Insurance Premiums - Life                  | d/         | d/                   | d/                  | d/                   | 0         | 0                   | 0            | 0                  |
| Life Insurance Company Premiums - Life           | 134        | 11,185,999,180       | d/                  | d/                   | d/        | d/                  | 24           | 89,975,051         |
| Tax on Life Company Premiums - Life              | 132        | 89,488,833           | d/                  | d/                   | d/        | d/                  | 24           | 719,801            |
| Accident & Health Company Premiums               | d/         | d/                   | 78                  | 424,357,702          | d/        | d/                  | 0            | 0                  |
| Tax on Accident & Health Company Premiums        | d/         | d/                   | 75                  | 4,269,632            | d/        | d/                  | 0            | 0                  |
| Other Nonlife Insurance Premiums                 | d/         | d/                   | 500                 | 18,834,276,384       | d/        | d/                  | 0            | 0                  |
| Tax on Other Nonlife Premiums                    | d/         | d/                   | 494                 | 244,864,218          | d/        | d/                  | 0            | 0                  |
| Tax Before Limitation                            | 149        | 322,195,103          | 569                 | 478,569,370          | 67        | 56,666,187          | 24           | 1,649,190          |
| Limitation on Tax                                | 140        | 326,140,727          | 504                 | 507,837,534          | 60        | 40,963,688          | 24           | 2,339,351          |
| Tax Before Credits                               | 140        | 243,564,631          | 504                 | 362,513,837          | 60        | 32,436,705          | 24           | 1,579,972          |
| Tax Credits                                      | 29         | 25,398,897           | 257                 | 40,101,584           | d/        | d/                  | d/           | d/                 |
| Tax Due  | 140        | 218,165,732          | 494                 | 322,412,253          | 60        | 30,516,736          | 24           | 1,530,350          |
| Tax Surcharge                                    | 140        | 5,454,143            | 494                 | 8,060,306            | 60        | 762,918             | 24           | 38,259             |
| <b>Tax and State Tax Surcharge</b>               | <b>149</b> | <b>\$223,619,875</b> | <b>569</b>          | <b>\$330,472,559</b> | <b>67</b> | <b>\$31,279,654</b> | <b>24</b>    | <b>\$1,568,609</b> |

d/ Tax Law provisions prohibit disclosure of data.

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# Appendix A: Description of Terms and Data and Data Sources

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Appendix A describes the terms and data used in the tables and charts by tax law section, as well as the data sources used in this report.

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## Description of Terms and Data

To assist readers in interpreting the tables and charts, the terms used are discussed below. In some tables, total dollar amounts may not equal 100 percent due to rounding.

### *Article 9-A*

## Table Terms

### Finance, Insurance and Real Estate

This industry designation excludes banks taxable under Article 32 and insurance companies taxable under Article 33.

### Not Classified

The term “Not Classified” that appears in tables profiling corporations by industry, represents those corporations whose returns did not indicate an industry code and an appropriate code could not be assigned based upon the information submitted with the returns.

### Transportation/Communications/Public Utilities

This industry designation excludes transportation, communications and public utility companies taxable under Article 9 of the Tax Law.

## Data Terms/Descriptions

### Primary Tax Base

The tax base on which the taxpayer paid, after the application of all available credits. The law includes four bases: entire net income, capital, fixed dollar minimum and alternative minimum taxable income.

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Tax Liability

Tax liability data includes the business tax surcharge, the tax on subsidiary capital and the fixed dollar minimum tax for subsidiaries of combined filers. It does not include the MTA surcharge.

*Article 9*

Table Terms

Liability Data

This represents the sum of the post-credit liability for each separate taxpayer filing a return. These data are shown in the aggregate, and for each sector of industry, for the selected tax sections of Article 9. The data also includes the respective shares that each sector of industry represents in relation to all taxpayers.

Number of Taxpayers

This represents the actual number of tax returns filed for each tax year, although this data may not include some late filed returns. Data are compiled in the aggregate, by sector of industry. The data also includes the respective shares that each sector of industry represents in relation to the total number of taxpayers.

Data Terms/Descriptions

Data Aggregation

Some data (both number of taxpayers and tax liability) have been aggregated based on the product sold which is subject to Article 9. For example, the real estate industry has been combined with the electric and gas industry under Section 186-a. This is because the real estate industry, which includes large New York City apartment complexes, resembles the electric and gas industry in providing metered heat and other services to tenants and other customers. Similarly, the hotel industry has been combined with the telephone and telegraph industry because it charges customers for placing telephone calls.<sup>1</sup> Other categories have been combined for confidentiality reasons. The pipeline sales category has been combined with the miscellaneous/unidentified category. In addition, for 186-e taxpayers, the stock exchange category has been combined with "other."

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### Data Classification

Taxpayers are classified according to Principal Industry Activity (PIA)<sup>2</sup> and Standard Industrial Classification (SIC) codes appropriate for their industry groups. Taxpayers self-report appropriate PIA or SIC codes on their tax returns. These codes identify the general type of business activity in which the entity is engaged (e.g., pipelines, telephone and telegraph, railroads, or electricity and gas). However, taxpayers often fail to provide this information.

In addition, these codes were revised several times in the last two decades. As a result, taxpayers frequently report outdated codes. For tax years 1991-1992, an initial attempt to place taxpayers into selected industry groups was performed by reviewing taxpayer names. Even then, a large number of taxpayers remained unidentified. These taxpayers were grouped with miscellaneous taxpayers in presenting these data. Beginning in tax year 1993, data collection techniques and methodologies improved significantly, especially in the area of classifying taxpayers with missing codes. Some taxpayers remain unidentified. As previously noted, these taxpayers were grouped with miscellaneous taxpayers.

The associated liability is quite small for those taxpayers who cannot be identified by industry group. Because some of the taxpayer universe remains unidentified, only general comparisons can be made between industry sectors for each particular tax. This caveat applies to both the number of taxpayers and liability data.

### 186-e Data

This report includes 186-e data for 1995 and 1996. Section 186-e became effective on January 1995. Prior to 1995, telecommunications services were taxable under Section 186-a. Caution should be exercised in making comparisons. Changes in the law altered the tax base and the apportionment methodology. These issues will diminish in future reports.

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*Article 32*

Table Terms

Clearinghouse Banks

Clearinghouse banks are financial institutions that are members of the New York Clearing House Association. As members of this Association, their functions include handling daily fund exchanges from other clearinghouse banks and settling exchanges.

Commercial Banks

Commercial banks are institutions that are not classified as clearinghouse banks, foreign banks, savings banks or savings and loan associations. Banks included in this category are domiciled in the United States.

Foreign Banks

Foreign banks are commercial banks headquartered outside the United States or its possessions with nexus in New York State.

Savings Banks

Savings banks are depository financial institutions that primarily accept consumer deposits and make home mortgage loans.

Savings and Loan Associations

Savings and loan associations are depository financial institutions that receive deposits primarily from consumers and hold most of their assets as home mortgage loans.

Data Terms/Descriptions

Alternative Bases

For confidentiality reasons, the taxable assets and alternative entire net income bases are aggregated in the tables. They are referred to in the tables as alternative bases.

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### Allocated Entire Net Income (ENI)

Allocated ENI refers to the New York portion of ENI. Taxpayers determine the amount of ENI attributable to New York using formula apportionment.

### Number of Banks

This count refers to each filing entity as a single bank, regardless of whether the bank files a separate return or as part of a combined/consolidated group.

### Tax Credits Used

The credit data are limited to credits used on the taxpayer's return. They do not reflect credits earned but not used, or balances of unused credits.

## Tax Credits

### Economic Development Zone and Zone Equivalent Area Credits

Taxpayers may qualify for credits for making certain investments and creating jobs in Economic Development Zones and Zone Equivalent Areas. Unused credits may be carried forward indefinitely.

### Job Incentive Credit

A credit is allowed to the owner or operator of a business establishment which has been certified for eligibility by the New York State Job Incentive Board (prior to April 1, 1983) or the State Tax Commission (subsequent to April 1, 1983). An eligible business facility is a facility which is located in an eligible area and creates or retains at least five jobs. This credit may not be carried forward to future taxable years. The credit expires for tax years beginning on or after January 1, 2000.

### Mortgage Servicing Tax Credit

A credit is allowed for servicing mortgages acquired by the State of New York Mortgage Agency (SONYMA). The credit value varies by dwelling size and the amount of the mortgage.

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### Special Additional Mortgage Recording Tax Credit

A corporation may claim a credit for the New York special additional mortgage recording tax paid on mortgages recorded on or after January 1, 1979. Taxpayers may carry forward the unused mortgage recording tax credit to future tax years. Mortgages on certain property, such as property in the Metropolitan Commuter Transportation District and Erie County, are ineligible for the credit.

### *Article 33*

#### Table Terms

### Domestic Companies

Domestic insurance companies are companies incorporated or organized in New York State.

### Foreign Companies

Foreign insurance companies are companies incorporated or organized in any other state, U.S. possession, nation, territory, or province.

### Life Insurance Companies

Life insurance companies include companies authorized by the Superintendent of Insurance to do an insurance business consisting of either insuring the lives of human beings or providing annuity contracts.

### Others

This category includes insurance companies authorized by the Superintendent of Insurance to write accident and health insurance, title insurance, mortgage and financial guaranty insurance, or reciprocal insurance.

### Property and Casualty Insurance Companies

Property and casualty insurance companies include companies authorized by the Superintendent of Insurance to write insurance against the loss of, or damage to, property.

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### Savings Banks

Officers and employees of savings banks may be authorized by the Superintendent of Insurance to negotiate, order, solicit, or procure applications or orders for life insurance or annuity contracts.

## Data Terms/Descriptions

### Income Base Tax

The “Income Base Tax” category in applicable tables is defined as the higher of four alternative bases, plus a tax on subsidiary capital.

### Fixed Dollar Minimum Taxpayers

All tables exclude “true” fixed dollar minimum taxpayers. These taxpayers were liable only for the fixed dollar minimum tax of \$250, without subsidiary capital or premiums based taxes. In the 1995 and 1996 tax years, 148 and 161 taxpayers paid the fixed dollar minimum tax, respectively. This represented total tax liability of \$37,000 in 1995 and \$40,250 in 1996.

### Number of Taxpayers

This count refers to each filing entity as a single insurance company, regardless of whether the company files a separate return or as part of a combined/consolidated group.

## Tax Credits

### Economic Development Zone Credits

Taxpayers may qualify for credits for making certain investments and creating jobs in Economic Development Zones and Zone Equivalent Areas. Unused credits may be carried forward indefinitely.

### Fire Insurance Tax Credit

Taxpayers may take a credit for additional taxes on premiums written by corporations organized in another state or country for any insurance against loss or damage by fire, paid by foreign fire insurance companies and foreign mutual fire insurance companies. These taxes are imposed under the Insurance Law. Unused credits may not be carried forward.

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### Job Incentive Credit

A credit is allowed to the owner or operator of a business establishment which has been certified for eligibility by the New York State Job Incentive Board (prior to April 1, 1983) or the State Tax Commission (subsequent to April 1, 1983). An eligible business facility is one which is located in an eligible low-income area and creates or retains at least five jobs. The credit sunsets for tax years beginning on or after January 1, 2000.

### Limitation on Tax

Article 33 provides a “cap,” or limitation, on total tax liability which equals 2.6 percent of gross premiums for non-life insurance companies and 2.0 percent of gross premiums for life insurance companies.

### Retaliatory Tax Credit

Taxpayers domiciled or organized in New York may take a credit for up to 90 percent of any retaliatory taxes paid to other states as a result of New York State-imposed taxes on insurers domiciled or organized in those states. Taxpayers may elect to have the unused credit refunded or carried forward to future tax years.

### Special Additional Mortgage Recording Tax Credit

Taxpayers may take a credit equal to special additional mortgage recording tax paid on mortgages recorded on or after January 1, 1979, on property located in New York. Mortgages on certain property, such as property in the Metropolitan Commuter Transportation District and Erie County, are ineligible for the credit. Any unused credit may be carried forward and used in subsequent years.

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## Data Sources

### *Article 9-A*

All tax statistics provided in this section of the report come from the Article 9-A Office of Tax Policy Analysis (OTPA) Study File and Minimum Tax File. These files include data collected from Article 9-A corporate franchise tax returns for the liability year to which the study and minimum tax files pertain. These data files include all timely filed and amended returns available at the time the study file is created.

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Although the presented data are prior to audit, OTPA staff may adjust taxpayer provided information for items failing the Office's verification program.

*Article 9*

The data come from the Department of Taxation and Finance's Corporation Master Files. A contracted processing bank provided the original data. All returns have been subjected to a basic calculations check necessary for verifying tax liability. However, the data are neither manually reviewed nor are missing data computed and added to the file. Therefore, these data are less reliable than that available from OTPA's other tax liability study files. Also, these data are extracted from the Department's Master File, as the file existed at a point in time, and may not include audit adjustments or amended or late filed returns.

*Article 32*

All tax statistics provided in this section of the report come from the Article 32 Office of Tax Policy Analysis (OTPA) Study File. This study file includes data collected from Article 32 banking franchise tax returns for the liability year to which the study file pertains. This data file includes all timely filed and amended returns available at the time the study file is created. Although the presented data are prior to audit, OTPA staff may adjust taxpayer provided information for items failing the Office's verification program.

*Article 33*

All tax statistics provided in this section come from data contained on insurance tax returns. The tables are a tabulation of a database of all insurance returns reviewed by OTPA. The data are collected and verified by OTPA for mathematical accuracy. Missing data are added where information exists. The database includes all timely filed and amended returns available at the time the database is created. Although the presented data are prior to audit, OTPA staff may adjust taxpayer provided information for items failing the Office's verification program.

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## Endnotes

1. Section 186-a constitutes a small portion of tax liability for the real estate and hotel industries. Such businesses are more commonly taxed under other articles of the tax law.
2. The Internal Revenue Service (IRS) asks taxpayers to identify their principal business activity using these codes for federal tax purposes.

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# Appendix B: Glossary

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Appendix B provides a glossary of terms used in this report.

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Liability Year –  
Articles 9A, 32, 33

Liability year corresponds to the corporate franchise tax return filing period. A liability year includes returns filed by taxpayers with business operating years that end between December 31 of the current year, and November 30 of the subsequent year. For example, the 1996 liability year data used in this analysis encompasses tax years for calendar and fiscal year taxpayers with business operating years ending December 1996 through November 1997.

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Liability Year –  
Article 9

All Article 9 taxpayers file on a calendar year basis.

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MTA Surcharge

The report does not include the 17 percent temporary franchise tax surcharge imposed on taxpayers operating in the Metropolitan Commuter Transportation District (MCTD). The MCTD includes the counties of New York, Bronx, Kings, Queens, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester. Data users cannot determine the value of the MCTD surcharge from the statistical tables because tax liability data for business activity conducted in the MCTD is not readily available. Legislation enacted in 1997 extended the MTA surcharge through taxable years ending before December 31, 2001. For gas importers under Article 9, the surcharge was extended through taxable years ending on or before June 30, 2001.

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Temporary Business  
Tax Surcharge

The tax statistics presented in this report include the temporary business tax surcharge. Beginning in 1990, the surcharge rate equaled 15 percent and applied to the post-credit liability of Articles 9-A, 9, 32 and 33 taxpayers. For Articles 9-A, 32 and 33 taxpayers, the surcharge was reduced to 12.5 percent for tax years ending after June 30, 1994 and before July 1, 1995. The surcharge decreased to 7.5 percent for tax years ending after June 30, 1995 and before July 1, 1996. It was further

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reduced to 2.5 percent for tax years ending after June 30, 1996 and before July 1, 1997. The surcharge was reduced to 0 percent after this date. For Article 9 taxpayers, the surcharge was reduced to 12.5 percent beginning in tax year 1994, to 7.5 percent beginning in tax year 1995 and to 2.5 percent beginning in tax year 1996. It fell to 0 percent after 1996.

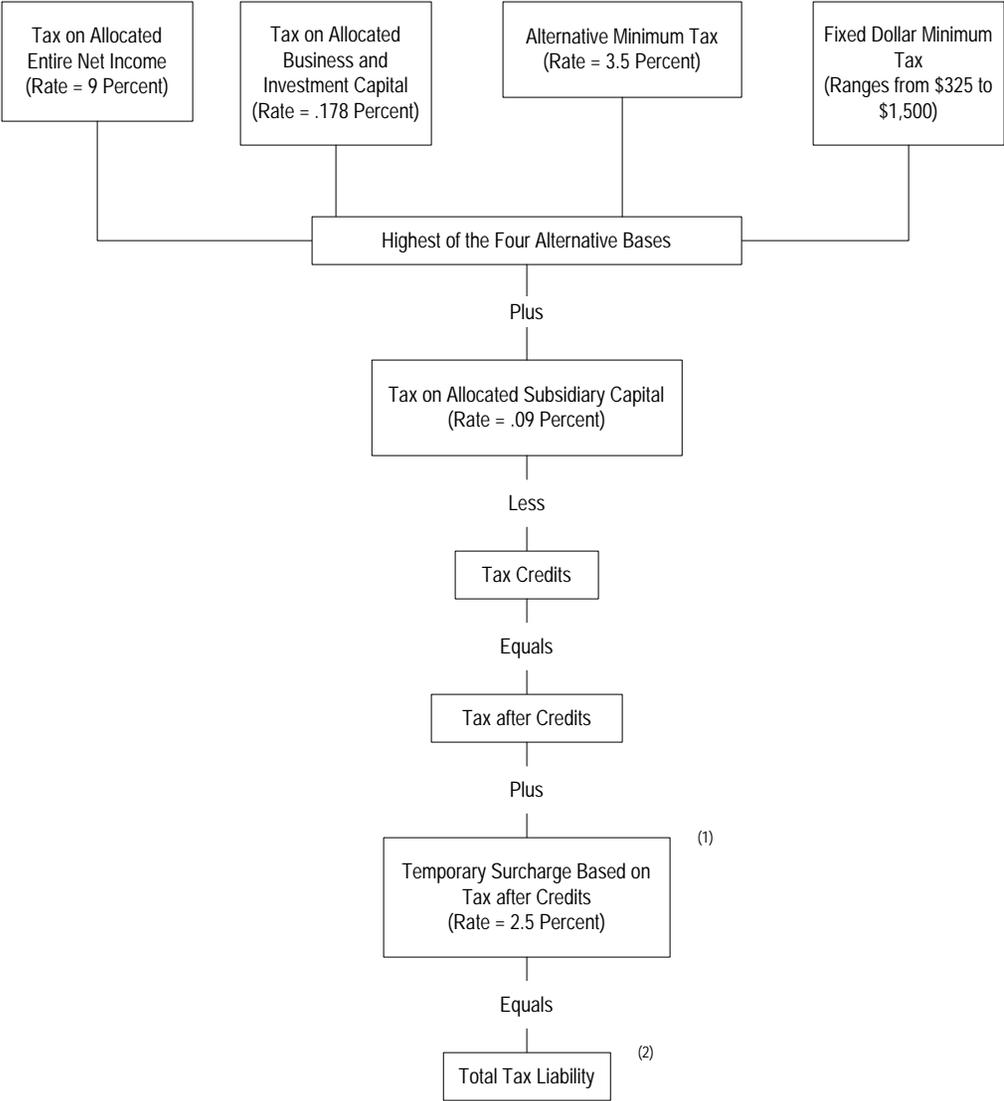
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# Appendix C: Descriptive Charts of the Calculation of Tax Liability for Articles 9-A, 32 and 33

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Appendix C contains descriptive charts of the calculation of tax liability for Articles 9-A, 32 and 33. The charts reflect the 1996 Tax Law. Article 9 has not been included due to its complexity and the taxation of different sections under the Tax Law. For more information on the taxation of these Articles, see New York State Tax Sourcebook issued by the Office of Tax Policy Analysis.

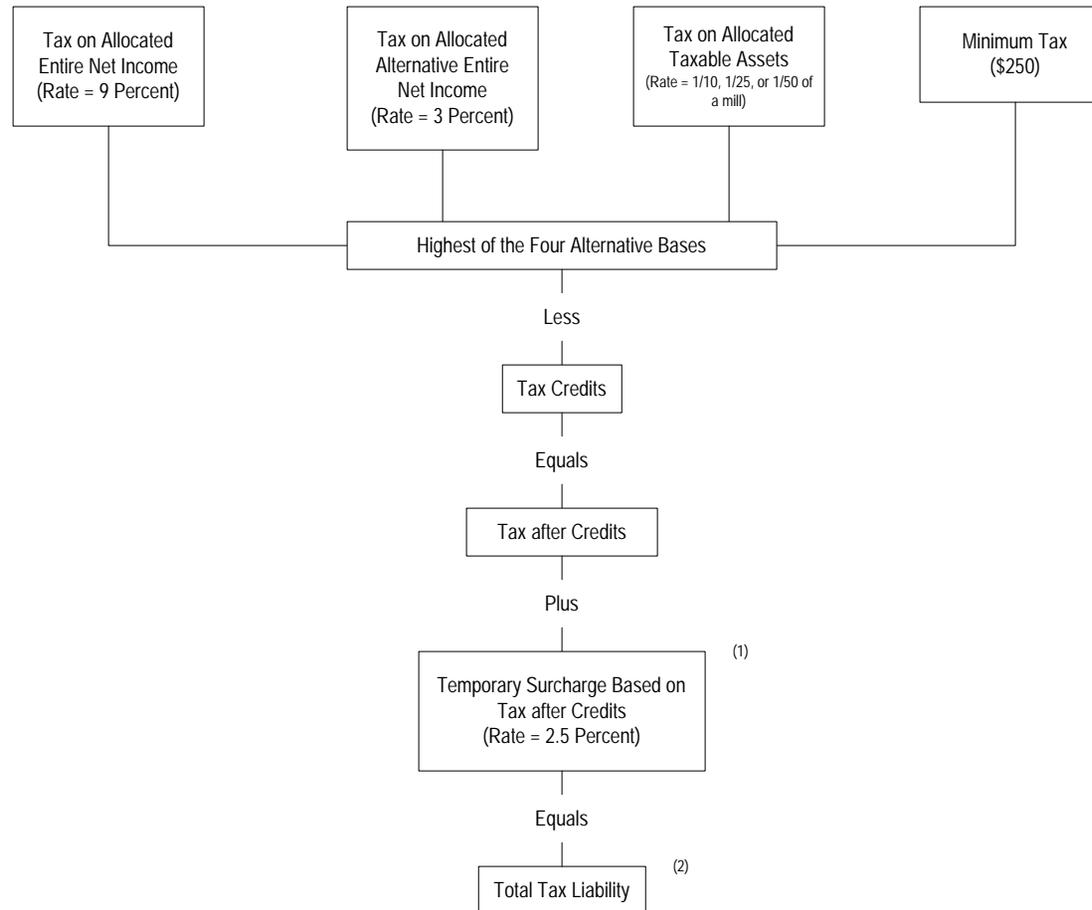
**Corporation Franchise Tax on General Business Corporations  
Article 9-A  
1996**



(1) The rate of the surcharge equals 2.5 percent for taxable years ending before July 1, 1997. The surcharge was eliminated for tax years ending after June 30, 1997.

(2) Corporations doing business in the Metropolitan Commuter Transportation District (MCTD) are subject to a 17 percent surcharge on the portion of total tax liability allocable to activities within the MCTD.

## Corporation Franchise Tax on Banking Corporations Article 32 1996

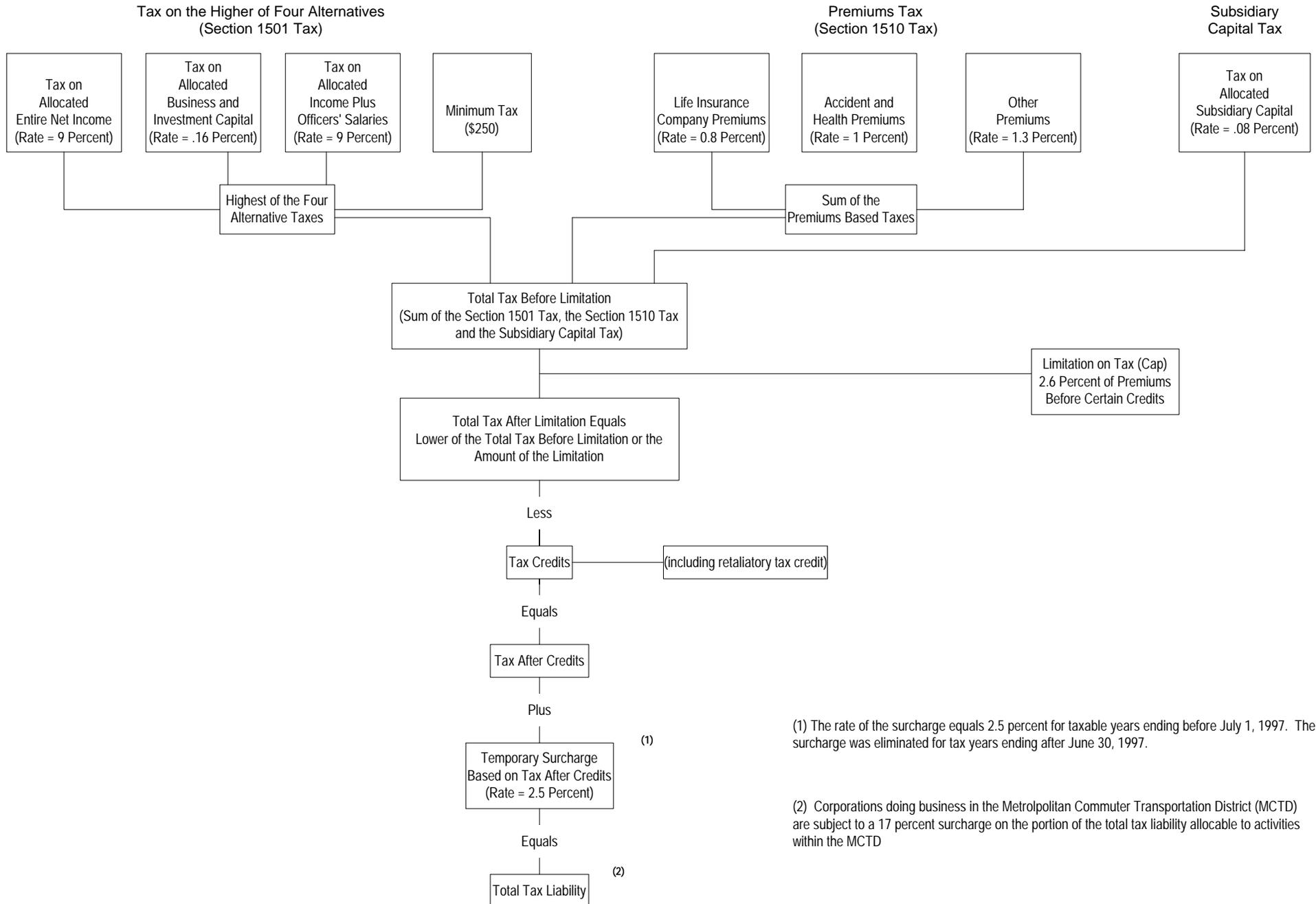


(1) The rate of the surcharge equals 2.5 percent for taxable years ending before July 1, 1997. The surcharge was eliminated for tax years ending after June 30, 1997.

(2) Corporations doing business in the Metropolitan Commuter Transportation District (MCTD) are subject to a 17 percent surcharge on the portion of total tax liability allocable to activities within the MCTD.

# Calculation of Corporation Franchise Tax on Insurance Companies

## Article 33 1996



(1) The rate of the surcharge equals 2.5 percent for taxable years ending before July 1, 1997. The surcharge was eliminated for tax years ending after June 30, 1997.

(2) Corporations doing business in the Metropolitan Commuter Transportation District (MCTD) are subject to a 17 percent surcharge on the portion of the total tax liability allocable to activities within the MCTD

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# Appendix D: Historical Tables Accompanying This Report

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This appendix contains four sections of selected historical tables and charts which were presented in this report previously. The historical tables are presented for tax years 1992-1996 for Articles 9-A, 9, 32 and 33. Section 1 refers to Article 9-A data, Section 2 displays Article 9 data, Section 3 depicts Article 32 data and Section 4 contains Article 33 data.

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Section 1: Article 9-A

**Table D1: Distribution of C Corporation Taxpayers by Industry - 1992-1996**

| Industry                                       | Number of Taxpayers |                |                |                |                |
|--|---------------------|----------------|----------------|----------------|----------------|
|  | 1992                | 1993           | 1994           | 1995           | 1996           |
| Agriculture                                    | 1,414               | 1,552          | 1,538          | 1,085          | 1,662          |
| Mining   | 583                 | 580            | 580            | 500            | 591            |
| Contract Construction                          | 16,018              | 15,289         | 15,565         | 15,570         | 16,897         |
| Manufacturing                                  | 21,217              | 20,815         | 20,968         | 19,950         | 22,055         |
| Transportation/Communications/Public Utilities | 6,533               | 6,528          | 6,720          | 6,729          | 7,811          |
| Wholesale Trade (Durable)                      | 12,902              | 12,702         | 12,973         | 13,232         | 14,038         |
| Wholesale Trade (Nondurable)                   | 11,322              | 11,320         | 11,609         | 11,989         | 12,729         |
| Retail Trade                                   | 34,755              | 33,852         | 33,685         | 32,887         | 36,027         |
| Finance Insurance and Real Estate              | 44,421              | 45,125         | 46,927         | 47,120         | 51,640         |
| Services                                       | 62,642              | 62,668         | 65,222         | 64,927         | 74,247         |
| Not Classified                                 | 38,509              | 37,896         | 34,717         | 43,459         | 21,588         |
| <b>Total</b>                                   | <b>250,316</b>      | <b>248,327</b> | <b>250,504</b> | <b>257,448</b> | <b>259,285</b> |

**Table D2: Distribution of C Corporation Liability by Industry - 1992-1996**

| Industry                             | Tax Liability          |                        |                        |                        |                        | Share of Total Tax Liability (%) |               |
|--------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|----------------------------------|---------------|
|                                      | 1992                   | 1993                   | 1994                   | 1995                   | 1996                   | 1995                             | 1996          |
| Agriculture                          | \$1,749,991            | \$2,305,072            | \$2,134,391            | \$1,607,530            | \$2,139,026            | 0.1%                             | 0.1%          |
| Mining                               | 5,685,712              | 4,895,074              | 5,968,131              | 4,981,569              | 4,678,486              | 0.4%                             | 0.3%          |
| Contract Construction                | 33,020,149             | 32,946,690             | 34,881,625             | 29,541,701             | 30,063,202             | 2.1%                             | 2.0%          |
| Manufacturing                        | 419,082,109            | 461,835,459            | 462,302,400            | 379,766,446            | 401,434,766            | 27.4%                            | 26.3%         |
| Transportation/Communications/Public | 56,657,760             | 71,196,853             | 76,209,893             | 69,045,054             | 49,532,454             | 5.0%                             | 3.2%          |
| Wholesale Trade (Durable)            | 59,684,852             | 71,268,029             | 79,409,061             | 78,120,991             | 76,790,191             | 5.6%                             | 5.0%          |
| Wholesale Trade (Nondurable)         | 56,642,961             | 68,564,064             | 68,031,944             | 62,029,735             | 59,303,114             | 4.5%                             | 3.9%          |
| Retail Trade                         | 117,959,312            | 111,703,009            | 128,985,296            | 101,749,361            | 105,011,161            | 7.3%                             | 6.9%          |
| Finance Insurance and Real Estate    | 398,591,761            | 529,524,620            | 383,941,105            | 419,526,975            | 541,696,991            | 30.3%                            | 35.5%         |
| Services                             | 156,985,356            | 226,600,270            | 233,626,053            | 213,924,379            | 248,381,578            | 15.4%                            | 16.3%         |
| Not Classified                       | 41,635,116             | 26,471,763             | 24,659,542             | 25,222,331             | 8,097,884              | 1.8%                             | 0.5%          |
| <b>Total</b>                         | <b>\$1,347,695,079</b> | <b>\$1,607,310,903</b> | <b>\$1,500,149,441</b> | <b>\$1,385,516,072</b> | <b>\$1,527,128,853</b> | <b>100.0%</b>                    | <b>100.0%</b> |

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Section 2: Article 9

**Table D3: Number of Section 183 Taxpayers**

|                            | 1992         | 1993         | 1994         | 1995         | 1996         |
|----------------------------|--------------|--------------|--------------|--------------|--------------|
| Pipeline (Transport)       | 30           | 38           | 43           | 40           | 28           |
| Telephone & Telegraph      | 177          | 221          | 239          | 279          | 252          |
| Trucking                   | 3,266        | 4,073        | 4,544        | 4,709        | 4,409        |
| Railroad                   | 39           | 44           | 44           | 46           | 44           |
| Water Transportation       | 138          | 157          | 160          | 148          | 127          |
| Miscellaneous/Unidentified | 416          | 617          | 1,046        | 865          | 957          |
| <b>Total</b>               | <b>4,066</b> | <b>5,150</b> | <b>6,076</b> | <b>6,087</b> | <b>5,817</b> |

**Table D4: Total Tax Liability of Section 183 Taxpayers**

|                            | 1992                | 1993                | 1994                | 1995                | 1996                |
|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Pipeline (Transport)       | \$726,390           | \$808,863           | \$973,425           | \$1,377,380         | \$354,990           |
| Telephone & Telegraph      | 34,707,233          | 38,258,649          | 40,766,159          | 33,259,965          | 25,927,989          |
| Trucking                   | 1,561,666           | 1,586,302           | 1,718,408           | 1,509,256           | 1,506,748           |
| Railroad                   | 1,256,797           | 899,623             | 1,076,955           | 860,995             | 773,046             |
| Water Transportation       | 326,566             | 274,335             | 448,567             | 467,686             | 408,147             |
| Miscellaneous/Unidentified | 78,739              | 87,103              | 115,885             | 128,862             | 596,789             |
| <b>Total</b>               | <b>\$38,657,391</b> | <b>\$41,914,875</b> | <b>\$45,099,399</b> | <b>\$37,604,144</b> | <b>\$29,567,709</b> |

**Table D5: Number of Section 184 Taxpayers**

|                            | 1992         | 1993         | 1994         | 1995         | 1996         |
|----------------------------|--------------|--------------|--------------|--------------|--------------|
| Pipeline (Transport)       | 31           | 36           | 44           | 40           | 28           |
| Telephone & Telegraph      | 174          | 222          | 240          | 192          | 167          |
| Trucking                   | 3,251        | 4,103        | 4,603        | 4,788        | 4,400        |
| Railroad                   | 38           | 46           | 45           | 46           | 43           |
| Water Transportation       | 141          | 157          | 159          | 146          | 128          |
| Miscellaneous/Unidentified | 424          | 625          | 1,030        | 849          | 943          |
| <b>Total</b>               | <b>4,059</b> | <b>5,189</b> | <b>6,121</b> | <b>6,061</b> | <b>5,709</b> |

**Table D6: Total Tax Liability of Section 184 Taxpayers**

|                            | 1992                 | 1993                 | 1994                 | 1995                 | 1996                 |
|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Pipeline (Transport)       | \$806,413            | \$1,495,146          | \$2,285,719          | \$2,722,576          | \$1,530,423          |
| Telephone & Telegraph      | 115,185,129          | 119,623,343          | 119,445,657          | 77,709,842           | 70,592,813           |
| Trucking                   | 23,322,719           | 27,398,868           | 28,257,042           | 27,176,463           | 26,245,139           |
| Railroad                   | 483,442              | 414,666              | 422,996              | 276,537              | 282,492              |
| Water Transportation       | 732,642              | 840,819              | 831,249              | 778,535              | 742,826              |
| Miscellaneous/Unidentified | 1,302,574            | 748,776              | 1,057,927            | 1,008,661            | 1,830,720            |
| <b>Total</b>               | <b>\$141,832,919</b> | <b>\$150,521,618</b> | <b>\$152,300,590</b> | <b>\$109,672,614</b> | <b>\$101,224,413</b> |

**Table D7: Number of Section 186 Taxpayers**

|                            | 1992       | 1993       | 1994       | 1995       | 1996       |
|----------------------------|------------|------------|------------|------------|------------|
| Electric & Gas             | 38         | 54         | 66         | 73         | 71         |
| Gas Only                   | 21         | 22         | 37         | 44         | 45         |
| Water                      | 101        | 112        | 116        | 113        | 98         |
| Miscellaneous/Unidentified | 33         | 31         | 41         | 63         | 64         |
| <b>Total</b>               | <b>193</b> | <b>219</b> | <b>260</b> | <b>293</b> | <b>278</b> |

**Table D8: Total Tax Liability of Section 186 Taxpayers**

|                            | 1992                 | 1993                 | 1994                 | 1995                 | 1996                 |
|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Electric & Gas             | \$170,208,958        | \$182,297,399        | \$187,526,744        | \$182,224,266        | \$172,330,599        |
| Gas Only                   | 23,171,069           | 20,629,584           | 19,585,384           | 6,988,051            | 7,245,363            |
| Water                      | 978,888              | 1,909,785            | 1,938,798            | 1,339,736            | 1,239,444            |
| Miscellaneous/Unidentified | 1,938,319            | 5,569,765            | 2,020,790            | 14,347,774           | 3,255,042            |
| <b>Total</b>               | <b>\$196,297,234</b> | <b>\$210,406,533</b> | <b>\$211,071,716</b> | <b>\$204,899,827</b> | <b>\$184,070,448</b> |

**Table D9: Number of Section 186-a Taxpayers**

|                            | 1992         | 1993         | 1994         | 1995       | 1996       |
|----------------------------|--------------|--------------|--------------|------------|------------|
| Electric & Gas             | 157          | 231          | 248          | 237        | 59         |
| Gas Only                   | 19           | 23           | 34           | 42         | 39         |
| Water                      | 86           | 97           | 96           | 95         | 88         |
| Telephone & Telegraph      | 448          | 593          | 586          | 32         | 5          |
| Miscellaneous/Unidentified | 669          | 558          | 631          | 395        | 593        |
| <b>Total</b>               | <b>1,379</b> | <b>1,502</b> | <b>1,595</b> | <b>801</b> | <b>784</b> |

**Table D10: Total Tax Liability of Section 186-a Taxpayers**

|                            | 1992                   | 1993                   | 1994                   | 1995                 | 1996                 |
|----------------------------|------------------------|------------------------|------------------------|----------------------|----------------------|
| Electric & Gas             | \$589,089,228          | \$629,757,890          | \$639,623,259          | \$615,486,380        | \$543,643,508        |
| Gas Only                   | 66,903,390             | 70,731,715             | 75,991,639             | 64,590,870           | 73,324,243           |
| Water                      | 4,785,819              | 7,475,654              | 7,315,190              | 7,148,978            | 5,252,080            |
| Telephone & Telegraph      | 421,418,818            | 463,824,636            | 467,384,117            | 289,822              | 145,636              |
| Miscellaneous/Unidentified | 59,894,775             | 6,825,913              | 6,518,301              | 7,181,326            | 9,593,704            |
| <b>Total</b>               | <b>\$1,142,092,030</b> | <b>\$1,178,615,808</b> | <b>\$1,196,832,506</b> | <b>\$694,697,376</b> | <b>\$631,959,171</b> |

**Table D11: Number of Section 186-e Taxpayers**

|              | 1992     | 1993     | 1994     | 1995       | 1996       |
|--------------|----------|----------|----------|------------|------------|
| Telephones   | 0        | 0        | 0        | 271        | 265        |
| Hotels       | 0        | 0        | 0        | 235        | 216        |
| Other        | 0        | 0        | 0        | 304        | 333        |
| <b>Total</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>810</b> | <b>814</b> |

**Table D12: Total Tax Liability of Section 186-e Taxpayers**

|              | 1992       | 1993       | 1994       | 1995                 | 1996                 |
|--------------|------------|------------|------------|----------------------|----------------------|
| Telephones   | \$0        | \$0        | \$0        | \$418,040,720        | \$355,203,025        |
| Hotels       | 0          | 0          | 0          | 1,230,321            | 1,098,038            |
| Other        | 0          | 0          | 0          | 69,848,585           | 75,541,100           |
| <b>Total</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$489,119,626</b> | <b>\$431,842,163</b> |

Note: Section 186-e became effective for the 1995 liability year.

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Section 3: Article 32

**Table D13: Number and Total Tax Liability of Article 32 Taxpayers 1992-1996**

| <b>Tax Year</b> | <b>Type of Bank</b>        | <b>Number of Taxpayers</b> | <b>Total Tax Liability</b> | <b>Percent of Bank Tax</b> |
|-----------------|----------------------------|----------------------------|----------------------------|----------------------------|
| 1992            | Clearinghouse & Commercial | 328                        | \$202,522,545              | 42.8                       |
|                 | Foreign                    | 365                        | 185,957,416                | 39.3                       |
|                 | Savings & Savings & Loans  | 121                        | 84,935,847                 | 17.9                       |
|                 | <b>All Banks</b>           | <b>814</b>                 | <b>\$473,415,808</b>       | <b>100.0</b>               |
| 1993            | Clearinghouse & Commercial | 343                        | \$366,512,724              | 62.0                       |
|                 | Foreign                    | 355                        | 155,341,567                | 26.3                       |
|                 | Savings & Savings & Loans  | 106                        | 69,599,527                 | 11.8                       |
|                 | <b>All Banks</b>           | <b>804</b>                 | <b>\$591,453,818</b>       | <b>100.0</b>               |
| 1994            | Clearinghouse & Commercial | 355                        | \$276,447,538              | 64.9                       |
|                 | Foreign                    | 350                        | 116,698,645                | 27.4                       |
|                 | Savings & Savings & Loans  | 98                         | 32,810,011                 | 7.7                        |
|                 | <b>All Banks</b>           | <b>803</b>                 | <b>\$425,956,194</b>       | <b>100.0</b>               |
| 1995            | Clearinghouse & Commercial | 392                        | \$405,069,421              | 65.6                       |
|                 | Foreign                    | 349                        | 177,608,033                | 28.8                       |
|                 | Savings & Savings & Loans  | 98                         | 34,481,555                 | 5.6                        |
|                 | <b>All Banks</b>           | <b>839</b>                 | <b>\$617,159,009</b>       | <b>100.0</b>               |
| 1996            | Clearinghouse & Commercial | 461                        | \$341,648,180              | 66.1                       |
|                 | Foreign                    | 305                        | 142,027,775                | 27.5                       |
|                 | Savings & Savings & Loans  | 99                         | 32,841,042                 | 6.4                        |
|                 | <b>All Banks</b>           | <b>865</b>                 | <b>\$516,516,997</b>       | <b>100.0</b>               |

**Table D14: Distribution of Article 32 Tax Liability by Basis of Tax 1992-1996**

| Tax Year | Type of Bank               | Income Base         |                      | Alternative Base    |                     | Minimum Tax         |                 |
|----------|----------------------------|---------------------|----------------------|---------------------|---------------------|---------------------|-----------------|
|          |                            | Number of Taxpayers | Liability            | Number of Taxpayers | Liability           | Number of Taxpayers | Liability       |
| 1992     | Clearinghouse & Commercial | 207                 | \$176,848,058        | 64                  | \$25,658,100        | 57                  | \$16,387        |
|          | Foreign                    | 124                 | 153,807,119          | 171                 | 32,130,172          | 70                  | 20,125          |
|          | Savings & Savings & Loans  | 95                  | 83,865,405           | 8                   | 1,065,267           | 18                  | 5,175           |
|          | <b>Total</b>               | <b>426</b>          | <b>\$414,520,582</b> | <b>243</b>          | <b>\$58,853,538</b> | <b>145</b>          | <b>\$41,687</b> |
| 1993     | Clearinghouse & Commercial | 223                 | \$348,482,549        | 68                  | \$18,015,251        | 52                  | \$14,925        |
|          | Foreign                    | 100                 | 113,102,399          | 188                 | 42,219,912          | 67                  | 19,256          |
|          | Savings & Savings & Loans  | 81                  | 69,076,184           | 4                   | 517,306             | 21                  | 6,037           |
|          | <b>Total</b>               | <b>404</b>          | <b>\$530,661,131</b> | <b>260</b>          | <b>\$60,752,469</b> | <b>140</b>          | <b>\$40,219</b> |
| 1994     | Clearinghouse & Commercial | 228                 | \$250,983,808        | 70                  | \$25,447,762        | 57                  | \$15,969        |
|          | Foreign                    | 89                  | 65,135,917           | 195                 | 51,544,203          | 66                  | 18,525          |
|          | Savings & Savings & Loans  | 76                  | 31,536,894           | 3                   | 1,267,774           | 19                  | 5,344           |
|          | <b>Total</b>               | <b>393</b>          | <b>\$347,656,618</b> | <b>268</b>          | <b>\$78,259,739</b> | <b>142</b>          | <b>\$39,837</b> |
| 1995     | Clearinghouse & Commercial | 244                 | \$387,976,504        | 76                  | \$17,073,642        | 72                  | \$19,275        |
|          | Foreign                    | 103                 | 137,818,444          | 183                 | 39,772,683          | 63                  | 16,906          |
|          | Savings & Savings & Loans  | 72                  | 34,131,698           | 3                   | 343,688             | 23                  | 6,169           |
|          | <b>All Banks</b>           | <b>419</b>          | <b>\$559,926,646</b> | <b>262</b>          | <b>\$57,190,013</b> | <b>158</b>          | <b>\$42,350</b> |
| 1996     | Clearinghouse & Commercial | 267                 | \$321,638,816        | 66                  | \$19,976,865        | 128                 | \$32,500        |
|          | Foreign                    | 94                  | 105,908,412          | 158                 | 36,105,812          | 53                  | 13,550          |
|          | Savings & Savings & Loans  | 68                  | 32,490,617           | 7                   | 344,537             | 24                  | 5,887           |
|          | <b>All Banks</b>           | <b>429</b>          | <b>\$460,037,845</b> | <b>231</b>          | <b>\$56,427,214</b> | <b>205</b>          | <b>\$51,937</b> |

**Table D15: Allocated Entire Net Income Under Article 32 1992-1996**

| Tax Year | Type of Bank               | Positive Allocated ENI |                      |                        | Negative Allocated ENI |                      |                        |
|----------|----------------------------|------------------------|----------------------|------------------------|------------------------|----------------------|------------------------|
|          |                            | Number of Taxpayers    | Total (\$ Thousands) | Average (\$ Thousands) | Number of Taxpayers    | Total (\$ Thousands) | Average (\$ Thousands) |
| 1992     | Clearinghouse & Commercial | 251                    | 1,869,436            | 7,448                  | 77                     | (802,407)            | (10,421)               |
|          | Foreign                    | 210                    | 1,565,079            | 7,453                  | 155                    | (1,032,724)          | (6,663)                |
|          | Savings & Savings & Loans  | 107                    | 867,499              | 8,107                  | 14                     | (453,872)            | (32,419)               |
|          | <b>Total</b>               | <b>568</b>             | <b>4,302,014</b>     | <b>7,574</b>           | <b>246</b>             | <b>(2,289,003)</b>   | <b>(9,305)</b>         |
| 1993     | Clearinghouse & Commercial | 280                    | 3,534,319            | 12,623                 | 63                     | (369,671)            | (5,868)                |
|          | Foreign                    | 183                    | 1,162,501            | 6,352                  | 172                    | (1,639,409)          | (9,531)                |
|          | Savings & Savings & Loans  | 93                     | 715,384              | 7,692                  | 13                     | (205,581)            | (15,814)               |
|          | <b>Total</b>               | <b>556</b>             | <b>5,412,204</b>     | <b>9,734</b>           | <b>248</b>             | <b>(2,214,661)</b>   | <b>(8,930)</b>         |
| 1994     | Clearinghouse & Commercial | 284                    | 2,828,244            | 9,959                  | 71                     | (607,291)            | (8,553)                |
|          | Foreign                    | 174                    | 699,805              | 4,022                  | 176                    | (1,866,435)          | (10,605)               |
|          | Savings & Savings & Loans  | 87                     | 356,454              | 4,097                  | 11                     | (419,056)            | (38,096)               |
|          | <b>Total</b>               | <b>545</b>             | <b>3,884,503</b>     | <b>7,128</b>           | <b>258</b>             | <b>(2,892,782)</b>   | <b>(11,212)</b>        |
| 1995     | Clearinghouse & Commercial | 302                    | 4,228,870            | 14,003                 | 90                     | (499,569)            | (5,551)                |
|          | Foreign                    | 186                    | 1,480,001            | 7,957                  | 163                    | (965,359)            | (5,922)                |
|          | Savings & Savings & Loans  | 84                     | 436,069              | 5,191                  | 14                     | (131,952)            | (9,425)                |
|          | <b>All Banks</b>           | <b>572</b>             | <b>6,144,940</b>     | <b>10,743</b>          | <b>267</b>             | <b>(1,596,880)</b>   | <b>(5,981)</b>         |
| 1996     | Clearinghouse & Commercial | 349                    | 3,704,239            | 10,614                 | 112                    | (696,015)            | (6,214)                |
|          | Foreign                    | 177                    | 1,236,111            | 6,984                  | 128                    | (972,109)            | (7,595)                |
|          | Savings & Savings & Loans  | 79                     | 384,708              | 4,870                  | 20                     | (69,535)             | (3,477)                |
|          | <b>All Banks</b>           | <b>605</b>             | <b>5,325,058</b>     | <b>8,802</b>           | <b>260</b>             | <b>(1,737,659)</b>   | <b>(6,683)</b>         |

**Table D16: Credits Used by Article 32 Taxpayers 1992-1996**

|      | Mortgage Recording Tax Credit |                       | Mortgage Servicing Credit |                       |
|------|-------------------------------|-----------------------|---------------------------|-----------------------|
|      | Number of Taxpayers           | Amount of Credit Used | Number of Taxpayers       | Amount of Credit Used |
| 1992 | 133                           | \$17,904,659          | 68                        | \$4,903,309           |
| 1993 | 124                           | 16,123,070            | 69                        | 4,797,158             |
| 1994 | 123                           | 15,562,973            | 67                        | 7,983,677             |
| 1995 | 122                           | 11,267,354            | 65                        | 8,569,945             |
| 1996 | 116                           | \$9,812,848           | 57                        | \$8,539,720           |

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Section 4: Article 33

**Table D17: Article 33 Tax Liability Before Limitation and Credits 1992-1996**

| <b>Tax Year</b> | <b>Insurance Category</b> | <b>Number of Taxpayers</b> | <b>Tax Liability Before Limitation &amp; Credits</b> | <b>Share of Total Insurance Tax</b> |
|-----------------|---------------------------|----------------------------|--|-------------------------------------|
| 1992            | Life                      | 154                        | \$275,041,141  | 41.6                                |
|                 | Property & Casualty       | 520                        | 351,367,389  | 53.1                                |
|                 | Others                    | 64                         | 33,691,523   | 5.1                                 |
|                 | Savings Bank              | 36                         | 1,676,784  | 0.3                                 |
|                 | <b>Total</b>              | <b>774</b>                 | <b>\$661,776,837</b>                                 | <b>100.0</b>                        |
| 1993            | Life                      | 150                        | \$269,497,443  | 38.9                                |
|                 | Property & Casualty       | 518                        | 384,407,430  | 55.4                                |
|                 | Others                    | 59                         | 38,057,798   | 5.5                                 |
|                 | Savings Bank              | 31                         | 1,313,798  | 0.2                                 |
|                 | <b>Total</b>              | <b>758</b>                 | <b>\$693,276,469</b>                                 | <b>100.0</b>                        |
| 1994            | Life                      | 144                        | \$211,065,858  | 33.7                                |
|                 | Property & Casualty       | 540                        | 382,139,312  | 61.0                                |
|                 | Others                    | 58                         | 32,277,328   | 5.1                                 |
|                 | Savings Bank              | 30                         | 1,327,092  | 0.2                                 |
|                 | <b>Total</b>              | <b>772</b>                 | <b>\$626,809,590</b>                                 | <b>100.0</b>                        |
| 1995            | Life                      | 149                        | \$297,337,557  | 36.7                                |
|                 | Property & Casualty       | 552                        | 463,615,055  | 57.2                                |
|                 | Others                    | 68                         | 47,902,088   | 5.9                                 |
|                 | Savings Bank              | 27                         | 1,113,899  | 0.1                                 |
|                 | <b>Total</b>              | <b>796</b>                 | <b>\$809,968,599</b>                                 | <b>100.0</b>                        |
| 1996            | Life                      | 149                        | \$322,195,103  | 37.5                                |
|                 | Property & Casualty       | 569                        | 478,569,370  | 55.7                                |
|                 | Others                    | 67                         | 56,666,187   | 6.6                                 |
|                 | Savings Bank              | 24                         | 1,649,190  | 0.2                                 |
|                 | <b>Total</b>              | <b>809</b>                 | <b>\$859,079,850</b>                                 | <b>100.0</b>                        |

**Table D18: Article 33 Tax Liability Before Limitation and Credits of Domestic and Foreign Insurers 1992-1996**

| Tax Year | Insurance Category  | Number of Domestic Companies | Liability of Domestic Companies | Share of Total Liability | Number of Foreign Companies | Liability of Foreign Companies | Share of Total Liability |
|----------|---------------------|------------------------------|---------------------------------|--------------------------|-----------------------------|--------------------------------|--------------------------|
| 1992     | Life                | 87                           | \$161,867,817                   | 24.5                     | 67                          | \$113,173,324                  | 17.1                     |
|          | Property & Casualty | 131                          | 75,214,633                      | 11.4                     | 389                         | 276,152,756                    | 41.7                     |
|          | Others              | 28                           | 19,517,740                      | 2.9                      | 36                          | 14,173,783                     | 2.1                      |
|          | Savings Bank        | 36                           | 1,676,784                       | 0.3                      | 0                           | 0                              | 0.0                      |
|          | <b>Total</b>        | <b>282</b>                   | <b>\$258,276,974</b>            | <b>39.0</b>              | <b>492</b>                  | <b>\$403,499,863</b>           | <b>61.0</b>              |
| 1993     | Life                | 86                           | \$158,841,208                   | 22.9                     | 64                          | \$110,656,235                  | 16.0                     |
|          | Property & Casualty | 127                          | 81,166,569                      | 11.7                     | 391                         | 303,240,861                    | 43.7                     |
|          | Others              | 26                           | 23,543,557                      | 3.4                      | 33                          | 14,514,241                     | 2.1                      |
|          | Savings Bank        | 31                           | 1,313,798                       | 0.2                      | 0                           | 0                              | 0.0                      |
|          | <b>Total</b>        | <b>270</b>                   | <b>\$264,865,132</b>            | <b>38.2</b>              | <b>488</b>                  | <b>\$428,411,337</b>           | <b>61.8</b>              |
| 1994     | Life                | 81                           | \$118,592,861                   | 18.9                     | 63                          | \$92,472,997                   | 14.8                     |
|          | Property & Casualty | 137                          | 92,543,236                      | 14.8                     | 403                         | 289,596,076                    | 46.2                     |
|          | Others              | 25                           | 21,170,346                      | 3.4                      | 33                          | 11,106,982                     | 1.8                      |
|          | Savings Bank        | 30                           | 1,327,092                       | 0.2                      | 0                           | 0                              | 0.0                      |
|          | <b>Total</b>        | <b>273</b>                   | <b>\$233,633,535</b>            | <b>37.3</b>              | <b>499</b>                  | <b>\$393,176,055</b>           | <b>62.7</b>              |
| 1995     | Life                | 85                           | \$151,673,178                   | 18.7                     | 64                          | \$145,664,379                  | 18.0                     |
|          | Property & Casualty | 151                          | 154,500,764                     | 19.1                     | 401                         | 309,114,291                    | 38.2                     |
|          | Others              | 29                           | 33,862,531                      | 4.2                      | 39                          | 14,039,557                     | 1.7                      |
|          | Savings Bank        | 27                           | 1,113,899                       | 0.1                      | 0                           | 0                              | 0.0                      |
|          | <b>Total</b>        | <b>292</b>                   | <b>\$341,150,372</b>            | <b>42.1</b>              | <b>504</b>                  | <b>\$468,818,227</b>           | <b>57.9</b>              |
| 1996     | Life                | 84                           | \$183,991,870                   | 21.4                     | 65                          | \$138,203,233                  | 16.1                     |
|          | Property & Casualty | 146                          | 142,617,638                     | 16.6                     | 423                         | 335,951,732                    | 39.1                     |
|          | Others              | 32                           | 38,369,314                      | 4.5                      | 35                          | 18,296,873                     | 2.1                      |
|          | Savings Bank        | 24                           | 1,649,190                       | 0.2                      | 0                           | 0                              | 0.0                      |
|          | <b>Total</b>        | <b>286</b>                   | <b>\$366,628,012</b>            | <b>42.7</b>              | <b>523</b>                  | <b>\$492,451,838</b>           | <b>57.3</b>              |

**Table D19: Article 33 Tax Liability by Base of Tax Before Limitation and Credits - 1992-1996**

| <b>Tax Year</b> | <b>Insurance Category</b> | <b>Amount of Premiums Based Tax</b> | <b>Percent of Tax From Premiums Base</b> | <b>Amount of Income Based Tax</b> | <b>Percent of Tax From Income Base</b> |
|-----------------|---------------------------|-------------------------------------|--|-----------------------------------|--|
| 1992            | Life                      | \$98,717,335                        | 35.9                                     | \$176,323,806                     | 64.1                                   |
|                 | Property & Casualty       | 210,053,187                         | 59.8                                     | 141,314,202                       | 40.2                                   |
|                 | Others                    | 12,942,382                          | 38.4                                     | 20,749,141                        | 61.6                                   |
|                 | Savings Bank              | 687,459                             | 41.0                                     | 989,325                           | 59.0                                   |
|                 | <b>Total</b>              | <b>\$322,400,363</b>                | <b>48.7</b>                              | <b>\$339,376,474</b>              | <b>51.3</b>                            |
| 1993            | Life                      | \$100,052,170                       | 37.1                                     | \$169,445,273                     | 62.9                                   |
|                 | Property & Casualty       | 214,575,614                         | 55.8                                     | 169,831,816                       | 44.2                                   |
|                 | Others                    | 14,316,649                          | 37.6                                     | 23,741,149                        | 62.4                                   |
|                 | Savings Bank              | 691,242                             | 52.6                                     | 622,556                           | 47.4                                   |
|                 | <b>Total</b>              | <b>\$329,635,675</b>                | <b>47.6</b>                              | <b>\$363,640,794</b>              | <b>52.5</b>                            |
| 1994            | Life                      | \$99,187,850                        | 47.0                                     | \$111,878,008                     | 53.0                                   |
|                 | Property & Casualty       | 234,952,746                         | 61.5                                     | 147,186,566                       | 38.5                                   |
|                 | Others                    | 13,426,895                          | 41.6                                     | 18,850,433                        | 58.4                                   |
|                 | Savings Bank              | 737,099                             | 55.5                                     | 589,993                           | 44.5                                   |
|                 | <b>Total</b>              | <b>\$348,304,590</b>                | <b>55.6</b>                              | <b>\$278,505,000</b>              | <b>44.4</b>                            |
| 1995            | Life                      | \$104,187,706                       | 35.0                                     | \$193,149,851                     | 65.0                                   |
|                 | Property & Casualty       | 236,338,309                         | 51.0                                     | 227,276,746                       | 49.0                                   |
|                 | Others                    | 16,475,535                          | 34.4                                     | 31,426,553                        | 65.6                                   |
|                 | Savings Bank              | 777,174                             | 69.8                                     | 336,725                           | 30.2                                   |
|                 | <b>Total</b>              | <b>\$357,778,724</b>                | <b>44.2</b>                              | <b>\$452,189,875</b>              | <b>55.8</b>                            |
| 1996            | Life                      | \$89,488,833                        | 27.8                                     | \$232,706,270                     | 72.2                                   |
|                 | Property & Casualty       | 249,133,850                         | 52.1                                     | 229,435,520                       | 47.9                                   |
|                 | Others                    | 0                                   | 0.0                                      | 56,666,187                        | 100.0                                  |
|                 | Savings Bank              | 719,801                             | 43.6                                     | 929,389                           | 56.4                                   |
|                 | <b>Total</b>              | <b>\$339,342,484</b>                | <b>39.5</b>                              | <b>\$519,737,366</b>              | <b>60.5</b>                            |

**Table D20: Article 33 Tax Liability After Limitation and Credits 1992-1996**

| Tax Year | Insurance Category  | Tax Limitation 1/   |                      | Total Tax Credits 2/   |                       | Limitation & Tax Credits | After Limitation & Tax Credits |
|----------|---------------------|---------------------|----------------------|------------------------|-----------------------|--------------------------|--------------------------------|
|          |                     | Number of Taxpayers | Amount of Limitation | Number of Taxpayers 3/ | Amount of Tax Credits |                          |                                |
| 1992     | Life                | 63                  | \$48,685,759         | 24                     | \$27,585,992          | \$76,271,751             | \$228,584,799                  |
|          | Property & Casualty | 187                 | 79,514,960           | 250                    | 32,235,070            | 111,750,030              | 275,559,963                    |
|          | Others 4/           | 34                  | 13,321,866           | 8                      | 2,282,892             | 15,604,758               | 22,728,081                     |
|          | <b>Total</b>        | <b>284</b>          | <b>\$141,522,585</b> | <b>282</b>             | <b>\$62,103,954</b>   | <b>\$203,626,539</b>     | <b>\$526,872,843</b>           |
| 1993     | Life                | 72                  | \$45,227,172         | 30                     | \$54,136,953          | \$99,364,125             | \$195,653,316                  |
|          | Property & Casualty | 205                 | 84,819,613           | 246                    | 38,160,387            | 122,980,000              | 300,641,545                    |
|          | Others 4/           | 21                  | 14,704,852           | 7                      | 3,133,531             | 17,838,383               | 24,763,195                     |
|          | <b>Total</b>        | <b>298</b>          | <b>\$144,751,637</b> | <b>283</b>             | <b>\$95,430,871</b>   | <b>\$240,182,508</b>     | <b>\$521,058,055</b>           |
| 1994     | Life                | 56                  | \$31,864,662         | 26                     | \$48,700,245          | \$80,564,907             | \$150,076,094                  |
|          | Property & Casualty | 194                 | 75,513,083           | 263                    | 40,971,466            | 116,484,549              | 305,502,977                    |
|          | Others 4/           | 27                  | 10,100,486           | 7                      | 1,236,764             | 11,337,250               | 25,607,246                     |
|          | <b>Total</b>        | <b>277</b>          | <b>\$117,478,231</b> | <b>296</b>             | <b>\$90,908,475</b>   | <b>\$208,386,706</b>     | <b>\$481,186,317</b>           |
| 1995     | Life                | 71                  | \$67,807,449         | 31                     | \$23,705,603          | \$91,513,052             | \$221,261,343                  |
|          | Property & Casualty | 221                 | 114,570,869          | 263                    | 39,970,569            | 154,541,438              | 332,254,138                    |
|          | Others 4/           | 36                  | 18,967,704           | 9                      | 2,607,155             | 21,574,859               | 29,499,212                     |
|          | <b>Total</b>        | <b>328</b>          | <b>\$201,346,022</b> | <b>303</b>             | <b>\$66,283,327</b>   | <b>\$267,629,349</b>     | <b>\$583,014,693</b>           |
| 1996     | Life                | 80                  | \$78,630,472         | 29                     | \$25,398,897          | \$104,029,369            | \$223,619,875                  |
|          | Property & Casualty | 225                 | 116,055,533          | 257                    | 40,101,584            | \$156,157,117            | 330,472,559                    |
|          | Others 4/           | 36                  | 24,298,700           | 0                      | 0                     | \$24,298,700             | 32,848,263                     |
|          | <b>Total</b>        | <b>341</b>          | <b>\$218,984,705</b> | <b>286</b>             | <b>\$65,500,481</b>   | <b>\$284,485,186</b>     | <b>\$586,940,697</b>           |

1/ The amount displayed in the "Tax Limitation" column equals the amount of a taxpayer's total tax liability minus the limitation on the taxpayer's total tax liability (which equals 2.6 percent of the taxpayer's gross premiums).

2/ Total credits includes the retaliatory tax credit, job incentive credit, EDZ wage and capital credits, fire premiums credit and the mortgage recording tax credit. The number of life and property and casualty insurers using the retaliatory credit and the amount used equaled:

**Retaliatory Tax Credit: Number of Taxpayers and Amount of Credit Used - 1995 and 1996**

| Tax Year | Life Insurers       |                       | Property & Casualty |                       |
|----------|---------------------|-----------------------|---------------------|-----------------------|
|          | Number of Taxpayers | Amount of Credit Used | Number of Taxpayers | Amount of Credit Used |
| 1992     | 23                  | \$25.7m               | 45                  | \$8.4m                |
| 1993     | 29                  | \$52.5m               | 52                  | \$14.3m               |
| 1994     | 23                  | \$46.9m               | 56                  | \$15.2m               |
| 1995     | 29                  | \$21.8m               | 46                  | \$12.1m               |
| 1996     | 29                  | \$24.9m               | 44                  | \$11.1m               |

3/ The number of taxpayers displayed in the "Total Credits" column reflects the number of taxpayers taking individual credits. Because taxpayers may use multiple credits, the same taxpayer may be included in this column more than once. Although the Tax Law provides that EDZ credits apply before the limitation on tax, the number of EDZ credits claimed was not material between the 1990 and 1994 tax years. Therefore, the EDZ credits were included in the Total Credits column.

4/ In order to maintain confidentiality, savings banks were included in the "others" category.

